



WEALD OF KENT METHODIST CIRCUIT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

Registered Charity number 1155413

WEALD OF KENT METHODIST CIRCUIT

CONTENTS

Legal and administrative information	3
Independent Auditors Report	12
Statement of financial activities	18
Balance Sheet	19
Notes to the financial statements	20
Appendix A	29

WEALD OF KENT METHODIST CIRCUIT

Legal and administrative information

Registered Charity number 1155413

South-East District No 36 Circuit No 18

Principal Office Address – Otford Methodist Church, High Street, Otford, Kent, TN14 5PH

Trustees

Ministers Rev Jane Braund
 Rev Dermot Thornberry
 Rev Kirsty McGhee

Circuit Stewards Dr Helen Richardson (retired 13th September 2023)
 Mr Rodney Stone (retired 23rd October 2023)
 Mr Ian Beavis
 Dr Nick Rowell (retired 18th September 2024)
 Mrs. Gillian Clayton (appointed 13th September 2023)
 Mrs. Kathy Walsh (appointed 13th September 2023)

Circuit Treasurer Mr Christopher Towers

Other Trustees

Name	Role	Date of Appointment
Rev Jane Elizabeth Braund	Chair	01 September 2024
Carol Ann Oakley	Trustee	01 September 2019
Alison Jane Farr	Trustee	01 September 2017
Sue Wilkins	Trustee	21 September 2016
John Archer	Trustee	21 September 2016
Hugh Edward Taylor	Trustee	23 September 2015
Mr Phil Smith	Trustee	23 September 2015
Sally Elizabeth Anne Dagnall	Trustee	17 September 2014
Julia Irene Bevis	Trustee	20 January 2014
Peter Allan Crouch FCCA	Trustee	10 January 2014
Rev Bryan Thomas Knapp BA	Trustee	10 January 2014
Chris Towers	Trustee	10 January 2014
Carl Andrew Warren BA Hons	Trustee	10 January 2014
Reg Rummery	Trustee	10 January 2014
Valerie Gwendoline Manser	Trustee	10 January 2014
Rachel Mary Sheppard	Trustee	10 January 2014
Kenneth John Barnes	Trustee	10 January 2014
Rev Gerald Charles Gardiner BA	Trustee	10 January 2014
Roi James Arden	Trustee	10 January 2014
Rev John Mark Butt	Trustee	10 January 2014
Ann Suaznabar	Trustee	10 January 2014

WEALD OF KENT METHODIST CIRCUIT

Rev John Stuart Curnow MA, BA	Trustee	10 January 2014
Michael John Richardson	Trustee	10 January 2014
Pastor Henry George Edwards	Trustee	10 January 2014

Bankers:	HSBC Plc, 105 Mount Pleasant Road, Tunbridge Wells, TN1 1QP
Investment Bankers:	Central Finance Board, 9 Bonhill Street, London, EC2A 4PE Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester, M1 1JG
Auditors:	Nash Harvey Group LLP. The Granary, Hermitage Court, Maidstone, ME16 9NT
Solicitors:	Warners, 16 South Park, Sevenoaks, TN13 1AN

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024

The Trustees present their annual report and financial statements for the year ended 31 August 2024

Introduction

Included in the report are the aims of the Circuit and a commentary of the financial aspects of its work. The report has been prepared based on the activities and plans as they are known at the current time. The Circuit exists for the benefit of the six Methodist Churches, one joint Anglican/Methodist Church, and one joint URC/Methodist Church, employing the Circuit staff and providing financial support for major projects.

Circuit Mission Statement

Led by the Spirit to work together to enable our churches to share the Good News of Jesus. This we do through :

Leadership: to encourage, support and challenge each church to worship God, fulfil its own mission and spread God's word.

Communication: to facilitate effective and relevant communication between churches and encourage two-way communication with wider Methodism.

Maximising Resources: to ensure the most effective use of all resources across the Circuit and the development and use of our God-given gifts.

