

THE METHODIST CHURCH - CHELMSFORD CIRCUIT

Circuit No 34/09

FINANCIAL STATEMENTS AND TRUSTEES REPORT

YEAR ENDED 31 AUGUST 2023

Registered Charity Number 1134390

The Methodist Church - Chelmsford Circuit is part of the
Bedfordshire, Essex & Hertfordshire District of the Methodist Church
Circuit reference 34/09

CONTENTS	Pages
Trustees' Report	2-10
Trustees and Administrative Details	11-13
Independent Examiner's Report	14-16
Financial Accounts and Notes	17-33

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Trustees' Report

The Trustees of The Methodist Church-Chelmsford Circuit are pleased to present their Annual Report and Accounts for the Methodist year ended 31 August 2023.

Governing document and objectives

The Circuit is governed by the Methodist Church Act 1976, the deed of Union and the Model Trusts of 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 the 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 Circuit has taken into account the Charity Commission's public benefit guidance on advancing a Charity's aims when carrying out its range of activities. The trustees consider that these provide benefit to those who worship in our Churches and to the wider community in the Circuit.

Mission Statement 2023

The Circuit updated its Mission Statement in 2023 as follows:

"The calling of the Methodist Church is to respond to the good news of God's love in Christ and to live out its discipleship in worship and mission"

In this, and in partnership with others wherever possible, Chelmsford Methodist Circuit will devote its prayers, resources, encouragement, and commitments on this priority:

Supporting God's People, sharing God's love

Our vision is for a Christ-centred Circuit of vibrant, growing churches supporting each other in expressing God's love and sharing it with others.

As ways towards realising this priority, the circuit will give attention to the following:

- Underpinning everything we do with God-centred worship and prayer
- Supporting community development and action for justice, especially among the most deprived and poor - in Britain and worldwide
- Developing confidence in evangelism and in the capacity to speak of God and faith in ways that make sense to all involved
- Encouraging fresh ways of understanding church
- Nurturing an inclusive church which cares for all.

Worship

The church exists to increase awareness of God's presence and to celebrate God's love.

We will:

- Offer to the communities around us safe places for worship and acceptance.
- Facilitate the worship of God in places other than our buildings (e.g. residential homes, new areas of housing).
- Help people grow a greater awareness of God's awesome presence, and to experience his love, at all stages of life.
- Encourage and make available varied worship opportunities appropriate for people of all ages, during the week as well as on Sundays.
- Encourage and support the use of technology in our churches

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Mission Statement 2023 (continued)

Learning

The church exists to help people to grow and learn as Christians.

We will:

- Support churches and resource members in continuing to grow and delight in Christian discipleship.
- Support the training and development of our ordained and lay people including Local Preachers, Worship Leaders and others.
- Encourage each other at all stages of the faith journey.
- Inform and inspire people to be passionate about justice, peace and integrity of creation.

Caring & Service

The church exists to be a good neighbour to people in need and challenge injustice.

We will:

- Create safe communities characterised by hospitality, generosity, welcome, care, acceptance and respect;
- Provide prayerful, caring support for our Ministry and leadership
- Inspire an outward looking focus to the life and service of the churches within the circuit;
- Use our influence to have an impact on issues of equality, diversity and inclusion both locally and more widely;
- Encourages everyone to regard being active in service as part of their Christian life; and find ways to witness to our faith through fulfilling needs in our communities and to do what we can to support those in need in the wider world;
- Give generously, but with due thought and prayer, of time and money for God's work in the church and in the world;
- Work for justice, peace and care for the environment in the local area, the nation and the wider world.

Evangelism

The church exists to make more followers of Jesus Christ.

We will:

- Guard against being apologetic for our faith;
- Provide more opportunities to explore the Bible and Christian faith, and the confidence to share it with others;
- Engage in mission activities both inside and outside our buildings and to those we meet outside the church in daily life;
- Use opportunities in community groups and at occasions such as baptisms, weddings, funerals and Christmas and Easter to share our faith;
- Work with other Christian churches to explore openings for evangelism in the community;
- Encourage people to be able to pray with and for those who are working for peace and hope.

