

TENDRING METHODIST CIRCUIT

REGISTERED CHARITY NUMBER: 1140466

BEDS, ESSEX AND HERTS DISTRICT

CIRCUIT NUMBER 34/7

FINANCIAL STATEMENTS AND TRUSTEES REPORT FOR THE YEAR ENDED 31/08/2023

Tendring Circuit Office
c/o Emmanuel Church
New Pier Street
Walton on the Naze
Essex
CO14 8EB

*Encouraging and enabling churches to speak the Good News of God's love;
to share in worship and to serve their communities in Tendring.*

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

This report has been prepared in accordance with the requirements of the SORP applicable to charities.

Aims and organisation

The Circuit's Mission is to work together as a Circuit to encourage and enable its members to speak the Good News of God's love; to share in worship; and to serve the communities in which they are set.

The charity objective is to act as a resource provider for the Methodist Church within the administrative district of Tendring.

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

In Tendring this manifests as:

- a) The provision of regular public acts of worship, which are resourced and organised through the Circuit, encouraging all in their faith and open to everyone.
- b) The teaching of Christianity through sermons, courses, and small groups.
- c) The resourcing of pastoral work including visiting the sick and bereaved.
- d) Being a presence in the community with some midweek services in churches and services in care homes.
- e) Taking religious assemblies in local schools.
- f) Promotion of Christianity through the staging of events and services.
- g) Provision of chaplaincy services as required.
- h) Provision of chaplaincy services to Alexandra House, Marine Parade, Dovercourt.
- i) Pastoral work including occasional offices and meeting people individually to offer pastoral support.
- j) The Circuit produces a preaching plan every 3 months to ensure regular acts of worship take place at each of the 13 Methodist churches, 3 Local Ecumenical Partnerships and the Methodist Home for the Aged in its geographical area.

Public Benefit:

We confirm that the trustees have had regard to the Charity Commission's guidance on public benefit.

Our policy is particularly to work with deprived communities in Clacton and Jaywick and to this end we employ a Deacon working full time in these communities.

We have aspirations to employ a part time youth worker.

We are contributing to the funding of a Community Worker in Dovercourt.

All our churches serve the communities around them in a variety of ways. Some for the youth and/or elderly; others amongst the homeless and vulnerable.

Structure, Governance and Management

The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976).

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team.

There is a Manse Sub-committee for the oversight of Circuit residential property.

There is a Sales Sub-committee for the oversight of the sale of Circuit property.

There is a Finance Sub-committee.

There is a Circuit Safeguarding Group.

There is a Circuit Invitation Committee.

Administrative Details of Charity

Full name of charity	Tendring Methodist Circuit
Registration Charity Number	1140466
Date of registration	28 February 2011
Main communication address:	Tendring Circuit Office Methodist Church, Forge Lane Great Bentley Essex CO7 8GD

The members of the Tendring Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders and representatives appointed by the local churches.

Full membership is on page 10 of this report.

Circuit Ministers and Officers during 2022/23:

Active Circuit Ministers	Rev Thomas Osborne (Superintendent) Rev Steven Sutton Deacon Angela Shereni Rev Trevor Hahn (URC minister Authorised to Serve in the Methodist Church as a Presbyter)	
Circuit Stewards	Mrs M Woods Mr A Merriday <i>Mrs Denise Raven (from February 2023)</i>	
Circuit Treasurer	<i>None (see review of year explanations)</i>	
Circuit Lay Staff	Circuit Manager	Mr Colin Tucker
	Circuit Administrator	<i>Mrs Jackie Cannon (from April 2023)</i>
	Circuit Finance Officer	<i>Mr Alistair Jenkins (from July 2023)</i>

Professional Service Providers

Independent Examiner:	Vincent Chandler FCA FCCA Moore Green Chartered Accountants, 22 Friars Green, Sudbury SUFFOLK CO10 2AA
Investment managers	Central Finance Board of the Methodist Church Trustees for Methodist Church purposes CCLA Investment Management Ltd One Angel Lane London EC4R 3AB
Current accounts:	Barclays Bank, Manningtree Branch Lloyds Bank, Blackheath, London Branch
Property Management:	None Currently
Solicitor:	Capsticks LLP, Toronto Square, Toronto Street, Leeds LS1 2HJ

Risk Management

Risks are identified by the Circuit Leadership Team and its sub committees, with professional advice taken as required.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a quarterly basis to detect trends as part of the risk management process.