Review of the Year

Income Trends

Circuit income is primarily drawn from the assessment paid by the Circuit churches.

Expenditure Trends

Stipend expenditure has increased each financial year in line with Conference approved increases. 20% of general fund expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

Grants from the Model Trust Fund included two payments totalling £7,000 to support the Circuit churches.

Significant Transactions

The Circuit has made grants to one of the churches for the major refurbishment of its premises. During the year a further £350,000 was paid out of the grant of £500,000 which was fully provided in the previous year. The refurbishment is expected to be completed in April/May 2025.

The Circuit continues to incur costs relating to a redundant church property. Contracts for the sale of this property were exchanged on 4th July 2023 on the basis that completion will only take place when the purchaser has obtained planning permission. Formal notification of planning permission was received after the year end but the purchaser requested a renegotiation of the sale price given a change in the commercial market. At present these negotiations have been agreed but legal documentation is not yet finalised. In these circumstances the Trustees consider it would be misleading to anticipate any potential proceeds in these accounts.

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

Assuming there is a successful conclusion the Circuit can anticipate net proceeds of around £800,000 in the current year.

Fund balances

As of 31st August 2024 the net current assets on general fund of the Circuit were £128,525 giving approximately six months cover for general expenditure. There are substantial funds held in the Model Trust Fund which support the Circuit and individual churches' development plans.

Plans for 2024 – 2025

Circuit financial plans for the coming year have been prepared on the basis that there remains three ordained staff with the anticipated cost of living stipend increases combined with an increase in the assessment paid to the District and the Connexion.

The Circuit hopes to complete on the contract for the sale of the redundant church. Under the terms of the revised offer received completion will take place after the purchaser has resolved the funding required.

At the year end the Circuit Model Trust Fund stood at £162,910 (£225,865). These funds are held to support future work of the Circuit and to cover any additional costs that may need to be incurred on the new development mentioned above.

Basis of preparation and legal framework

The Charity's annual financial statement for the year ended 31st August 2024 have been prepared in accordance with the Charities Act 2011 and the Accounting and Reporting by Charities; Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard 102.

Full name of Charity	Weald of Kent Methodist Circuit
Registration Number	1155413
Date of Registration	21 January 2014
Main communication address:	Otford Methodist Church High Street Otford, Sevenoaks TN14 5PH

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

Full membership is shown as Appendix A to this report.

Full list of Trustees:

Name	Role	Date of Appointment
Rev Jane Elizabeth Braund	Chair	01 September 2024
Carol Ann Oakley	Trustee	01 September 2019
Alison Jane Farr	Trustee	01 September 2017
Sue Wilkins	Trustee	21 September 2016

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

John Archer	Trustee	21 September 2016
Hugh Edward Taylor	Trustee	23 September 2015
Mr Phil Smith	Trustee	23 September 2015
Sally Elizabeth Anne Dagnall	Trustee	17 September 2014
Julia Irene Bevis	Trustee	20 January 2014
Peter Allan Crouch FCCA	Trustee	10 January 2014
Rev Bryan Thomas Knapp BA	Trustee	10 January 2014
Chris Towers	Trustee	10 January 2014
Carl Andrew Warren BA Hons	Trustee	10 January 2014
Reg Rummery	Trustee	10 January 2014
Valerie Gwendoline Manser	Trustee	10 January 2014
Rachel Mary Sheppard	Trustee	10 January 2014
Kenneth John Barnes	Trustee	10 January 2014
Rev Gerald Charles Gardiner BA	Trustee	10 January 2014
Roi James Arden	Trustee	10 January 2014
Rev John Mark Butt	Trustee	10 January 2014
Ann Suaznabar	Trustee	10 January 2014
Rev John Stuart Curnow MA, BA	Trustee	10 January 2014
Michael John Richardson	Trustee	10 January 2014
Pastor Henry George Edwards	Trustee	10 January 2014