Activities

The Circuit will provide support, training and resources to the churches in the Chelmsford Methodist Circuit in order that they may fulfil their mission of bringing the love of God in Christ to the communities they serve. The Methodist Churches involved are Trinity, Moulsham Lodge and Hall Street, (all based in Chelmsford), Broomfield, Hatfield Peverel, Maldon, Witham and Halstead. Also included are five Local Ecumenical Partnerships in Braintree, Coggeshall, Great Notley, South Woodham Ferrers and North Springfield.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Activities (continued)

The Circuit acts as an umbrella organisation for these Churches and provides the staff to take services and care for members. It provides training and support to members of the Churches for mission to the communities around these Churches.

Organisational Structure

Overall control rests with the Methodist Conference. The Connexional office implements decisions made by Conference and is also responsible for the stationing of Ministers to this Circuit. Connexional decisions are passed to the Chair of the District and the appropriate Officers of the District for regional implementation. This Circuit is part of the Bedfordshire, Essex and Hertfordshire District.

The District passes control down to Circuit level for local implementation by the Superintendent Minister, supported by ministerial staff and Circuit stewards. Authority is delegated to the Circuit Meeting for the invitation to and appointment of Ministerial staff and lay employees. In addition to this, the Circuit meeting is charged with the care and maintenance of Ministerial housing and the agreement of the Circuit financial budget and the financial accounts. The Circuit meeting is also required to ensure all property and financial reports of the individual Churches are received in a timely fashion. All members of the Circuit meeting are Trustees to the Circuit and are listed at the end of this report.

Report for the Year

Aims and objectives for 2022/23

The main aims of the Circuit for 2022/23 were as follows:

- To review the mission plan of the Circuit and produce a 5 year strategic plan for the Circuit.
- To support the churches in the Circuit in a review of their own mission plans and strategy with specific targets by 31 August 2023.
- To continue with pastoral care for our churches and the wider community.
- To work towards becoming an Eco Circuit and to assist Churches and members in making relevant changes.
- To recruit a new Schools and Family Worker and continue and extend the work done with schools and families.
- To continue to strive to provide a welcoming, safe and loving environment for all we come into contact with.

Specific objectives for the year were as follows:

- To agree a detailed 5 year Circuit Mission Plan and share this with the local churches.
- To consider the ministerial staffing needs of the Chelmsford section of the Circuit for 2023/24.
- To continue the Schools and Family Worker project within the Maldon section of the Circuit.
- To continue to offer financial support with housing deposits to assist Ukrainian & other refugees locally.

Progress during the year

- The mission statement of the Circuit was rewritten and the first draft was presented to the Circuit meeting in May 2023 together with the 5 year strategic plan for 2023-2028. Work on this is continuing in 2023/24.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Report for the Year (continued)

Progress during the year (continued)

- The churches in the Chelmsford section met regularly to consider their future direction. These meetings continue in 2023/24. After prayerful consideration, the members of the church in Hall Street decided to request permission to close as of 31 December 2023.
- The ministerial needs of the Circuit and the long-term financial position of the Circuit were reviewed. The process of seeking a third minister in the ministerial 2024 stationing round was started in May 2023.
- Following the resignation of the Schools and Family Worker in July 2022, the work with the school in Hatfield Peverel was continued by Revd. Barry and Ria Allen, with help from Hatfield Peverel church member. After a review of the scope of the work, Ria Allen was appointed as Schools Worker from June 2023 for the work at the school in Hatfield Peverel. This work had to be suspended in Autumn 2023 following the temporary closure of parts of the school due to the presence of RAAC (Reinforced Aerated Autoclaved Concrete) but was able to restart after Easter 2024.
- In November 2022 the Circuit set up a designated fund for donations to offer assistance with housing costs for refugees within the area of the Circuit, particularly those from Ukraine. The Circuit agreed to match any donations received up to a limit of £5,000. During the year two grants/loans were made.
- The work on our environmental responsibilities has continued across the Circuit. We are currently working towards the ECO circuit award.

Aims and objectives for 2023/24

The main aims of the Circuit for 2023/24 are as follows:

- To complete the Stationing process for September 2024 and the review of resources.
- To launch the Circuit mission statement and 5-year strategy in Lent 2024.
- To support the churches in the Circuit to review their own mission statement and 5-year strategy by 31 August 2024.
- To set up a Circuit prayer group.
- To continue with pastoral care for our churches and the wider community.
- To continue work towards becoming an Eco Circuit and to assist Churches and members in making relevant changes. To plan a Circuit wide Eco event for 2024.
- To continue the work with the school in Hatfield Peverel and extend the work done with schools and families when possible.
- To establish a 5-year plan for manse management.
- To continue to strive to provide a welcoming, safe and loving environment for all we come into contact with.

