

Royston Methodist Church
Annual Report and Financial Statements for
the year ending 31st August 2024

Contents

Charity Information.....	3
Report of the Trustees	4
Statement of Financial Activities	8
Notes to the Financial Statements.....	10
Declarations and Scrutiny	14
Independent Examiner's Report	15

Charity Information

Trustees

Minister

Revd Charity Nzegwu

Stewards

Gill Grainger

James Hindley

Geoff Grainger

Dave Aggett

Margaret Tillson

Sue Walter

Bessie Doughton (*resigned 10th February 2024*)

Malcolm McKimmie (*resigned 1st May 2024*)

Karen Shepherd (*resigned 1st May 2024*)

Treasurer

Nicholas Keep

Other Members of Church Council

Janet Blair (*term of office ended 1st May 2024*)

Jennie Harris

Sue Watson

Cathy Black

Rosie Austin (*resigned 30th June 2024*)

Ellie Browne (*resigned 24th July 2024*)

Joan Germany

Joyce Goodall

Laura Hindley

Paul Harris

Jeff Maddin

Tony Garrick

Tess Maddin

Joan Munden

Ann Keep

Brian Norwood (*appointed 1st May 2024*)

Karen Shepherd (*appointed 18th August 2024*)

Non-trustee Members of Church Council

Elsie Salmon (Circuit steward)

Charity registration number: 1207017

Independent Examiner: The Accountancy Practice, Royston

Bankers: Barclays PLC

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

Report of the Trustees

The Trustees present their annual report together with the financial statements of the charity for the year ended 31st August 2024.

The financial statements comply with the Charities Act 2011, the Deed of Union and Methodist Church Act, and 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

As a result of last year's income exceeding £100,000, due to phase 1 of the Building Project the Charity Commission was asked for an exception to registration. Policy at the Charity Commission had changed since a similar request was made the previous year, so the request was declined. A team led by the Church Council Secretary successfully registered the Church as a separate Charity. Previously we had been an Excepted Charity under the Charities (Exception from Registration) Regulations 1996 and subsequent modifying Statutory Instruments. This is therefore our first annual report to the Charity Commission. Similar accounts have been presented to the Circuit Meeting and Church Council in previous years and an annual report of our activities has been presented at the Annual Church Meeting. The report to the Church Meeting was both more extensive and less formal than the report made here.

Background

This is the annual report and financial statements of Royston Methodist Church in Royston, Hertfordshire.

Achievements and Performance

Royston Methodist Church had a membership of 74 in March 2024. The normal attendance at our main Sunday Service at 10.30 (based on the October 2023 count) is 45. This includes the people attending on Zoom. We transmit most of our services and have a few people attending each week by Zoom. These people vary and are normally members of our own congregation who are feeling less well or unable to travel to the service that day.

We also have a number of extra services mostly in Advent, Lent and Easter. Unusually, the Mayor of Royston asked us to host the Civic Service in May 2024.

Our minister, Rev Charity Nzegwu, was on sabbatical from the middle of July 2024.

We have an active programme of Youth Work using self-employed Professional Youth Workers to run a monthly Messy Church (attendance around 55 people), weekly First Friends (Carer and toddler group; attendance around 45 children plus carers) and a Holiday Club in October half term (attendance around 25 children).

We run a number of activities; coffee mornings on Saturdays as well as after the service on Sunday, a monthly Sunday Lunch, Ladies House Group and Craft 'n' Chat. The premises are let to a number of charities, organisations and businesses including AA, Homestart, Guides and exercise and dance classes.

The church is currently in a two-phase refurbishment project where in Summer 2023 the Gents lavatory was converted to 3 Unisex cubicles, a new accessible toilet and baby change was built in the entrance area and a platform lift installed between the worship area and the rest of the premises. Some of this expenditure fell in the current reporting year. In Summer 2024, the Ladies lavatory was removed and amalgamated into a larger refitted kitchen. This project was close to completion at year end but transactions were not complete.

Financial Review

For the year ending 31st August 2024, the trustees were required to prepare receipts and payments accounts, as income was below the threshold for Accruals accounting. This is likely to be the case for next year.

The church made a small deficit on the General Fund of £1,109 (2023: £5,667 surplus). Unrestricted reserves at 31st August 2024 were £100,659 (2023: £101,378). Total reserves stood at £118,956 (2023: £153,792). Balances on the Restricted Funds at year end 2024 were Benevolence Fund £143, Property Fund £18,154. We expect to spend more than the balance of the Property Fund to complete the Property Project.

