

**Herts and Essex Border Circuit
Financial Accounts
Year ended 31 August 2025
Registered Charity Number 1208841**

Herts and Essex Border Circuit

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Year ended 31 August 2025

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Preamble

The Circuit comprises four Methodist churches and two Local Ecumenical Partnerships. It was formed in September 2024 after the Herts and Essex Border Ecumenical Area (HAEBEA) was dissolved in August 2024.

Charity registration and commencement of activities

The charity was registered on 26 June 2024. The charity acquired the assets and liabilities of Herts and Essex Border Ecumenical Area on 1 September 2024 at no cost and commenced activities on that date. The merger accounting method as set out in Financial Reporting Standard 102 has been applied for the overriding purposes of giving a true and fair view. Consequently, the figures shown in the financial statements are for the year ended 31 August 2025 and the comparatives are for the year ended 31 August 2024.

Objectives and activities

The Circuit Leadership Team met four times in the year and the Circuit Meeting assembled four times in the year to set our objectives and plan our activities. The Superintendent Presbyterian chaired the Leadership Team and the Circuit Meetings.

Our mission is to encourage and inspire its churches to work together to further the Christian witness in their communities and the wider world.

The circuit encourages each local church to engage with its community and to foster links with schools and ecumenical partners and to provide appropriate opportunities for worship and mission. The Circuit Meeting, to implement its mission policy, has collaborated with the United Reformed Churches in the Herts and Essex Mission Pastorate to form a mission group. This group focuses on evangelism, the use of technology, global and eco concerns, and property issues which are related to world mission. It meets regularly to support and develop these areas of ministry and mission.

Achievements and performance

The Circuit has a policy of making grants to churches with the view of supporting their mission objectives. It also gives grants to ministers and other Circuit members varying from attending retreats, undergoing additional training and participating in conferences. The policy of the Circuit Meeting on grant making is to ensure that all applicants can demonstrate public benefit and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

Two full time Methodist Presbyters and one Methodist Presbyter with 75% scoping were appointed to the Circuit during the year. They were assisted by one Circuit Administrator who was appointed in April 2025 and a Safeguarding Officer appointed in May 2025. The Circuit also contributes to the cost of two lay employees employed by two of the churches.

The Circuit Leadership Team met regularly to review the life and ministry of the Circuit and made recommendations to the Circuit Meeting. The Circuit Meeting also met and expedited the business entrusted to it.

To hasten the financial affairs of the Circuit, the Finance and Property Committee, attended by the Circuit Treasurer, local Church Treasurers and chaired by the Circuit Superintendent met thrice during the year to review the annual budget, the assessment figures and to examine the Circuit accounts and make recommendations to the Circuit Meeting.

The Circuit Finance and Property Committee met three times in the year, dealing with the care of manses and circuit property. This meeting organises the annual inspection of circuit manses together with making the arrangements for quinquennial inspections and makes recommendations to the Circuit Meeting.

The Herts and Essex Border Ecumenical Partnership, of which the circuit forms part, met on a quarterly basis to discharge its business of continuing to support one 'On Trial' preacher. The partnership staff met once a quarter to plan the preaching schedules.

The Circuit Safeguarding Trainers have met together to plan safeguarding training at Advanced and Foundation levels, and a number of training sessions have been held in different parts of the Circuit.

The Circuit had arranged a number of circuit gatherings for worship and fellowship..

The Circuit Ministerial Staff team met weekly to support each other and to do business.

The November 2024 Statistics for Mission figures indicated that the Circuit has a membership, of 438. Most local congregations continue to explore new ways of sharing the good news with various mid-week services, Bible Studies, Prayer Walks, and New Ways of being Church' (for example 'Messy Church', 'Cafe Church' and 'Contemporary Worship'). These are being offered and experienced by those who have not previously been part of traditional congregations.

Herts and Essex Border Circuit

Trustees Report Continued

Year ended 31 August 2025

Achievements and performance continued

All the churches in the Circuit have been encouraged to engage in refurbishment and renewal projects to further their ministry and mission. To facilitate this programme of renewal grants are made by the Circuit from the Circuit Model Trust Fund. The support of the Circuit Meeting and the District Grants Committee is appreciated by churches pursuing environmentally friendly building projects.