Circuit Ministers and Officers

Active Circuit Ministers Rev Jane Braund (appointed 1st September 2024)
 Rev John Ritson (retired 31st August 2024)
 Rev Sharon Lovelock (retired 31st July 2023)
 Rev Dermot Thornberry
 Rev Kirsty McGhee

Circuit Lay Workers Mr Philip Staddon (retired 31st August 2024)
 Mr Richard Cannam

Circuit Stewards Dr Helen Richardson (retired 13th September 2023)
 Mr Rodney Stone (retired 23rd October 2023)
 Mr Ian Beavis
 Dr Nick Rowell (retired 18th September 2024)
 Gillian Clayton (appointed 13th September 2023)
 Kathy Walsh (appointed 13th September 2023)

Administrator Ms Nicola Martin

Mr Christopher Towers acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Custodian Trustees

Trustees for Methodist Church Purposes act as custodian trustees holding the Freehold Property and the Model Trust Funds of the Circuit.

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

Volunteers

The Circuit benefits from the time and experience of a number of the Trustees who perform tasks in a voluntary capacity. These tasks include maintaining the freehold properties, keeping the financial records, accepting preaching appointments at Circuit churches, and involvement with safeguarding matters. Where required the Circuit provides its volunteers with training to assist them in the performance of their tasks.

Aims and organisation

Charity objective is to act as a resource provider within the area around Sevenoaks, Tonbridge and Tunbridge Wells for the Methodist Church.

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

The organisation and resourcing of regular public acts of worship open to members of the church and non-members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions.

Public Benefit

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

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 along with the Local Preachers meeting and the Circuit Finance and Property Committee.

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

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.

Related Parties

The Circuit is part of the South East District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the Circuit:

- | | |
|-----------------|--|
| 1. East Peckham | 5. Paddock Wood (jointly with Church of England) |
| 2. Hawkhurst | 6. Sevenoaks |
| 3. Horsmonden | 7. Tonbridge |
| 4. Otford | 8. Tunbridge Wells (jointly with URC) |

Risk Management

The major risks have been identified and recorded by the Circuit Finance and Property committee with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

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

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's 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 Safe Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

- We will respond without delay to every complaint made which suggests that an adult, child or young person 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 Weald of Kent Methodist Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation and safe practice in the Circuit and in the churches.

The Weald of Kent Methodist Circuit commits itself to the provision of support, advice and training to 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.

Reserves Policy

The reserves policy for the Circuit is to hold a minimum sum equivalent to 15% of the general fund annual expenditure budget plus twice the annual budget for manse repairs. 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 any inability to raise the full Circuit Assessment from churches. The balance on General Fund at 31st August 2024 disregarding the value of land and buildings complies with the Circuit Reserves Policy.

Funds are retained in the Model Trust Funds to be available to meet grant and loan requests for expenditure from the Circuit and the churches in the Circuit falling within the categories approved by the Methodist Church.

Trustees' Responsibilities in Relation to the Financial Statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The charity's trustees are responsible for preparing financial statements for each financial year that gives a true and fair view of the charity's incoming resources and application of resources during the period and of its state of affairs at the end of the year. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with the constitution, a resolution to appoint Nash Harvey Group LLP as Auditors was approved by the Trustees.

Statement of Disclosure of Information to Auditors

There is no relevant audit information of which the charity's auditors are unaware; and the trustees have taken all steps to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

WEALD OF KENT METHODIST CIRCUIT
REPORT OF THE TRUSTEES FOR YEAR ENDING 31st AUGUST 2024 cont'd

Declarations:

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2024 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of Treasurer  23 June 2025

Name of Treasurer Christopher Towers

Address 40 Willow Park Otford Kent TN14 5NF

Presentation to the Circuit Meeting for approval.

I confirm that the annual report and accounts for the year ended 31 August 2024 were presented to the Circuit Meeting at its meeting on 13th March 2025 and were approved.