The Circuit has adopted a Safeguarding Policy and ensured that individual churches produce their own policies and have safeguarding officers in place. The Circuit ensures that safeguarding training is provided by a Circuit Trainer.

Reserves Policy

The Reserves Policy for the Tendring Circuit is to hold a sum equivalent to at least 3 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of the closure of a large church or an inability to raise the full Circuit Assessment from churches.

As part of our forward planning, expenditure forecasts are prepared looking 5 years ahead. It is necessary to hold sufficient working capital to enable the quarterly payment of stipends and business expenses for 3 Presbyters and a Deacon and 2 part time assistants and our contribution to the District.

Safeguarding

Every person has a value and dignity which comes directly from the creation of people in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things, this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people, and adults
- the safeguarding and protection of all children, young people, and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child, young person, or vulnerable adult may have been harmed; cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person, or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Tendring Methodist Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance, and safe practice in the circuit and in the churches.

The Tendring Methodist Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Review of the year

The year 2022/23 was an unexpectedly challenging year. Owing to the resignation from office by several volunteers, much of the year was spent with only the minimum number of Circuit Stewards and with no formal Treasurer. This meant that the focus of the Circuit Leadership was on ensuring the necessities occurred, without being able to commit resources to wider planning and processes. Thankfully, partnership with the neighbouring Colchester Circuit enabled us to obtain the services of an incredibly well-experienced financial adviser, Alistair Jenkins, as Circuit Finance Officer from the beginning of July 2023. The principle focus in his initial months has been to properly consolidate our accounts and ensure proper procedures are in place for overseeing and recording financial decisions and processes, work for which the Circuit is exceedingly grateful.

The challenges of the year also included the development of a new Ministry Team, as 1st September 2022 saw both a reduction in staffing (to 3.25 FTE ministers) and a change of two full-time ordained staff – including a Probationer Presbyterian in their initial appointment and so very much learning the role, and a Deacon picking up the work of Hope@Trinity and therefore spending much time simply getting to know the project. This has meant a year of getting to know one another, as well as the two new ministry appointments getting to know the context of Tendring and its churches.

In addition, the role of Circuit Administrator remained vacant until April 2023, when, following a second recruitment drive, Jackie Cannon, was appointed. While joining the team with significant administrative experience, she was not familiar with the workings of Methodism, and therefore she too has needed to spend time learning a new context alongside the work requirements.

All of the above means that the 2022-23 year was not the one that was originally planned for. However, there have been good news stories alongside the challenges. The annual statistics gathered in November 2022 indicated that the total membership across the Circuit was up, despite church closures in 2021-22, and several churches across the Circuit have made more members since then. Alongside this, numerous churches have returned to pre-Covid activities or started new activities to enable engagement with their local communities. Furthermore, the summer saw us dispose of a further property for more than had been originally anticipated, leaving us currently with only one empty chapel to sell.

Income trends

Despite running a deficit budget, the reserves were able to be increased owing to the sale of Gt Clacton chapel.

Unfortunately, no rental income was possible during the 2022/23 year, however it is anticipated that following investment into the Southcliff Park manse, this will begin generating rental income in the second half of the 2023/24 financial year.

The Circuit continues to be grateful for a grant of £30,000 per year over 5 years (beginning this year) from the BEH District Grants Committee to support the work of the Deacon.

Churches have continued to face financial challenges; however all Circuit Assessments have been met this year, and the Circuit Meeting has agreed to begin decreasing the budget deficit with an increase in the total Assessment amount in 2023/24.

Expenditure trends

Stipends continue to increase each financial year, in line with Conference-approved policies but this year the total stipend costs were offset by the reduction of one full-time appointment. The changes in staffing have also meant reductions in expenses, especially in relation to mileages as the new oversight arrangements mean far fewer miles for new team members than for those they replaced.