Plans for future years

- Encourage and support initiatives for mission in the community.
- Engage in a review of the circuit's mission plan
- Encourage churches to engage more with children and young people
- Engage with the connexional Stationing process to provide appropriate levels of ordained staff. The Circuit Invitations Committee has been appointed for this purpose.
- Continue to offer opportunities to engage in mission and evangelism training and confidence building through initiatives such as the 'Alpha' course
- Ensure that all those required to do so should attend appropriate safeguarding and equality, diversity and Inclusion training.

Financial Review

Income Trends

Circuit income is primarily drawn from the assessment paid by the six churches within the Circuit.
All churches were able to make the assessment payments due.

Monies are also received from the letting of unused properties and from investments.

Expenditure Trends

Stipend and lay employee salary expenditure has increased each financial year in line with conference approved increases. The lay employee hourly rate was increased to be in line with the Methodist Church policy of paying at least Living Wage. Approximately 12% of 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.

Other major expenditure includes staff expenses, administration costs and manse upkeep including refurbishment.

Fund Balances

During the year the Circuit received a total unrestricted income of £312,564 and dispersed £494,483.
As at 31st August 2025 the unrestricted free reserves of the Circuit were £5,106,155.

Plans for 2025/26

Circuit financial plans for the coming year have been prepared on the basis of 3 ordained staff with the anticipated increases in stipend. An allowance has been made for the employment of part time lay employees.

In order to support churches, assessment has been capped at a maximum increase of 0% and decrease of 0% with the resulting shortfall being contributed by the Circuit.

The Managing Trustees have every reason to believe that the Circuit is in healthy financial state.

Investment policy and performance

To comply with Methodist Standing Orders, monies for long-term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits, for all large (over £20K) bequests and for proceeds from the sale of any property formerly owned by the Circuit. These sums are invested in unlisted investments or held on deposit. The deposit income mirrors the deposit rates available elsewhere. TMCP funds may only be used for particular purposes and amounted to £1,904,351 at the 31st August 2025.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest.

Herts and Essex Border Circuit

Trustees Report Continued

Year ended 31 August 2025

Reserves Level and policy

The Circuit maintains a Reserves Policy stipulating that it should hold a minimum sum equivalent to six months' average annual expenditure. In addition, the Circuit maintains an emergency fund for Churches facing unexpected large expenditure.

Funds amounting to circa £25,000. are designated for removal and relocation, property maintenance etc. Excluding property, as at 31st August 2025, the unrestricted free reserves of the Circuit totalled £5,106,155.

The Circuit regularly reviews ways in which it can financially support its churches and expand its mission policy and is currently supporting a project which aims to engage a lay employee at St. Andrew's Church for three years with the emphasis on expanding ministry and mission work in Harlow.

Trustees' Responsibilities

For each financial year ending on 31st August, the Managing Trustees are required to prepare financial statements that give a true and fair view of the Church's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements the Managing Trustees must:

- Select suitable accounting policies and apply them consistently using the accruals method
- Make judgements and estimates that are reasonable and prudent
- Follow applicable accounting standards
- Prepare accounts to comply with the Charities SORP

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

Risk

The Circuit is largely risk averse.

Structure, governance and management

The Circuit is governed by the Methodist Church Act 1976 and the Deed of Union 1932 and was registered with the Charity Commissioners on 10th May 2024.

Structure

Herts and Essex Border Methodist Circuit is part of the Beds, Essex and Herts District of the Methodist Church. As such it is represented on the District Synod which meets twice a year. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- 1.Overall regulatory authority rests with the Methodist Conference.
- 2.The Connexional Office implements decisions made by the Conference and is responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- 3.Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- 4.The District passes down to Circuit level for implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
- 5.The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory control is then exercised by the Church Councils as Managing Trustees of their charity.

Purpose of the Circuit

The primary purpose of Herts and Essex Border Methodist Circuit is to advance the Christian faith by providing opportunities for worship, Christian nurture and fellowship within the wider geographical area.

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 the discipline of the Methodist Church, and
- b) Any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and,
- c) Any charitable purpose for the time being of any society, or institution subsidiary or ancillary to the Methodist Church, and
- d) Any purpose for the time being of any charity being a subsidiary or ancillary of the Methodist Church.

Herts and Essex Border Circuit

Trustees Report Continued

Year ended 31 August 2025

Governance

As part of the Methodist Church the Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Tavistock Place, London, WC1H 9SF to provide guidance on changes that could affect the Circuit.