Signature of the Chair of the Meeting  23 June 2025

Name of the Chair of the Meeting Rev Jane Braund

WEALD OF KENT METHODIST CIRCUIT
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF WEALD OF KENT CIRCUIT

Opinion

We have audited the financial statements of Weald of Kent Methodist Circuit (the 'charity') for the year ended 31st August 2024 which comprise the statement of financial activities, the balance sheet, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees' with respect to going concern are described in the relevant sections of this report.

WEALD OF KENT METHODIST CIRCUIT
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF WEALD OF KENT CIRCUIT
cont'd

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records;
- or we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

WEALD OF KENT METHODIST CIRCUIT
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF WEALD OF KENT CIRCUIT
cont'd

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations,
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector,
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation,
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, and

WEALD OF KENT METHODIST CIRCUIT
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF WEALD OF KENT CIRCUIT
cont'd

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud, and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships,
- tested journal entries to identify unusual transactions,
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias, and
- investigated the rationale behind significant or unusual transactions.

Audit response to risks identified

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation,
- reading the minutes of meetings of those charged with governance,
- enquiring of management as to actual and potential litigation and claims, and
- reviewing correspondence with HMRC, relevant regulators, and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

WEALD OF KENT METHODIST CIRCUIT
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF WEALD OF KENT CIRCUIT
cont'd

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kate Francesca Sharp FCA (Senior Statutory Auditor)
For and on behalf of Nash Harvey Group LLP

23 June 2025

Chartered Accountants
Statutory Auditor

The Granary
Hermitage Court
Hermitage Lane
Maidstone
Kent
ME16 9NT

Nash Harvey Group LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies

WEALD OF KENT METHODIST CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES TO YEAR ENDING 31 AUGUST 2024

	Note	General Fund £	Model Trust Fund £	Total 2023/24 £	Total 2022/23 £
Charitable activities: Assessments		237,718		237,718	213,764
Investment income		4,679	28,648	33,327	27,672
Other income	5				108,942
Total Income		<u>242,397</u>	<u>28,648</u>	<u>271,045</u>	<u>350,378</u>
Charitable Activities:					
Stipends and salaries	9	140,154		140,154	124,738
District assessment		9,690		9,690	11,521
Methodist Church Fund		38,802		38,802	39,522
Telephone and travel		14,084		14,084	15,023
Insurance and utilities		20,426		20,426	19,866
Maintenance of manses		8,419		8,419	10,859
Expenditure on circuit property			23,846	23,846	60,700
Other expenditure		8,084	1,916	10,000	8,002
Grants and donations	16		2,000	2,000	123,086
Provision for outstanding grants	16				378,914
Contributions to Connexional Priority Fund	10		41,656	41,656	59,227
Other Expenditure					
Audit fee		1,300		1,300	1,100
Expenditure on Charitable Activities		<u>240,959</u>	<u>69,418</u>	<u>310,377</u>	<u>852,558</u>
Unrealised gains/losses on investment assets			-315	-315	149
Net Income/Expenditure		<u>240,959</u>	<u>69,103</u>	<u>310,062</u>	<u>852,707</u>
Transfers between funds		1,438	-40,455	-39,017	-502,329
Other recognised gains/losses		22,500	-22,500	-	-
Gains/losses on revaluation of fixed assets		642,075		642,075	182,405
Net movement in funds		<u>666,013</u>	<u>-62,955</u>	<u>603,058</u>	<u>-319,924</u>
Reconciliation of Funds					
Total funds brought forward		2,407,715	225,865	2,633,580	2,953,504
Total funds carried forward		<u>3,073,728</u>	<u>162,910</u>	<u>3,236,638</u>	<u>2,633,580</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