Reserves Policy

Royston Methodist Church adopted a Reserves Policy in 2023. The Royston Methodist Church policy document itself sets out the rationale for the reserves policy and identifies the requirement for two reserves: a General Reserve and a Property Reserve. In summary, the policy is that:

We aim to maintain a General Reserve of about six months expenditure, or £ 26,000
We aim to maintain a Property Reserve of £20,000.

The church exceeded this balance at all times in 2023-24.
A similar policy will be proposed for 2024-25 at the November Church Council Meeting.

Aims, Objects and Organisation

Our objectives are summarised in our mission statement:

Royston Methodist Church proclaims the message of God's love through Christ by worshipping, growing and learning as a community of disciples. We aim to be open and caring, responsive to each other and to local and global concerns. We seek to build a closer partnership with other churches both locally and within the wider Methodist family.

Royston Methodist Church is governed and managed in accordance with the standing orders of the Methodist Church. The church is led by a minister who chairs the Church Council, the governing body. The members of the Church Council, excluding representatives of external organisations, are the trustees of the charity. Members of the Church Council are chosen by one of the following processes; (1) Ministers appointed to the church by the Methodist Church (2) ordinary members

elected by the annual General Church Meeting (3) stewards of the church, elected by the annual General Church Meeting (4) ex officio officers of the church, such as the treasurer, who are appointed by the Church Council itself (5) representatives from the Methodist Church in the local circuit.

The Church Council normally meets four times a year and receives reports from officers and organisations within the church. Day-to-day management is devolved to the minister, stewards, the Finance & Property Committees, the Pastoral Committee, and the officers of the church, such as Pastoral Secretary, Treasurer and Property Steward.

Trustees other than the minister must all be members of Royston Methodist Church. They serve for a maximum of six years in a role, but may be appointed beyond this time by annual election with a 75% majority, in accordance with Methodist standing orders.

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit in deciding what activities the Church should undertake.

Key Management Personnel

The trustees consider they are the key management and are not remunerated. In accordance with Methodist Discipline, all ministers are provided with a manse and a stipend by the circuit to which they are stationed. The stipend and manse are the means to provide the minister with the material support necessary to fulfil God's mission. The provision of a stipend and manse is not considered to be a personal benefit or payment for services provided, but must be declared. For further details please see - President of the Methodist Conference v Preston [2013] UKSC 27.

Statement of Trustees Responsibilities

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

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources, and application of resources, of the charity for that period. 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 applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, and applicable Charities (Accounts and Reports) Regulations, and the provision of the Deed of Union. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention of fraud and other irregularities.

Approved by the trustees on 18th Nov. 2024 and signed on their behalf by

Trustee 

Statement of Financial Activities

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

Royston Methodist Church

SECTION A			Unrestricted Funds	Restricted Funds	Totals this year	Totals last year
			£	£	£	£
a1	RECEIPTS	Note				
a2	Offerings and Tax recovered	2	47,881	63,477	111,358	75,396
a3	Bank and CFB interest and Investment income	3	4,605	54	4,659	4,072
a4	Lettings		7,682		7,682	10,788
a5	Other receipts	4	5,627	28,814	34,441	18,381
a6	TOTAL RECEIPTS		65,795	92,345	158,140 (a7)	108,637

SECTION B						
b1	PAYMENTS					
b2	Circuit Assessment or Share	5	40,010		40,010	37,333
b3	Donations	6	280	1,721	2,001	1,717
b4	Repairs and Maintenance	7	7,536	124,239	131,775	48,925
b5	Utilities (Insurances, water charges, heating & lighting)	7	6,808	112	6,920	4,470
b6	Youth Work		5,766		5,766	5,628
b7	Other payments	8	6,504		6,504	6,506
b8	TOTAL PAYMENTS		66,904	126,072	192,976 (b9)	104,579

SECTION C						
c1	NET RECEIPTS/PAYMENTS FOR THE YEAR	(a6-b8)	(1,109)	(33,727)	(34,836)	4,058
c2	Total funds brought forward from last year		101,378	52,414	153,792 (c6)	149,734
c3	Sub total	(c1+c2)	100,269	18,687	118,956	153,792
c4	Transfers and adjustments	9	390	(390)		
c5	TOTAL FUNDS AT END OF YEAR	(c3+c4)	100,659	18,297	118,956 (c8)	153,792 (c6)