Following expenditure on the manses due to be occupied by new ministers in 2022, this year has seen expenditure predominantly on the Southcliff manse in order to make it ready to let and begin generating income. This has been significant work, given minimal maintenance was done during the previous occupancy. Some expenditure was also required on the Elmdale Manse, and it is anticipated that in the coming year it is this property that will require the most maintenance expenditure owing to the need to undertake some significant improvements.

Looking to the future, it is hoped that mission plans across the Circuit will see a growth in project funding as an area of expenditure, as the Circuit trustees look to spend the now significant reserves on activities that further the charitable objectives.

Fund balances

As at 31 August 2023 the total funds of the Circuit were £2,337,190, an increase of £38,678. This is the net of a gain on the sale of Great Clacton chapel of £122,874 and a deficit on other activity of £84,196. Net proceeds from the chapel sale has now been invested in TMCP funds in line with other similar funds (see note 18 to the accounts). Market conditions mean the overall return for the year shows as a loss (£5,491) but we anticipate this will reverse in future periods.

Plans for 2023/24

Planning for the 2022/23 year focuses on the following particular matters:

- the need of the Circuit to have a coherent mission-funding policy that enables the Circuit to appropriately support Local Churches who understand their local mission and the needs of their local community;

- the disposal of one further vacant building by public sale;
- the recruitment of new Circuit Officers – in particular a new Property Steward, a further Circuit Steward, and Circuit Safeguarding Officer plus support group;
- continuing liaison with the District and Connexion regarding possible wider funding for a pioneering role within the Circuit ministry team to explore creative ways of reaching new people in new places as well as those where we have recently withdrawn our visible presence through the closure of buildings and church societies;
- continuing to support the work of the URC Church-Related Community Worker at Dovercourt Central, including more direct Circuit input in his oversight committee;
- the implementation of appropriate financial processes and policies to ensure the Circuit finances are properly managed and understood.

Policy on Grant making

The Circuit Grant policy is under review and is likely to be significantly revised during the 2023/24 financial year. Currently the following guides grant-giving decisions by the Circuit Meeting.

The Circuit Model Trust Fund had a balance at the year-end of £851,926. This fund derives from sales of chapels and manses and is restricted by the Conference. This restriction is an internal regulation though the fund can be used for a variety of purposes. The Circuit Leadership Team has drawn up a set of ground rules within the Circuit Strategic Plan, which has been adopted by the Circuit Meeting, to ensure grants made from the Circuit Funds are used effectively for mission and capital works. The ground rules are set out below:

- 1) All applications to Circuit Meeting or Ministers for new or continuing ventures or finance must show viable mission.
- 2) Priority will be given to Grant applications for new work to develop the impact on the community, satisfying one or more of the following criteria in line with District Policy and adopted locally.
 - a) Work with children, young people, and those in the 25 to 40 age group (the group where we have the least representation in our membership and where committed people can make the biggest impact in the Church and upon their own families.)
 - b) New ways of being church
 - c) Mission initiatives
 - d) Ecumenical initiatives
 - e) Community based initiatives, especially in areas of new housing development
 - f) Rural work with a clear mission imperative:
- 3) Information that will be considered include the viability of the project, ministerial and local human resources required and financial implications
- 4) Criteria for future Circuit finance support will depend upon the state of the building, payment of the circuit assessment and whether adequate car parking is available locally. Grants will not be given for maintenance of buildings. (These criteria indicate to the Circuit meeting that the Circuit investment would be wise and produce positive results in the community)

In the Methodist Churches most of the ground work is done by volunteers advised by their professional staff. Without the work of volunteers, the service provided to the community by the Church would cease since the Circuit does not carry out work on the ground itself; its job is to supply staff, opportunities and encouragement to enable the Local Churches to carry out their mission of worshipping and serving the community around them.

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as trustees.

Safeguarding training is a priority within the Circuit and within the individual churches.

Statement of Trustees' responsibilities

The trustees are required to prepare financial statements each financial year which give a true and fair view of the Circuit's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the trustees have:

Selected suitable accounting policies and applied them consistently.

Made judgements and estimates that are reasonable and prudent.

Followed applicable accounting standards.