The members of the Circuit Meeting are appointed under the terms of Standing Order 510 of the Constitutional Practice and Discipline of the Methodist Church. The Superintendent is ex officio chair of the Circuit Meeting but may delegate this task to other presbyters in the Circuit. The Circuit Meeting normally meets four times per year and deals with routine and exceptional matters. It oversees the work of the Circuit as a whole.

Responsibilities of the Circuit Meeting

The responsibilities of the Circuit Meeting and other committees are set out in Standing Order 515 of the Constitutional Practice and Discipline of the Methodist Church.

Reference and Administrative Details

Name of the Circuit

Herts and Essex Border Circuit

Principle address

Herts and Essex Border Circuit, St. Andrews Church, The Stow, Harlow, CM20 3AF

Charity Registration number

1208841

The following individuals are trustees of the charity.

Superintendent Minister

The Rev'd. Dr. Frank Okai-Sam

Ex Officio ministers and circuit stewards SO552

Frank Okai-Sam, Gillian Hulme, Marcia Tull

Chris Errington, Efua Koi-Larbi, Freida Wilson

SO785(4) supernumeraries who have informed the Superintendent that they wish to be members of the meeting

Stuart Veitch, John Buxton, Tim Swindell

Circuit meeting secretary

Stephen Asante

Secretary of the Local Preachers' Meeting

Karen Quelch

From each local church a church steward and the treasurer plus up to 2 representatives plus an extra representative for churches with membership of over 200.

Pat Simpson, Karen Quelch, Steve Watson (resigned 01/05/2025), Angela Hillary, Martin Hillary, Anthea Slate, Derrick Slate, Bob Butcher, David Brooks, Wendy Cooper, Elizabeth Stockdale, Alexis Mojzes, Joanne Castle, Margery Collier, Joe Ike-Impraim, Mike Dyer, Catherine Dean, Marion Dyer, Alan Wheeler, Roger David Newbold (resigned 30/04/2025), Anthony Gubb (resigned 30/04/2025).

Bankers

Central Finance Board of the Methodist Church, Methodist Church House, 25 Tavistock Place, London, WC1H 9SF
The Co-operative Bank, PO Box 250, Skelmersdale, WN8 6WT

Investment Managers and Custodian Trustees

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

Auditors

Hicks and Company, Chartered Accountants & Statutory Auditors, First Floor Offices, 99 Bancroft, Hitchin, SG5 1NQ

Approved by the Trustees on9th July 2026..... and signed on their behalf by:

NameFrank Okai-Sam..... Signed 

PositionSuperintendent Minister.....

Herts and Essex Border Circuit

Declarations and Scrutiny

Year ended 31 August 2025

Treasurer Declaration

I confirm that these accruals-based accounts for the year to 31 August 2025 have been prepared from the records of the Circuit and they include all funds under the control of the Circuit.

Signature of treasurer CJ Errington Date JULY 9th 2026

Name and address of treasurer CHRISTOPHER JAMES ERRINGTON
86 STANSTEAD RD HERTFORD SG13 7HY

Presentation of the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2025 were/will* be presented to the Circuit meeting held on9th July 2026.....

Signature of the Chair of the meeting

[Signature]

Name of the Chair of the meetingFrank Okai-Sam.....

Date9th July 2026.....

Statement of disclosures to the auditor

(a) So far as the Trustees are aware, there is no relevant audit information of which the Auditors are unaware, and;

(b) We have taken all the steps we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the Auditors are aware of that information;

Approved by the Trustees on9th July 2026.....

Signature [Signature]

Signatory nameFrank Okai-Sam.....

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31st AUGUST 2025**

Opinion

We have audited the financial statements of The Herts and Essex Border Ecumenical Area ('the charity') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2025 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 Auditors' 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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:

Based on our understanding of the entity and sector in which it operates, we identified the principal risks of non-compliance with laws and regulations relating to the charity. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements. We communicated identified laws and regulations throughout our team and remained alert to any indications 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 may occur, by making enquiries of the trustees and management as to where they considered there was susceptibility to fraud and considering the internal controls in place to mitigate fraud risks and non-compliance with laws and regulations.