SECTION D					
FOR INFORMATION ONLY: MONEY RECEIVED AND PASSED ON TO EXTERNAL ORGANISATIONS					
d	(these amounts are not to be included in total receipts/payments figures		£		£
d1	Balance brought forward from last year				
d2	Offerings/Gifts - received for external organisations See Note 10		407		356
d3	Offerings/Gifts - passed to external organisations		407		356
d4	BALANCE STILL TO BE PAID (d1+d2-d3)				

SUMMARY OF CHURCH ACCOUNTS AND INTERNAL ORGANISATIONS REPORTING TO THE CHURCH COUNCIL

SECTION E

Please follow the Guidance Notes to complete this page

Summary of the Church accounts for the year ended 31 August 2024 and Internal Organisations reporting to the Church Council/Church Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose. This section must be completed to arrive at the gross income and expenditure totals of the Church. If gross income exceeds the Accruals threshold, then the Accruals method of accounting AND A DIFFERENT FORM must be used to report the accounts (see Methodist website). Please refer to the guidance notes regarding transfers between the District and connected District Organisations.

INTERNAL ORGANISATIONS	Receipts	Payments	Net Receipts/ Payments	Adjustments	Opening balances	Closing balances
e1 Ladies Group	170	179	(9)		124	115
e2 Craft 'n' Chat		39	(39)		39	
e3						
e4						
e5						
e6						
e7						
e8 Sub total of Internal Organisations funds	170	218	(48)		163 (e11)	115
e9 Church accounts (totals brought forward from page 2 - totals column)	158,140 (a7)	192,976 (b9)	(34,836)	(c7)	153,792 (c6)	118,956
e10 TOTAL CASH FUNDS HELD BY CHURCH	158,310	193,194	(34,884)		153,955 (x)	119,071
Continue on a separate sheet if necessary and bring the totals forward		TOTAL RECEIPTS	TOTAL PAYMENTS			

SECTION F

STATEMENT OF ASSETS AND LIABILITIES

CHURCH - CASH FUNDS HELD at 31 August 2024		OPENING BALANCES	CLOSING BALANCES
f1 Cash in hand		33	32
f2 Bank Current Account		132,124	60,059
f3 Bank Deposit Account			
f4 Central Finance Board		20,794	58,865
f5 Trustees for Methodist Church Purposes		841	
f6 Other funds			
f7 SUB TOTAL - Church accounts		153,792 (c6)	118,956
f8 Total funds held by Internal Organisations (the closing balance total from above) (e12)		163 (e11)	115
f9 TOTAL CASH FUNDS HELD BY CHURCH		153,955 (x)	119,071

SECTION G

OTHER ASSETS and LIABILITIES

	At 1 September 2023	At 31 August 2024
g1 Investments (include Endowments)		
g2 Land & Buildings (see note 12 re Insurance value)	1,477,333	1,990,559
g3 Other Assets		
g4 Loan(s) - show amount outstanding at year end		
g5 Other Liabilities		

f4 Include only Funds held at the Central Finance Board

f5 Include only Funds held at Trustees for Methodist Church Purposes

g1 Include any other investments (not the cash element of TMCP trusts accounts this is included in line f5)

Notes to the Financial Statements

1. The Accounts are prepared on a receipts and payments basis. Cheques issued but not cleared on 31st August 2024 are included in the statement. This is our first report to the Charity Commission, but similar accounts have been presented to the Church Council and Circuit Meeting in the past. Compared to last year's report, "Donations at Events" have been moved from "Other Receipts" to "Offerings and Tax recovered" as Gift Aid can potentially be claimed on them. Last year's income has been restated in the same way.

The Restricted funds are

Benevolence Fund holds money from which the Minister can make donations to individuals in need as set out in the Constitution, Practice and Discipline of the Methodist Church (CPD) Section 651 (2024 Edition)

Sundry Donations Fund holds restricted donations and grants for church activities such as Pastoral Care, Junior Church and minor property projects that fall on the General Fund. It also acts as a holding fund for legacies as the spending of these is restricted by having to apply to TMCP. When the specified expenditure has occurred, the amount is transferred to the General Fund (or Property Fund in the case of some legacies).

Property Fund holds donations and grants and makes expenditure for specific property projects. At the end of the project the Church Council normally resolves to remove any deficit in the Property Fund from the General Fund.

JMA Fund holds donations and proceeds from fundraising made for Junior Missions for All (<https://www.methodist.org.uk/for-churches/junior-mission-for-all/>). The balance is sent to the Methodist Fund for World Mission, normally at year end.