Staffing

Revd. Mark Pengelly is the Circuit Superintendent and is responsible for the ministry of the Chelmsford section. In September 2023 the Circuit confirmed the extension of the period of invitation for Revd. Mark Pengelly for a further 2 years from September 2024.

Revd. Barry Allen is responsible for the ministry of the Maldon Section.

Revd. Sue King continues to have pastoral responsibility for the church and community in Halstead.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Staffing (continued)

Deacon Ramona Dinard worked in ministry in the Chelmsford Section, supporting the Superintendent. She left the Circuit at the end of her 5 year invitation on 31 August 2023. The Circuit is grateful for all she has contributed during her time in Chelmsford.

The appointment of a new minister was deferred for 12 months. Revd. Asif Karam will join the Circuit in September 2024.

Heather Simmonds worked in the Circuit as a Student Presbyterian until August 2023.

Ria Allen was appointed as Schools Worker for work in the school in Hatfield Peverel from June 2023.

Karen Murrell is the Circuit Administrator, based in Chelmsford.

Esther Burton continued as Circuit Safeguarding Officer.

Adrian Nunn was Circuit Treasurer throughout the year. He resigned as of 31 August 2023, due to relocation. He kindly agreed to continue in a voluntary capacity to finalise the 2022/23 accounts. Alistair Jenkins was appointed as Finance Officer from mid-September 2023, to undertake the detailed accounting work and Janis Croom, one of the Circuit Stewards, was appointed as the Circuit Treasurer from 17 September 2023.

Training

Training for local preachers is on-going as part of the Local Preachers and Leaders of Worship quarterly meetings. Representatives from the Circuit attended the District Synod in Spring 2023 and October 2023. Members of the Circuit continue to attend District Training events. Circuit and Church stewards undertook safeguarding and EDI (Equality, Diversity and Inclusion) training online or in person

Support

Individual Circuit stewards attended Church Council meetings held throughout the year. They take note of issues raised at these meetings and report back to the Leadership team. The Circuit offers encouragement and advice to local Churches on the many and varied projects undertaken in their local communities. A regular Circuit Newsletter is produced which has helped churches to share what they do and how they have found new ways of reaching our local communities.

Ministers are supported by the Circuit Stewards personally and in terms of the properties they occupy.

Risk Management

The major risks are kept under review by the Circuit Leadership Team. Income and expenditure is monitored and compared with the approved annual budget.

Safeguarding

The Circuit has adopted the Connexional Safeguarding Policy. The Circuit is committed to providing support, advice and training for lay and ordained people that will ensure they are clear and confident in their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

The provision of Safeguarding training is covered by the ongoing work of our Safeguarding Officer. Church safeguarding officers have been attending training in person and online. Connexional guidance about best practice for safeguarding during online church activities has been adopted.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Financial Review

The Circuit is responsible for

- The ministerial oversight and pastoral care of the thirteen local churches in the Circuit.
- The support of a ministry team of 3 Presbyters, 1 Deacon and 3 lay workers (pastoral and administrative support)
- Payment of the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church
- The maintenance of Circuit properties (3 manses & 1 investment property).

Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. In addition, the Circuit has a financial obligation to the District to meet a share of its budget.

The Circuit budget is reviewed annually and covers the costs of the above which are met by assessments from each church towards their share of the total cost. In 2022/23 the Circuit agreed cover part of the annual costs from reserves, to mitigate the full cost of assessments for the churches whose income had been significantly reduced following the Covid pandemic.

The Circuit agreed to continue the Schools and Family Worker project for a further 3 years 2022/23-2024/25 from grants and from funds within the Circuit Model Trust Fund. Funds have been set aside in a designated fund.

General Fund-unrestricted

The General Fund is available to be used for any or all of the purposes of the Circuit.

The purpose of this fund is:

1. To secure and sustain the Circuit's viability and future.
2. To give assurance to the general public that the Circuit, which is a charity, intends to use all the money coming into its care for the purposes of the Charity.
3. To enable the Circuit to meet the objectives set out in its Mission Statement. This statement was reviewed in 2023.