In response to the risk of fraud through management bias (including the risk of override of controls) and the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- performing analytical procedures to identify unusual or unexpected transactions
- assessing whether judgements and assumptions made in determining accounting estimates were indicative of potential bias
- reviewed a sample of transactions from the charity's records
- performing completeness of income tests
- test checking the appropriateness of journal entries
- agreeing financial statement disclosures to the underlying supporting documentation
- checking for correspondence with the Charity Commission
- reading the minutes of board of trustees' meetings
- checking for any actual and potential litigation and claims

Our responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures outlined 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 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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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.



Philip Dean BA, FCA (Senior Statutory Auditor)
Hicks and Company
Chartered Accountants and Statutory Auditors
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

Date:

Herts and Essex Border Circuit

Statement of Financial Activities

Year ended 31 August 2025

	Notes	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Endowment Funds (Restricted) £	Total 2025 £	Total 2024 £
Income						
Income from monetary investments		12,414	79,016	1,362	92,792	30,466
Income from investment properties		26,081			26,081	29,214
Assessments on churches		164,678			164,678	217,222
Capital receipts	9	3,257			3,257	1,388
Grants received		27,118			27,118	21,907
Other charitable income					-	2,471,328
Total Income		233,548	79,016	1,362	313,926	2,771,525
Charitable expenditure						
Grants & donations	14	92,668			92,668	-
Minister expenses and Archivist costs		136,327			136,327	187,156
Gross salaries & employers pension costs	6	9,531			9,531	-
Property maintenance		46,077			46,077	69,995
Connexional assessment and model trust levy			136,695	94	136,789	167,360
District assessment and levy		46,136			46,136	43,116
Office expenses		22,642			22,642	8,937
Other outgoings		4,407			4,407	9,271
Total charitable expenditure		357,788	136,695	94	494,577	485,835
Investment gains/ (losses)						
Gains / (Losses) on monetary investments			(99)		(99)	4,717
Gains / (Losses) on investment properties	9		(224,244)		(224,244)	296,920
Total investment gains / (losses)		-	(224,343)	-	(224,343)	301,637
Net income / (expenditure)		(124,240)	(282,022)	1,268	(404,994)	2,587,327
Transfer between funds		252,931	(252,931)		-	-
Other gains / (losses) - Revaluations		420,000	79,000		499,000	372,351
Net movement in funds		548,691	(455,953)	1,268	94,006	2,959,678
Total funds brought forward		1,584,272	3,429,145	28,892	5,042,309	2,082,631
Total funds carried forward		2,132,963	2,973,192	30,160	5,136,315	5,042,309

Herts and Essex Border Circuit

Statement of financial position

Year ended 31 August 2025

	Notes	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Endowment Funds (Restricted) £	Total 2025 £	Total 2024 £
Fixed assets						
Circuit manses & equipment	8	1,284,000	575,000		1,859,000	1,532,000
Investment properties	9	660,000	524,000		1,184,000	1,612,000
Total fixed assets		1,944,000	1,099,000	-	3,043,000	3,144,000
Current assets						
Investments with TCP			1,874,192	30,160	1,904,352	1,838,037
Central finance board deposits		177,846			177,846	43,844
Cash at bank and in hand		17,233			17,233	21,409
Total current assets		195,079	1,874,192	30,160	2,099,431	1,903,290
Current liabilities						
Creditors due within 1 year		6,116			6,116	4,981
Total current liabilities		6,116	-	-	6,116	4,981
Net current assets / liabilities		188,963	1,874,192	30,160	2,093,315	1,898,309
Total assets less current liabilities		2,132,963	2,973,192	30,160	5,136,315	5,042,309
Funds of the circuit						
General fund (unrestricted)		2,132,963			2,132,963	1,584,272
Circuit model trust fund (unrestricted)			2,973,192		2,973,192	3,429,145
Total unrestricted funds		2,132,963	2,973,192	-	5,106,155	5,013,417
Restricted funds						
Endowment funds	12			30,160	30,160	28,892
Total restricted funds		-	-	30,160	30,160	28,892
TOTAL FUNDS		2,132,963	2,973,192	30,160	5,136,315	5,042,309

The financial statements were approved by the Board of Trustees on and signed on their behalf by:

Signed

Name

Position

Herts and Essex Border Circuit

Notes to the accounts

Year ended 31 August 2025

Basis of accounting

The financial statements have been prepared in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practices (SORP) applicable to charities preparing their accounts in accordance with FRS102 - the Charities SORP (FRS102) and taking note of the updated bulletin 1 issued in 2016.