2. Offerings and tax recoverable

Since March 2020 we have not taken a weekly collection at services. Most people donate by standing order, others give regular monthly cheques and others contribute on a more irregular basis. "Donations at Events" covers the money donated at events where a charge is not made, such as coffee on Saturday and Sunday, Messy Church and First Friends. This is eligible for Gift Aid Small Donations. It does not include activities with a ticket price such as the monthly Sunday Lunch.

General Fund		2023-24	2022-23
General Donations (Cash and Cheques)	£	6,795	6,708
Standing Orders	£	26,930	26,215
Donations at Events	£	4,483	4,378
Tax reclaimed	£	9,673	8,474
TOTAL	£	47,881	45,775
Restricted Funds			
Property Fund			
General Donations	£	52,739	27,120
Tax reclaimed	£	9,138	
Sundry Donations Fund			
General Donations	£	250	1,235
JMA Fund			
General Donations	£	1,348	1,253
Benevolence Fund			
General Donations	£	2	13
OVERALL Restricted TOTAL	£	63,477	29,621

3. **Interest.** The restricted Interest was on the Bequest in the Sundry Donations Fund held by Trustees For Methodist Church Purposes. The General Fund Interest was from the CFB Deposit Account.

4. **Other Receipts**

General Fund		2023-24	2022-23
Fund Raising Receipts	£	5,500	5,083
Other Income	£	127	8
TOTAL	£	5,627	5,091
Restricted Funds	£		
Property Fund			
Fund Raising Receipts	£		899
Grants Received	£	28,000	10,000
Legacies	£		1,000
Sundry Donations Fund			
Fund Raising Receipts	£		788
Grants Received	£		600
Legacies	£	461	
JMA Fund			
Fund Raising Receipts	£	353	3
OVERALL Restricted TOTAL		28,814	13,290

Fund Raising Receipts include income from events such as the monthly Sunday Lunches, May Fayre, Tunes and Spoons and the Aquathon.

Other income in 2023-24 includes payments for private printing, external catering and a refund of a small part of the insurance premium (£15).

5. **Related Parties and Trustee Payments (Circuit Assessment or Share)**

8 Trustees were reimbursed for receipted expenses, totalling £3571 in 52 transactions. This mostly relates to raw materials for catering, but includes other items, for example for property repairs, books and flowers

No trustee received a salary, honorarium, travel expenses or payment for services.

However, our largest payments from the General fund (Total £40,010) are to the Cambridge Methodist Circuit (Related Party – Charity no 1134226). This is in part to pay for the salaries, travel expense and accommodation of the Ministers in the Circuit which include the Chair of our Trustees.

We received a Grant of £18,000 from the Cambridge Methodist Circuit (from the proceeds of churches and manses that have been sold) towards the Property Project. If the Royston Methodist Church were to be dissolved, then the remaining assets would normally revert to the Cambridge Methodist Circuit. The JMA Fund pays to a Fund of the Methodist Church in Great Britain.

The Cambridge Methodist Circuit pays a contribution to the East Anglia District of the Methodist Church (Related Party – Charity no 1129451), who in turn make a contribution to the Methodist Church in Great Britain (Related Party – Charity no 1132208). Some of Trustees are also Trustees of the Circuit, District and Methodist Church in Great Britain.

Ministerial Trustees of the Circuit usually chair the Church Council in the absence of the Chair of Trustees.

The Methodist Insurance Company (Insurers), All We Can (the operating name of Methodist Relief and Development Fund (Charity 29161)), and Action For Children (Charity 1097940) have historic and ongoing links with the Methodist Church in Great Britain.

6. Donations

The donations from the General Fund are: Everychild £180 and Homestart £100 (From Tunes and Spoons Event). The Donations from the Restricted Funds are £1701 from the JMA Fund to the Methodist Fund for World Mission and £20 from the Benevolence Fund.

7. Property Costs (Repairs and Maintenance and Utilities)

Gas and electricity are paid by monthly direct debit and the amounts taken represent the estimated usage by the utility company. The gas estimation is poor and we have probably under paid over the period since we reopened after lockdown by between one and two thousand pounds. At some point the gas supplier will work out how to bill more accurately.

The Restricted Fund Expenditure in Repairs and Maintenance and Utilities all relate to the Property Fund. The £112 in Utilities relates to an increase in insurance premium due to the building work.