The total income of the General Fund in 2022/23 was £207,682 (2021/22 £202,314) and costs were £227,245 (2021/22 £205,686). £3,480 was transferred from the Circuit Model Trust Fund to meet part of the costs of manse maintenance & £660 (2021/22 £566) was received from the Harriet Walker Endowment Fund. After these two transfers, the net deficit was £15,421 (2021/22 £2,806). The deficit in 2022/23 reflected the planned funding of costs from general reserves. The deficit in 2021/22 resulted from increased property costs for the let property at the time of the change in tenancy.

The investment property is required to be stated at current market valuation at the year end. In the opinion of the trustees, due to the volatility in the property market caused by the cost-of-living crisis, there was no change in this valuation at the end of the year.

The balance of the General Fund at 31 August 2023 was £1,613,695 (2022 £1,629,116), of which £1,532,250 (2022 £1,532,250) is the book value of the 3 manses and 1 investment property and £81,445 (2022 £96,866) is the value of free reserves.

Circuit Model Trust Fund (CMTF)-unrestricted

This fund derives from sales of chapels and manses and is restricted by the Conference. This restriction is an internal regulation though the fund can be used for a variety of purposes, and for the purposes of charity accounting this is an unrestricted fund.

An annual levy is made on this fund to go to the District Advance Fund.

Income of the CMTF in 2022/23 was £5,488 (2021/22 £1,204 plus £339,304 from the sale of the Methodist Church in Hatfield Peverel). Costs in 2022/23 were £6,818 (2021/22 £151 plus £113,668 levy to the Connexional Priority Fund from the church sale proceeds).

The trustees transferred £3,480 from this fund to the general fund, to meet part of the manse maintenance costs, and £5,000 to the designated fund for Refugee Support.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Financial Review (continued)

Circuit Model Trust Fund (CMTF)-unrestricted (continued)

The book value of the investments has decreased by £334 as at 31 August 2023 (2022 decrease of £528). The balance of the CMTF at 31 August 2023 is £166,172 (2022 £176,316). The fund holds cash and investments.

Designated Fund-Schools & Family Worker project.

£103,000 was designated in 2021/22 to cover the estimated costs of this project not funded by grants from 2022/23 to 2024/25. No costs were taken from this fund in the year, as the costs were met from the grant held in the restricted fund. A £5,000 transfer in of funds was made, therefore closing balance was £108,000 (2022 103,000).

Restricted Fund-Schools & Family Worker project

This represents the balance of grants of £9,500 received in 2021/22 from the District Advance Fund (DAF). This grants is restricted to meeting the running costs of the Schools & Family Worker project in the Maldon section of the Circuit. The total income of the Restricted Fund in 2022/23 was £8,126 (2021/22 £9,500) and costs were £1,867 (2021/22 £12,610). Costs were lower in 2022/23 due to difficulty in replacing the person employed as Schools and Family Worker who resigned in July 2022. The balance of the fund at 31 August 2023 is £4,448 (2022 £6,315).

Restricted & Designated Funds-Refugee Support

An appeal was made in 2022/23 to raise funds to support Ukrainian and other refugees living within the Circuit with loans and one-off grants for housing costs. The donations received less grants made are held in a restricted fund. Income received from donations & Gift Aid in 2022/23 was £8,126. Grants & loans made in 2022/23 amounted to £1,620. The balance of the fund at 31 August 2023 is £6,506, which is shown in the Financial statements combined with the above Schools Family Worker Restricted fund. The trustees agreed to match any donations received up to a maximum of £5,000 and this is allocated to a designated fund.

Endowment Funds - Harriet Walker Charity

This is a permanent endowment with the capital invested through TMCP. The income for 2022/23 was £730 (2021/22 £641) and costs were £70 (2021/22 £75). The net surplus of £660 (2021/22 £566) was transferred to the General Fund. The book value of the investments has decreased by £1,051 as at 31 August 2023 (2022 decrease of £1,660). The value of the endowment fund at 31 August 2023 is £23,707 (2022 £24,748).

Reserves Policies

General Fund-unrestricted

The Reserves Policy is to hold at least six months' expenditure to meet the District assessment and Circuit manse expenditure. This assumes that churches in the Circuit will continue to meet their agreed contributions to the Circuit Ministerial costs.