1 Funds

The funds held constitute: General Funds held for the 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 which are held for a narrower purpose. The charity holds two endowment funds, which are within the Circuit Model Trust Fund. Details of each material fund are disclosed in the final note of these accounts. Any funds may be represented by more than just cash.

2 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.

Merger Accounting

The charity was registered on 26 June 2024. The charity acquired the assets and liabilities of Herts and Essex Border Ecumenical Area on 1 September 2024 at no cost and commenced activities on that date. The merger accounting method as set out in Financial Reporting Standard 102 has been applied for the overriding purposes of giving a true and fair view. Consequently, the figures shown in the financial statements are for the year ended 31 August 2025 and the comparatives are for the year ended 31 August 2024.

Incoming Resources

Income is included in the Statement Of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and when 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 the 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.

VAT

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

Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £500. The freehold property is shown in the accounts at fair value, based on market value of comparable properties in the area. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the end of the year-end) to be not less than its current value. Any depreciation would not be material. The property has been reviewed for impairment.

Investment properties

Investment properties - three properties are currently deemed to not be held for the long term purposes of the charity. The properties are held at the fair market value, and income is reported under Income from properties.

Herts and Essex Border Circuit

Notes to the accounts continued

Year ended 31 August 2025

Accounting policies continued

Assets held for sale

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At that time, the property is recognised as an asset at its anticipated net sale price determined by a professional valuation and after taking into consideration the levy to be charged by the district.

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.

4 Payments to trustees

There were no payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting, this excludes reimbursement of expenditure, salaries and stipends.

	2025	2024
	£	£
Payments made to the Trustees for additional services provided to the circuit	-	-
Number of Trustees who were paid in the period	10	10
Expenses reimbursed include travel costs, preaching fees aid to Supernumerary ministers and reimbursement of payments made on behalf of the circuit	10,490	7,030
Total Trustees expenses	<u>10,490</u>	<u>7,030</u>

5 Fees for examination or audit of the accounts

	2025	2024
	£	£
Independent examiner's or auditors' fees for reporting on the accounts	4,800	4,200
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	-	2,400

6 Paid employees

The Circuit makes monthly payments to the Connexional payroll department to cover salaries, employers national insurance and pension contributions.

An average of one employee was employed directly by the Circuit. The area made payments as follows in respect of these employees:

	2025
	£
Gross wages, salaries and benefits in kind	13,482
Employers national insurance	482
Pension costs	348
Apprenticeship Levy	19
Contributions from other circuits	<u>(4,800)</u>
	<u>9,531</u>

Herts and Essex Border Circuit

Notes to the accounts continued

Year ended 31 August 2025

6 Paid employees (continued)

The circuit received contributions of £4,800 from the Chelmsford Circuit in relation to the safeguarding officers salary. This has been offset against the gross wages cost incurred.

7 Capital commitments and contingent liabilities

At the 31st August 2025 there are no capital commitments. No contingent liabilities were identified at 31st August 2025.

8 Tangible fixed assets

Cost or valuation		2025	2024
	Mansees	Total	Total
	£	£	£
Balance brought forward	1,532,000	1,532,000	958,692
Additions	-	-	525,000
Revaluations	327,000	327,000	48,308
Disposals	-	-	-
Transfers	-	-	-
Balance carried forward	<u>1,859,000</u>	<u>1,859,000</u>	<u>1,532,000</u>

9 Investment assets

During the financial year, the Circuit sold one of its investment properties, the profit on the disposal has been recognised in investment gains / (losses) in the SOFA.

As at 31 August 2025 the Circuit holds two investment properties. The accumulated insurance valuation for these properties is £1,184,000 (2024 £1,612,000).

	Rental Properties	2025 Total	2024 Total
	£	£	£
Balance brought forward	1,612,000	1,612,000	492,957
Additions	-	-	1,905,000
Revaluations	172,000	172,000	324,043
Disposals	(600,000)	(600,000)	(1,110,000)
Transfers	-	-	-
Balance carried forward	<u>1,184,000</u>	<u>1,184,000</u>	<u>1,612,000</u>

10 Loans

The Circuit currently has no loans.