WEALD OF KENT METHODIST CIRCUIT
BALANCE SHEET AT 31 AUGUST 2024

	Note	General Fund £	Model Trust Fund £	Total 2024 £	Total 2023 £
Tangible Fixed Assets					
Land and buildings	11	2,945,203		2,945,203	2,303,128
Investments	12		4,170	4,170	3,855
Total Fixed Assets		<u>2,945,203</u>	<u>4,170</u>	<u>2,949,373</u>	<u>2,306,983</u>
Current Assets					
Debtors and prepayments	13	34,844		34,844	69,907
Trustees for Methodist Church Purposes deposits			210,516	210,516	668,227
Central Finance Board deposits		106,888		106,888	58,968
Cash at bank		35,205		35,205	21,038
Total Current Assets		<u>176,937</u>	<u>210,516</u>	<u>387,453</u>	<u>818,140</u>
Creditors, Accruals and Provisions					
Due under 1 year	14	-48,412	-17,862	-66,274	-102,629
Provision for outstanding grants	16		-33,914	-33,914	-388,914
Net Current Assets		<u>128,525</u>	<u>158,740</u>	<u>287,265</u>	<u>326,597</u>
Net Assets		<u>3,073,728</u>	<u>162,910</u>	<u>3,236,638</u>	<u>2,633,580</u>
Funds of the Circuit					
General Fund unrestricted		3,073,728		3,073,728	2,407,715
Model Trust Fund unrestricted			162,910	162,910	225,865
Total Funds		<u>3,073,728</u>	<u>162,910</u>	<u>3,236,638</u>	<u>2,633,580</u>

Registered Charity number 1155413

Approved by the trustees on 23rd June 2025 and signed on their behalf by:

Rev. Jane Braund (Chair)



1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2008.

Weald of Kent Methodist Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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. There are no Restricted funds. Details of each material fund are disclosed in note 14 to these accounts. Any funds may be represented by more than just cash.

3. Accounting Policies

Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year, on the accruals basis 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 resources, the trustees are reasonably certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Resources Expended

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.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

VAT

Since the Circuit is not VAT registered all input VAT is charged with the expenses to which it refers.

Tangible fixed assets for use by the Circuit

The freehold property is held at depreciated replacement cost, determined based on sums insured, except where a sale is anticipated in the near future, in which case realisable value is used. The land component is not recognised in these figures. No depreciation has been provided for in the year, as the trustees consider the residual fair value of the manse buildings is not less than its carrying value. Any depreciation charge would be immaterial. The property has been reviewed for impairment with no adjustments deemed necessary.

Investments

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year-end are shown in the SOFA.

Debtors and Prepayments

Debtors relate to the payment of the September stipend in August and other debtors and prepayments.

Creditors

Creditors on General Fund include receipts in advance relating to the 1st quarter assessments received in advance. Creditors on Model Trust Fund include grants approved but not yet paid.

Cash Flow Exemption

The financial statements do not include a cash flow statement because, as a small charity, it has taken exemption for cash flow in accordance with FRS 102, update bulletin one, in preparation of these financial statements.

Critical Accounting Estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimated are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Critical judgements

Impairment Review

Determine whether there are indicators of impairment of the charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset. Where indicators exist impairment reviews are carried out on the charity's tangible assets.

Key sources of estimation uncertainty

Tangible Fixed Assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and their residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as age and future economic benefits are taken into account.

Valuation of Freehold Property

As described in the accounting policies of the financial statements, freehold property is stated at fair value. The Trustees' have assessed this and based on reference to current insurance valuations consider them to be stated at fair value. However, the rise in interest rates and inflation have caused significant disruption and uncertainty in the UK property market which has inevitably increased the degree of judgement in the property valuations at the balance sheet date.

4. Investment Income

The income consists of interest of £28,534 from deposits with the Trustees for Methodist Church Purposes, £4,679 from deposits with the Central Finance Board of the Methodist Church and dividends of £114 from listed investments.

5. Other Income

The receipts on the Model Trust Fund for the previous year were as follows:

	2023 (£)
Non-refundable deposit	5,000
Return of Levy	103,942
	<u>108,942</u>

6 Net movement in funds

	2024 (£)	2023 (£)
The net movement in funds is stated after charging:		
Fees payable for the audit of the charity's financial statements	1,300	
Fees payable for the independent examination of the charity's financial statements		1,100
	<u>1,300</u>	<u>1,100</u>

7. Taxation

The charity is exempt from taxation on its activities because its income is applied for charitable purposes.