Prepared the financial statements on the going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enable them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the Circuit and hence for taking steps for the prevention and detection of fraud and other irregularities.

So far as each of the trustees is aware, there is no relevant information that has not been disclosed to the auditors and each of the trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the auditors have been made aware of that information.

Signed on behalf of the Circuit Leadership team on 28th March 2024 ~~2023~~



Reverend Thomas Osborne
Superintendent Minister



Mrs Maggie Woods
Circuit Steward

LIST OF TENDRING METHODIST CIRCUIT MEETING MEMBERSHIP / TRUSTEES

CIRCUIT OFFICERS and MINISTERS

MINISTERS

Rev T Osborne
Rev S Sutton
Rev T Hahn
Deacon Angela Shereni

SUPERNUMERARY MINISTERS

Rev J Allison
Rev D Lang
Rev G Martin
Rev R Parsons
Rev A Potter
Rev J Robinson

CIRCUIT STEWARDS

Mrs M Woods
Mr A Merriday

CHURCH REPRESENTATIVES

Mrs J Allison
Mr D Bavister
Mrs G Bavister
Ms D Bignell
B Britain
P Bushby
C Buxton
Ms J Chapman
M Cole
Ms K Collins
Miss J Crawford
Mr B Cuthbertson
Mr A Edwards (from Feb 23,
previously served to 31/8/22)
R Fisher

Ms P Humphries
Ms J Kilby
Mrs M Kimmitt
Mr R Lambelle
Mr L Lay-Flurrie
Mrs C Lacey
Miss A Lott
Ms E Marshall
Mrs H McLaughlin
Mr A Nunn
Mrs M Quartermain
Mrs D Raven
Mrs C Scott
Ms D Setterfield
Mr D Shearmur
Mrs M Stephens
Mrs J Taylor
Mr R Taylor
Mr M Tubby
Miss D West
Mrs M West
Mrs M Whittle
Mrs S Wright

Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Un-restricted)	Designated Funds (un-restricted)	Restricted Funds	Endowment Funds	Total 2022-23	Total 2021-22
		£	£	£	£	£	£	£
Income								
1 Donations and legacies	4	30,500					30,500	0
2 Income from monetary investments	5	2,682	21,594		2,086	855	27,217	6,615
3 Income from investment properties							0	5,262
4 Assessments on Churches	6	129,867					129,867	130,712
5 Capital Receipts	7	27,567			7,093		34,660	392,282
6 Grants received							0	20,000
7 Other charitable income							0	2,748
8 Total income		190,616	21,594	0	9,179	855	222,244	557,619
Expenditure								
9 Grants and donations	8	8,114	4,000			599	12,713	5,500
10 Salaries and associated costs	9	150,299					150,299	166,195
11 Property maintenance	10	33,538					33,538	53,507
12 Connexional assessment & monitoring	11	36,876	0				36,876	108,913
13 District Assessment & Levy	11		49,803				49,803	85,108
14 Depreciation	14	2,819					2,819	0
15 Office expenses	12	10,325					10,325	8,671
16 Other outgoings	13	2,052	2,225		211	87	4,576	50,155
17 Total charitable expenditure		244,024	56,028	0	211	686	300,949	478,048
18 Gains/(losses) on monetary investments		0	-4,223		-743	-525	-5,491	-8,698
19 Gains/(losses) on investment properties			122,874				122,874	-11,421
20 Net income/(expenditure)		-53,408	84,217	0	8,225	-356	38,678	59,451
21 Transfers between funds	20	13,605	-13,000		-436	-169	0	0
22 Other gains/(losses)								
23 Net movement in funds		-39,803	71,217	0	7,789	-525	38,678	59,451
24 Total funds brought forward		1,420,696	780,709	0	66,731	30,376	2,298,512	2,239,061
25 Total funds carried forward		1,380,893	851,926	0	74,520	29,851	2,337,190	2,298,512

Balance Sheet as at 31 August 2023

Notes	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2023	Totals 2022
	£	£	£	£	£	£	£

Fixed Assets

Circuit Manses & Equipment	14	1,310,367				1,310,367	1,313,186
Investment properties						0	0
Investments						0	0
Total fixed assets		1,310,367	-	-	-	1,310,367	1,313,186