11 Creditors due within 1 year

	2025	2024
	£	£
Accruals	5,581	4,981
PAYE Liability	<u>535</u>	<u>-</u>
	<u>6,116</u>	<u>4,981</u>

Herts and Essex Border Circuit

Notes to the accounts continued

Year ended 31 August 2025

12 Analysis of restricted and designated funds

Restricted fund name	Opening balance	Incoming resources	Resources expended	Transfers	Closing balance
Reginald H Mumford Endowment Fund	26,447	1,262	(86)	-	27,623
J Turner Endowment	432	21	(2)	-	451
Marjorie W. Calladine Bequest	76	4	-	-	80
Batchelor Fund Permanent Endowment	1,431	63	(4)	-	1,490
New Batchelor Endowment Fund	506	12	(2)	-	516
Totals	28,892	1,362	(94)	-	30,160

13 Analysis of assets and liabilities to funds

	Fixed assets			Current assets	Current liabilities	Net assets 2025
	Manses & equipment	Investment properties	Bank			
	£	£	£	£	£	£
General fund (Unrestricted)	1,284,000	660,000	195,079	-	(6,116)	2,132,963
Circuit Model Trust (Unrestricted)	575,000	524,000	-	1,874,192	-	2,973,192
Endowment Funds (Restricted)	-	-	-	30,160	-	30,160
	<u>1,859,000</u>	<u>1,184,000</u>	<u>195,079</u>	<u>1,904,352</u>	<u>(6,116)</u>	<u>5,136,315</u>

	Fixed assets			Current assets	Current liabilities	Net assets 2024
	Manses & equipment	Investment properties	Bank			
	£	£	£	£	£	£
General fund (Unrestricted)	1,007,000	517,000	65,253	-	(4,981)	1,584,272
Circuit Model Trust (Unrestricted)	525,000	1,095,000	-	1,809,145	-	3,429,145
Endowment Funds (Restricted)	-	-	-	28,892	-	28,892
	<u>1,532,000</u>	<u>1,612,000</u>	<u>65,253</u>	<u>1,838,037</u>	<u>(4,981)</u>	<u>5,042,309</u>

14 Analysis of grants and donations

	2025	2024
Grants to institutions	70,500	-
Donations	22,168	-
	<u>92,668</u>	<u>-</u>

The above institutional grants and donations were made to individual churches as follows:

Bishops Stortford Methodist Church - grant to support the church refurbishment	25,000
St Andrew's Methodist Church - grant to support funding for a Mission Enabler	29,000
Hertford Methodist Church - grant to support the Conversion to Green Energy	8,500
Bishops Stortford Methodist Church - grant to support administrator costs	8,000
URC Trust - cash donation	22,168
	<u>92,668</u>

Herts and Essex Border Circuit

Notes to the accounts continued

Year ended 31 August 2025

15 Comparatives for the Statement of Financial Activities

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Endowment Funds (Restricted)	Total 2024
	£	£	£	£
Income				
Income from monetary investments	2,309	26,726	1,431	30,466
Income from investment properties	29,214			29,214
Assessments on churches	217,222			217,222
Capital receipts	1,388			1,388
Grants received	21,907			21,907
Other charitable income	39,401	2,430,000	1,927	2,471,328
Total Income	311,441	2,456,726	3,358	2,771,525
Charitable expenditure				
Grants & donations				-
Salaries and associated costs	187,156			187,156
Property maintenance	69,995			69,995
Connexional assessment and model trust levy		167,287	73	167,360
District assessment and levy	43,116			43,116
Depreciation				-
Office expenses	8,937			8,937
Other outgoings	9,271			9,271
Total charitable expenditure	318,475	167,287	73	485,835
Investment gains/ (losses)				
Gains / (Losses) on monetary investments		4,681	36	4,717
Gains / (Losses) on investment properties		296,920		296,920
Total investment gains / (losses)	-	301,601	36	301,637
Net income / (expenditure)	(7,034)	2,591,040	3,321	2,587,327
Transfer between funds				-
Other gains / (losses) - Revaluations	72,351	300,000		372,351
Net movement in funds	65,317	2,891,040	3,321	2,959,678
Total funds brought forward	1,518,955	538,105	25,571	2,082,631
Total funds carried forward	1,584,272	3,429,145	28,892	5,042,309