WEALD OF KENT METHODIST CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDING AUGUST 31st 2024 cont'd

8. Payments to Trustees

There were no payments for additional services to trustees for the current and previous year excluding the amounts reported under note 9 relating to stipends and salaries.

9. Stipends and Salaries

The total amounts paid relating to stipends amounted to £94,537 (£88,724).

Staff costs for the year were:

Expense	2024 (£)	2023 (£)
Gross salaries	40,942	31,855
Pension costs	1,666	1,630
Employers National Insurance	2,420	1,999
Apprentice Scheme Levy	589	530
Total	<u>45,617</u>	<u>36,014</u>

Average number of full time equivalent employees were 3 (2). There were no employees whose annual remuneration was more than £60,000.

10. Contributions to Connexional Priority Fund

As required by the Methodist Church contributions are made from property sales to the Connexional Priority Fund. An annual levy is also required and the total paid over during the year amounted to £41,656 (£59,227).

11. Land and Buildings

The total relates to the four manses held by the Circuit throughout the year.

	2024 (£)
Balance brought forward	2,303,128
Revaluation surplus	642,075
Balance carried forward	<u>£2,945,203</u>

The historical cost of the freehold properties included at the balance sheet date was £nil (2023 £nil) and the accumulated depreciation based on historical cost would be £nil (2023 £nil). When the circuit was established by a merger of circuits the then properties were passed over at no cost. During the

WEALD OF KENT METHODIST CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDING AUGUST 31st 2024 cont'd

year there was a revaluation of freehold property based on sums insured. In the opinion of the Trustees, this represents fair value of the property at the year-end. The revaluation surplus is disclosed above.

12. Investments

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited monthly. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by Methodist Conference.

Analysis of investment movements

	2024 (£)
Market value brought forward	3,855
Profit on revaluation	315
Market value carried forward	<u>4,170</u>

All investments are listed on a registered Stock Exchange and generated income of £114 (£117) for the year.

13. Analysis of current assets

	2024 (£)	2023 (£)
Stipends in advance	8,627	7,823
Other debtors and prepayments	26,217	62,084
Total	<u>34,844</u>	<u>69,907</u>

The bank balance is held at HSBC Plc. Other debtors include the balance due from the Model Trust Fund of £17,862 (2023: £57,303).

WEALD OF KENT METHODIST CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDING AUGUST 31st 2024 cont'd

14. Current Liabilities

	2024 (£)	2023 (£)
Deferred income (15)	33,352	36,852
Other creditors and accruals	32,922	65,777
Total	<u>66,274</u>	<u>102,629</u>

Other creditors for the Model Trust Fund include the balance due to the General Fund of £17,862 (2023 £57,303).

There are no long-term liabilities.

15. Deferred Income

	2024 (£)	2023 (£)
Arising from deferred income	33,352	36,852

Deferred income is included in the financial statements as follows:

	2024 (£)	2023 (£)
Balance at 1 September 2023	36,852	31,114
 Deferred in year	 33,352	 36,852
Released in year	<u>-36,852</u>	<u>-31,114</u>
Balance at 31 August 2024	<u>33,352</u>	<u>36,852</u>

Deferred income arises from church assessments paid in advance of the year-end which relate to the next accounting period.

WEALD OF KENT METHODIST CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDING AUGUST 31st 2024 cont'd

16. Provision for Outstanding Grants

The amount of grants provided but unpaid at 31 August 2023 was £388,914. A total of £355,000 was paid during the year leaving a balance outstanding of £33,914 at 31 August 2024. It is anticipated that this balance will be paid within twelve months. An analysis of grants paid during the year is as follows:

	2024 (£)	2023 (£)
Refurbishment of a Circuit church building	350,000	116,086
Employment of Community Worker	<u>5,000</u>	<u>5,000</u>
	355,000	121,086
Expensed through SOFA:		
Supporting worship at Circuit Church	<u>2,000</u>	<u>2,000</u>
Total grants in year	<u>357,000</u>	<u>123,086</u>

17. Capital Commitments and Contingent Liabilities

At 31st August 2024 the Circuit has no capital commitments.