Current Assets

Debtors & Prepayments	15	10,532				10,532	11,086
Loans by the Circuit						0	0
Investments with TMCP	16	25,961	851,926	74,520	29,851	982,258	877,816
Central Finance Board Deposits	16	29,883				29,883	83,534
Cash at Bank and in hand	16	24,091				24,091	20,596
Total current assets		90,467	851,926	-	74,520	1,046,764	993,032

Current liabilities

Creditors (due in under 1 year)	17	19,940				19,940	7,706
Grants payable within 2023-4						0	0
Total current liabilities		19,940	0	0	0	19,940	7,706
Net current assets/liabilities		70,527	851,926	-	74,520	1,026,824	985,326

Total assets less current liabilities		1,380,894	851,926	-	74,520	29,851	2,337,191	2,298,512
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Long term liabilities (due after more than one year)								
Grants payable after 2022-23						-		
Loans to the Circuit						-		
Net assets		1,380,894	851,926	-	74,520	29,851	2,337,191	2,298,512

Funds of the Circuit

General Fund (Unrestricted)	18	1,380,894				1,380,894	1,420,696
Circuit Model Trust Fund (Unrestricted)	18		851,926			851,926	780,709
Designated Funds (Unrestricted)						-	0
Total Unrestricted Funds						2,232,819	2,201,405
Restricted Funds	18			74,520		74,520	66,731
Endowment Funds	18				29,851	29,851	30,376
Total Funds		1,380,894	851,926	0	74,520	29,851	2,298,512

Circuit Treasurer:



Approved:

28/3/24

NOTES TO THE ACCOUNTS**1. Basis of accounting**

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 — the Charities SORP (FRS102) issued in October 2019.

2. Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds and Endowment funds are those held for a narrower purpose, which is defined within the trust and details of each material fund are disclosed in note 18 to these accounts. Any funds may be represented by cash held and also investments (as explained at note 16).

3. Accounting policies**Basis**

These accounts have been prepared on the basis of historical cost, professionally suggested current market values of property in use and allowing for potential direct selling costs. The accruals basis has been followed to show a true and fair view of the Circuit's financial position and activities.

Income

Recognition Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the proceeds, the trustees are sure the monies will be received, and value can be measured with sufficient reliability. In accordance with the Charities SORP (FRS102) the value of time given by volunteers is not recognised.

Expenditure

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

VAT

Since the circuit is not registered for VAT, input VAT is charged as an expense with the related expense.

Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1000. All properties are freehold, and the estimated land component of all properties is indicated in note 14 to the accounts. No depreciation is provided on buildings since the Trustees consider the current residual fair value of the manse buildings and other properties to be not less than their current value. Any depreciation would not be material. The properties were valued by external inspection at September 2021. Depreciation of Fixtures and Fittings has been charged at a rate of 10% straight line.

Investments

Apart from a Cash Deposit Account with CFB, which is available at call, the Circuit has restricted investments in funds managed by TMCP, in accordance with Methodist principles and policy.

NOTES TO THE ACCOUNTS (continued)**Debtors and Prepayments**

The main prepayment included in the accounts is in respect of the payment made, in late August 2023, to the Methodist Church Centrally being the value of monthly Ministerial Stipend due to the Circuit Ministers on September 1 2023, and payable in advance by Circuits.

Creditors

Creditors relate to unpaid invoiced expenditure at August 31 2023 and provisions for amounts likely to become payable associated with year to August 31 2023 accounting period.

4. Donations

Donations during 2022/23 year comprise mainly a grant of £30,000 received from BEH District in support of ministerial expenses.

5. Income from monetary investments

This comprises funds deposited with Central Finance Board (CFB) and Trustees for Methodist Church Purposes (TMCP).

6. Assessments on churches

Each Circuit church is assessed for a yearly contribution towards meeting the costs of the Circuit's operations, including the payment of Ministerial costs and the Circuit's annual assessment in respect of the Beds, Essex & Herts Methodist District, and the Methodist Connexion. The amount assessed on each church is considered and agreed annually by the Finance and Resources Committee and confirmed at the summer Circuit Meeting.