Circuit Model Trust Fund-unrestricted

The Charity Commission have agreed that it is appropriate for the trustees to set a separate policy for the management of this fund as follows:
Money held in the Circuit Model Trust Fund that has not been allocated to any specific purpose can be retained for general Circuit purposes including property expenditure on the manses arising from Quinquennial Inspection Reports.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Reserves Policies (continued)

Restricted Fund-Schools & Family Worker project

This fund is to be used for the Schools & Family Worker project in the Maldon section of the Circuit. This project commenced in October 2019. The Circuit agreed in May 2022 to continue and extend the project for a further 3 years from September 2022, subject to a possible review and extension from September 2023. A successful application was made for District funding.

Designated Fund-Schools, family & community project

As described above, the Circuit agreed to continue and extend the Schools, Family and Community project within the Maldon section for 3 years from September 2022, subject to review. It was agreed to fund the costs, net of grants, from the proceeds of sale of Hatfield Peverel church. As a result of this decision, in 2021/22 funds were transferred from the Circuit Model Trust fund to a new designated fund, to cover the budgeted cost of this project for 3 years.

Restricted & Designated Funds-Refugee Support

These funds are to be used to assist Ukrainian & other refugees living within the area of the Circuit with the cost of deposits for rented housing or other one-off costs linked to moving into independent rented accommodation. Funds received from external donations are held within a restricted fund. Matched funding from the Circuit Model trust Fund is held in a designated fund.

Endowment Funds - Harriet Walker Charity

This is registered as a separate charity (charity registration number 222146), with trustees appointed by the Circuit. The income is to be used for the local Methodist ministry covering the village of Great Totham and is transferred to the General Fund for this purpose.

Trustees' Recruitment

Whilst the appointment of the Trustees is determined in accordance with the Methodist procedures, it is the aim to ensure that the Leadership team have a broad experience to include pastoral, financial and property matters. Training for Circuit stewards is available at District level.

Trustees' responsibilities

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

In preparing these financial statements, the trustees have:

- Selected suitable accounting policies and applied them consistently.
- Prepared accounts on an accrual basis.
- Followed applicable accounting standards.
- Prepared the financial statements on the going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enables them to ensure that the financial statements steps for the prevention and detection of fraud and other irregularities.

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

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

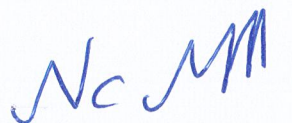
TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Approval

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 29th May 2024.



Revd. Mark Pengelly
Superintendent



Nigel Murrell
Circuit Leadership Team

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED

31 AUGUST 2023

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

TRUSTEES OF THE CIRCUIT - year ended 31 August 2023

Circuit Ministers

Revd. Mike Pengelly (Circuit Superintendent Minister)
Revd. Barry Allen
Revd. Ramona Dinard (Resigned 31 August 2023)
Revd. Sue King

Other Authorised Ministers and Supernumeraries

Revd. Tony Shrimpton
Revd. Olufemi Cole-Njie
Revd. Guy Goodall - (Not a trustee)
Revd. David Dickens- (Not a trustee)

Circuit Stewards

Janis Croom -Circuit Treasurer from 17 September 2023
Daisy Eeady-Cole
Gareth Crooks
Nigel Murrell (Senior Steward)
Sheridan Pengelly
Eric Smart

Co-opted onto CLT:

Adrian Nunn - Circuit Treasurer (Resigned 31 August 2023)
David Hodgkinson -Circuit Property Secretary

Safeguarding

Esther Burton-Circuit Safeguarding Officer (not a trustee)

Church Representatives

Broomfield	David Hodgkinson Les Steed	
Christ Church Braintree	David Drewett David Gask	
Christ Church Coggeshall	Adrian Romano Michelle Milliken	(Not a trustee)
The Church in Great Notley Hall Street Halstead	Lisa Scott Peter Batey Helen Catley Revd. Sue King William Larty	(Died January 2023)
Hatfield Peverel Reality Church	Rosemary Bailey Jane Cook Jeff Hosking	
Maldon	Julie Hill Maureen Crilley Sue Farrell	(Not a trustee)

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
 TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED
 31 AUGUST 2023

Moulsham Lodge	Martyn Edwards Robert Griffin Glenda Griffin Clive Pickett	(Resigned September 2022)
North Springfield-St Augustine's	J Douglas Hayton Pamela Scammell Carolyn Smith	(Not a trustee)
South Woodham Ferrers	David Carter Judith Radley Tricia Tutin Lynda Speak	
Trinity	Roger Fairclough Gillian Harrington Carol Kellingray Sheila Mukumba Nigel Murrell	(Resigned May 2023) (Resigned May 2023)
Witham	Sheridan Pengelly Janis Croom Michael Thompson Revd. Olufemi Cole-Njie	