No contingent liabilities were identified at 31st August 2024

18. Detailed Analysis of Individual Fund Movements

Unrestricted Funds	General Fund	Model Trust Fund	Total (£)
Opening balance	2,407,715	225,865	2,633,580
Income	884,472	28,963	913,435
Expenditure	-240,959	-69,418	-310,377
Transfers	22,500	-22,500	-
Closing Balance	<u>£ 3,073,728</u>	<u>£ 162,910</u>	<u>£ 3,236,638</u>

The purpose of the general fund is the administration of the Circuit.

The purpose of the model trust fund is to make grants and loans to the Circuit churches and to improve the manses.

The transfer between the funds related to support from the Model Trust Fund for the ministry of the Circuit.

19. Analysis of Net Assets between Funds

Fund	Tangible Fixed Assets (£)	Net Current Assets (£)	Total (£)
General Fund	2,945,203	128,525	3,073,728
Model Trust Fund	4,170	158,740	162,910
Total	<u>2,949,373</u>	<u>287,265</u>	<u>3,236,638</u>

20. Sale of Redundant Church

On 4th July 2023 the Circuit entered into a contract for the sale of the site of a redundant church subject to planning permission being obtained. Subsequent to the year-end confirmation of planning permission was received from the purchaser. The purchaser requested a re-negotiation of the purchase price given a change in the commercial market and revised terms have been agreed subject to legal documentation. Completion at the revised price is expected to produce a net benefit to the Circuit estimated at £800,000 after the levy that is due to the Connexional Priority Fund. The trustees consider it prudent to await completion before anticipating receipt of these funds.

21. Related Party Transactions

The following schedule shows the related party transactions for the year and amounts outstanding at the year end. The Circuit churches and other Methodist organisations are considered related parties for the purpose of determining related party transactions.

Circuit churches	2024 (£)	2023(£)
Assessment income	237,718	213,764
Grants paid to the churches	357,000	123,086
Grant from Connexion	-	103,942
Assessments paid in advance	33,352	36,852
Methodist church organisations		
District assessment	9,690	11,521
Methodist Church Fund contribution	38,802	39,522
Connexional Priority Fund contribution	41,656	59,227
Deposit – Trustees for Methodist Church	210,516	668,227
Deposit Central Finance Board	106,888	58,968

22. Post Balance Sheet Events

There are no post balance sheet events to report.

WEALD OF KENT METHODIST CIRCUIT

Appendix A

Circuit meeting membership - at 31st August 2024

/1	Alison Farr
/2	Ann Suaznabar
/3	Anne Stobo
/4	Barbara Crosswell
/5	Bryan Knapp
/6	Carl Warren
/7	Carol Barnett
/8	Carol Oakley
/9	Chris Towers
/10	Dermot Thornberry
/11	Elaine Coupe
/12	Felicity Lusted
/13	Gill Clayton
/14	Helen Warmington
/15	Henry Edwards
/16	Hugh Taylor
/17	Ian Beavis
/18	Jane Braund
/19	John Archer
/20	John Sansom
/21	Julia Bevis
/22	Kathy Walsh
/23	Ken Barnes
/24	Kirsty McGhee
/25	Michael Richardson
/26	Nick Rowell
/27	Nicola Martin
/28	Peter Crouch
/29	Philip Smith
/30	Rachel Sheppard
/31	Reg Rummery
/32	Richard Cannam
/33	Roi Arden
/34	Sally Dagnall
/35	Sue Wilkins
/36	Valerie Lovett
/37	Valerie Manser