7. Capital receipts and Profit on Property sale

During the year 2022/23, the Church property at Great Clacton was sold and the following accounting balances transferred into Tendring Circuit:

	£
- Bank accounts transfer into Circuit Cash	2,268
- Transfer of restricted funds (see note 18)	32,316

A profit on sale has been disclosed in the Statement of Financial Position and is arrived at as follows:

	£
Sales Proceeds	166,775
Costs of sale allowable	1,985
District Levy on sale	<u>41,916</u>
Gain on sale	122,874

8. Grants (expenditure)

The principal grants made during the year were:

- £4,000 to Dovercourt Mission worker (from Circuit Model Trust Fund)
- £5,000 Trinity church Mission grant for "Cup of Hope", a trial expansion of the Hope@Trinity, the day centre project at Trinity, Clacton
- £3,114 Frinton church Mission grant towards property development to enable outreach work to occur

NOTES TO THE ACCOUNTS (continued)**9. Salary and related costs**

In Connexional year 2022-23 the Circuit had 2 full time Presbyters and 1 Deacon (August 2022 — 3 Presbyters and 1 Deacon). The Circuit is required to pay "employer" contributions to the Methodist Ministers Pension Scheme in respect of all Presbyters. The pension scheme is controlled and administered by The Methodist Church centrally. A home telephone and broadband connection is provided solely for use on Circuit business and travel costs are reimbursed against expense claims.

The Ministers' Manse provided by the Circuit and the Circuit maintains and insures the properties. The value of Council Tax and Water Charges are shown below but these regarded by HMRC as being "Benefits in Kind".

	2023	2022
Stipend and salaries	133,083	126,340
Presbyter travel	7,092	13,277
Manse bills	<u>10,124</u>	<u>26,578</u>
TOTAL	150,299	166,195

Prior year travel includes £4,941 relocation expenses.

10. Property Maintenance

The maintenance costs of properties, shown as expenses incurred by the General Fund, relate to the costs of insurance for Circuit Manses, utilities costs on vacant manses whilst being or awaiting refurbishment. The cost of repair and maintenance for the Circuit Manses are met from a General Funds. These costs include Quinquennial inspection expenses.

11. Connexional and District Assessments

These Assessments are calculated to reflect the number of Church members and the staffing of the Colchester Circuit in proportion to the total numbers within the Beds, Essex & Herts Methodist District. 50% of the assessment is calculated using membership and 50% using staffing levels.

Each 1st September, the Beds, Essex & Herts District takes an annual levy on Circuit Model Trust funds held by TMCP for the purposes of the District Advance Fund.

12. Office Expenses

	2023	2022
General office	6,275	5,735
Insurance (premises)	<u>4,050</u>	<u>2,936</u>
TOTAL	10,325	8,671

13. Other outgoings

	2023	2022
Professional fees	1,400	1,800
Investment expenses	2,595	2,318
Other expenses	<u>580</u>	<u>46,037</u>
TOTAL	4,575	50,155

Investment expenses for prior year are estimated based on relative funds volume.

NOTES TO THE ACCOUNTS (continued)**14. Fixed Assets**

At 31 August 2023 the Tendring Circuit possessed:

- 4 Manses of which 1 is not currently used but is being prepared for letting and
- 1 church at Ardley which is awaiting sale

The church sold during the year (Great Clacton, see note 7) was no longer an asset as at 31 August 2022, and was sold before 31 August 2023.

The Trustee for Methodist Church Purposes (TMCP) is the legal owner and custodian trustee of all Methodist Trust property, Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for day- to- day management of trust property. TMCP ensure that, through providing advice and acting under their direction, the local Managing Trustees comply with Charity law and Methodist law and polity as determined by the Methodist Conference.