The Property project has been carried in two Phases over July-Sept 2023 and 2024. This falls awkwardly for year end, but minimises the disruption to our lettings and youth activities which mainly take place in school terms. For information, below is set out the expenditure in phases over multiple financial years. We are expecting about another £38,000 expenditure in 2024-25 on Phase 2.

	Expenditure	Income					
		Donations and Gift Aid	Fund Raising	Grants	Transfer From Bequest	Transfer From General Fund	Total income
Design							
2018-19		£300	£3,290				£3,590
2019-20	£5,481	£398	£5,161				£5,559
2020-21	£7,520					£3,852	£3,852
TOTAL	£13,001						£13,001
			Balance in Property Fund				£0
Phase 1	Unisex Cubicles, 2nd Accessible Lavatory, Platform Lift						
2021-22	£0	£160					£160
2022-23	£44,657	£28,120	£899	£10,000	£56,750		£95,769
2023-24	£75,763			£18,000			£18,000
TOTAL	£120,420						£113,929
Phase 2	Expanding Kitchen into Ladies Lavatory						
2023-24	£48,588	£61,877		£10,000	£1,356		£73,233
2024-25	To come						
TOTAL	£48,588						£73,233

Phase 1 and 2 Total	£169,008						£187,162
			Balance in Property Fund				£18,154

8. Other Payments

General Fund		2023-24	2022-23
Catering	£	2,636	2,450
Photocopying and Printing	£	1,490	2,025
Worship Expenses (Candles, Licences etc)	£	1,261	731
Telephone and Broadband	£	871	790
Admin Expenses	£	200	295
Postage	£	36	54
Fund Raising Costs	£	10	0
TOTAL		6,504	6,345
Sundry Donations Fund			
TMCP Charge (2023-24 £2.40 netted off against interest)	£		160
OVERALL TOTAL			6,505

9. Transfers Between Funds

From Sundry Donations Fund		2023-24	2022-23
To Property (Bequest)	£	1,356	56,750
To General (Donation for Youth Work)	£	250	2,023
To General (Grant for Materials for Youth Work) (Barnados/HCC)	£	40	460
To General (Grant for new shed for Toys) (Ensum Brown)	£	100	
TOTAL	£	1,746	59,233

10. Agency Collections

Cash Collections were made for the following causes and passed on by cheque. Some donations were made by cheque direct to the charity by the donor. These are not included here as they did not pass through the accounts.

All We Can (Harvest)	£179
Action For Children (Christmas Card)	£44
Cambridge Circuit (Administrator Leaving Gift)	£65
Christian Aid	£119
TOTAL	£407

11. Internal Organisations

The Ladies House Group and Craft 'n' Chat collect small amounts of money at their meetings to cover costs such as speaker expenses or materials. They present a simple form of accounts to the Church Finance Committee.

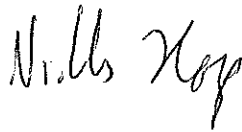
12. Building Valuation

The value of the buildings is shown at the Insurance Value recommended by the Methodist Insurance Company. A Risk Management Surveyor from MIC last visited in May 2023 and MIC increases the value in line with their assessment of inflation of costs.

Declarations and Scrutiny

I confirm that these Receipt and Payment based accounts for the year to 31 August 2024 have been prepared from the records of the Church and that they include all funds under the control of the Church trustees.

Signature of Treasurer



Date

18/10/24

Name and address of Treasurer: Prof Nicholas Keep

46 Briary Lane, Royston, Herts, SG8 9BU

Presentation to the Church trustees.

I confirm that the annual report and accounts for the year ended 31 August 2024 were/will be* presented to the meeting of the Church trustees held on ~~21st~~ 19th November 2024

Signature of the Chair of the meeting



Name of the Chair of the meeting: Rev Charity Nzegwu Date: 29.12.2024

Independent Examiner's Report to the Trustees of the Royston Methodist Church

Charity Number 1207017

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Royston Methodist Church for the year ended 31 August 2024 set out on pages 8 to 14. As the Church's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Church's accounts carried out under section 145 of the Act and, in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

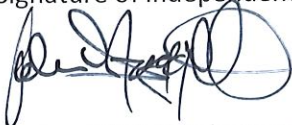
I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records.

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/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: John David Froggett

Relevant professional qualification of independent examiner: F.A.I.A

Name of firm (where appropriate): The Accountancy Practice

Address: 41 High Street, Royston, Herts, SG8 9AW

Date

* delete or circle as appropriate