	Land	Manses	Fixtures and Fittings	TOTAL
Cost				
Brought forward	385,000	900,000	28,186	1,313,186
Carried forward	385,000	900,000	28,186	1,313,186
Depreciation	-	-	-	
Opening balance				
Charge for year	-	-	2,819	2,819
Closing balance			2,819	2,819
Net book value				
Opening balance	385,000	900,000	28,186	1,313,186
Closing balance	385,000	900,000	25,367	1,310,367

15. Debtors

	2023	2022
Stipend prepaid	10,222	10,643
Other receivables	310	443
TOTAL	10,532	11,086

16. Cash and Investments

Cash balances are held in bank accounts and a deposit account at Central Finance Board of Methodist church, as well as cash funds within Trustees for Methodist Purposes. Balances may be moved between the deposit and investments, in order to meet the ongoing requirements of the Circuit.

Investments are held by Circuit funds, as shown on the balance sheet. These investments are in unitised funds with Trustees for Methodist Purposes, in line with the investment principles of Methodism.

NOTES TO THE ACCOUNTS (continued)

17. Creditors (due within one year)

	2023	2022
Professional fees	1,400	1,800
Staff expenses	1,980	908
Property / other accruals	<u>16,560</u>	<u>4,998</u>
TOTAL	19,940	7,706

18. Analysis of Fund Balances

Reconciliation of Movement in Funds							
		As at 1/09/22	Income	Expenses	Investment Change	Transfers	As at 31/08/23
Unrestricted funds							
General funds (incl property)		1,420,696	190,616	-244,024	-	13,605	1,380,893
11088 CMTF		780,709	21,594	-56,028	118,651	-13,000	851,926
		2,201,405	212,210	-300,050	118,651	605	2,232,821
Restricted Funds							
12945 Sale of Land		14,322	387	-41	46	-346	14,368
12945A Sale of Land		3,370	99	-10	-142	-90	3,228
19526 Caretaker House		3,729	95	-10	81		3,895
13775 - Various Bequests		5,515	146	-16	116		5,762
1996 – M carrington Bequ		36,496	1,050	-104	-766		36,676
18986 E A Begg Bequest		3,298	88	-9	69		3,445
		66,731	1,866	-190	-596	-436	67,374
Endowment Funds							
13679 L Nunn		24,049	668	-668	-257		23,792
15041 Circuit fund		6,327	187	-18	-268	-169	6,059
		30,376	855	-686	-525	-169	29,851
Funds transferred from Great Clacton:							
	Aug-2023 Transfer:						
Restricted:							
887 Anon gift		7,093	220	-20	-147		7,146
Unrestricted:							
21999 Audrey harris		22,575	725	-64	-		23,235
14559 Various Bequests		2,648	85	-8	-		2,726
		32,316	1,030	-92	-147	0	33,107

An analysis of balance sheet lines allocated to fund type is provided on the face of balance sheet.

NOTES TO THE ACCOUNTS (continued)**Unrestricted****General Funds**

This is used at the discretionary use of the Trustees in the furtherance of the general objectives of the Circuit and where funds have not been designated for other purposes. The vast majority of the total General Fund is held as freehold properties, being manses for Ministers and churches under the control of the Circuit with the remainder in cash accounts.

Unrestricted Circuit Model Trust fund

Trust 11088 Tendring Circuit Model Trust Fund. This trust is Model Trust Capital as defined in standing order 915 (2) (i) made up of proceeds of sale from model trust properties. This trust is subject to standing order 955 which mean that it has to pay an annual contribution to the District Advance Fund.

Funds received during the year, from Great Clacton church, are as follows:

Unrestricted Trust 21999 'Audrey Harris' and Trust 14559 'Various Bequests'

These are 'B' type Trusts, which means there are no restrictions attached to either Trust.

Restricted Funds:**12945 Sale of Land and 12945A Sale of Land**

Two trusts being a division of one sum of money which arose from sale of the Lawford site in 1981. At the time some of the proceeds went into the Circuit Model Trust Fund No 11088 but the rest was treated as the sale of an investment property with interest being available to the Circuit.

The funds in this trust can be used towards a project or other approved expenditure.

19526 Caretaker House

Trust 19526 is an 'M' type Trust, meaning it was created to deposit the proceeds from the sale of a Caretaker's house at Great Oakley Methodist Church in 2001. TMCP inform us this is unrestricted.

13775 - Various Bequests

This trust is made up of a number of bequests over the years since 1984. There are Model Trust Capital, and the funds can be used towards approved expenditures or property projects of Old Colwyn Methodist Church.

1996 – M Carrington Bequest

This trust was established in 1940, the Will Document was damaged when our office was fire-bombed in the Second World war. What we can see from the paper work which survives, is that the bequest of about £200 was left to the Circuit to be used for any Chapel building schemes of the Clacton-on-Sea Circuit.

18986 E A Begg Bequest

This trust was established by the will of Edgar Archibald Begg, in the sum of £ 17,726.38 in December 1999. The Will states, "To the trustees of the Zion Methodist Chapel absolutely for the general purposes of the chapel". As the Zion Methodist Church was closed the Circuit decided that the bequest should go to the Circuit. This is Model Trust Capital, and the funds can be used towards approved expenditures or property purposes.

NOTES TO THE ACCOUNTS (continued)

Funds received during the year, from Great Clacton church, are as follows:

Restricted Trust 887 'Anonymous gift'

This is a 'C' type Trust, meaning it is restricted and where the capital is available for 'evangelistic work at Great Clacton, or throughout the circuit at the discretion of the Managing Trustees'.

Endowment Funds

Endowment Fund - 15041 circuit fund

Trust 15041 Circuit Account – in 1976 a sum of £ 1,500 was raised or subscribed or given (the correspondence does not indicate the precise source) with the intention that it would form a "permanent Endowment" to provide an annual income to help meet the running expenses of the circuit. Nonetheless the circuit treasurer Mr Earnest Bailey at that time suggested that if it was absolutely necessary the capital could be realised for the support of the circuit.

Endowment Fund - 13679 L Nunn

Trust 13679 Lilian Nunn Bequest – This bequest is a permanent endowment given in 1984 stating: "the annual income arising from the same shall be paid from time to time to the Superintendent Minister of the Circuit in the Connexion in which the Methodist Chapels at St. Osyth Jaywick Torrington Great Bentley and Rush Green... shall be situated...in order that the same may be divided by him in such proportions as he shall think fit between the Treasurers of the said Chapels or any of them to be applied by such Treasurer in augmentation of the ordinary income thereof"

19. Analysis of net assets by fund

	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2023
	£	£	£	£	£	£
Fixed Assets	1,310,367					1,310,367
Investments	25,961	851,926		74,520	29,851	982,258
Current assets	64,506					64,506
Current liabilities	(19,940)					(19,940)
Total	1,400,835	851,926	-	74,520	29,851	2,357,132
						Totals 2022
Fixed Assets	1,313,186					1,313,186
Investments	-	780,709		66,731	30,376	877,816
Current assets	115,216					115,216
Current liabilities	(7,706)					(7,706)
Total	1,420,696	780,709	-	66,731	30,376	2,298,512

20. Related Parties

No trustees made donations to the Circuit during the year. All of the Trustees are members of a church in the Circuit, and some will also be on Church Councils of Circuit churches.

Related parties include the Methodist Conference, the Bedfordshire Essex & Hertfordshire Methodist District, other circuit churches. No remuneration was paid to any Trustee during the financial period.

Reimbursement of expenses to Circuit Trustees amounted to £6,581 during the period (2022 £15,537 – included removal expenses).

21. Transfers between funds

Two types of transfer between funds existed during this year and the prior year:

- a) Transfers of restricted income into general reserves for circuit use, as permitted by the funds. To August 2023, £436 and £169 was transferred out of restricted to unrestricted funds.
- b) Transfers of money from unrestricted funds (e.g. CMTF) into general funds to support the work of the circuit. To August 2023, £13,000 was transferred out of CMTF into unrestricted funds.

22. Financial commitments

The Circuit is committed to giving £5,000 annually for the next 5 years in connection with the costs of Dovercourt Central in respect of the church having a community worker.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TENDRING METHODIST CIRCUIT

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination
- the trustees' annual report is not consistent with the accounts

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner



Name of independent examiner: Vincent P Chandler

Relevant professional qualification of independent examiner: FCA, FCCA

Name of firm: Moore Green, Chartered Accountants

Address: 22 Friars Street, Sudbury, Suffolk, CO10 2AA

Date: ...16.04.2024.....