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED
31 AUGUST 2023

ADMINISTRATIVE DETAILS

Principal Office
c/o Trinity Methodist Church
Rainsford Road
Chelmsford
Essex CM1 2XB

Bankers

The Co-Operative Bank
P.O. Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

HSBC
The Peak
333 Vauxhall Road
London
SW1V 1EJ

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

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

Circuit Independent Examiner
Mrs J Brace
Mayor Cuttle & Co
Aquarium Suite 7B
101 Lower Anchor Street
Chelmsford
CM2 0AU

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED
31 AUGUST 2023

Name of Circuit: The Methodist Church-Chelmsford Circuit

No 34/09

Declarations and Scrutiny

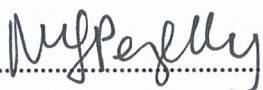
I confirm that these accruals-based accounts for the year to 31 August 2023 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of Senior Circuit Steward  Date..... 

Name: Nigel Murrell, c/o Trinity Methodist Church, Rainsford Road, Chelmsford CM1 2XB

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2023 were presented to the Circuit meeting held on May 29th, 2024.

Signature of the Chair of the meeting..... 

Name of the Chair of the meeting: Revd. Mark Pengelly Date 

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED
31 AUGUST 2023

Name of Circuit: The Methodist Church-Chelmsford Circuit

No 34/09

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of The Methodist Church-Chelmsford Circuit for the year ended 31 August 2023 set out on pages 17 to 33. As the Circuit'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 Circuit'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.

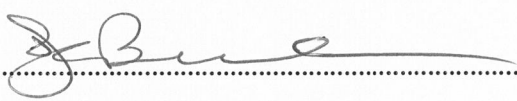
Independent Examiner's Statement

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

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

I have 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..... JOANNE BRACE

Relevant professional qualification of independent examiner..... FCCA

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED
31 AUGUST 2023

Name of firm:

Mayor Cuttle & Co

Address:

Aquarium Suite 7B, 101 Lower Anchor Street, Chelmsford CM2 0AU

Date...*11 June 2024*.....

* delete or circle as appropriate

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED

31 AUGUST 2023

	Notes to the acc'ts	General Fund Unrest'd	Circuit Model Trust Fund Unrest'd	Design'd Funds Unrest'd	Restrict ed Fund	Endowme nt Funds	Total 2022-23
		£	£	£	£	£	£
Income							
Income from monetary investments		5,006	5,488	-	-	730	11,224
Income from investment properties	5	20,447	-	-	-	-	20,447
Assessments on Churches	6	175,658	-	-	-	-	175,658
Grants received	7	4,327	-	-	-	-	4,327
Other charitable income	8	2,245	-	-	8,126	-	10,371
Total income		207,683	5,488	0	8,126	730	222,027
Expenditure							
Grants and donations	9	-	-	-	1,620	-	1,620
Salaries and associated costs	10	133,858	-	-	782	-	134,640
Property maintenance & other costs	12	43,564	-	-	-	-	43,564
District Assessment & Levy	13	44,232	6,316	-	-	-	50,548
Office expenses & resources	14	3,770	-	-	991	-	4,761
Other outgoings	15	1,820	502	-	95	70	2,487
Total charitable expenditure		227,244	6,818	0	3,488	70	237,620
Gains/(losses) on monetary investments	18	-	-334	-	-	-1,051	-1,385
Net income/(expenditure)		-19,561	-1,664	0	4,638	-391	-16,978
Transfers between funds		4,140	-8,480	5,000	-	-660	0
Other gains	16	-	-	-	-	-	0
Net movement in funds		-15,421	-10,144	5,000	4,638	-1,051	-16,978
Total funds brought forward		1,629,116	176,316	103,000	6,315	24,758	1,939,505
Total funds carried forward		1,613,695	166,172	108,000	10,953	23,707	1,922,527

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PREVIOUS YEAR ENDED

31 AUGUST 2022

	Notes to the acc'ts	General Fund Unrest'd	Circuit Model Trust Fund Unrestricted	Design'd Funds Unrest'd	Restricted Fund	Endowment Funds	Total 2021-22
		£	£			£	£
Income							
Income from monetary investments		137	1,204	-	-	641	1,982
Income from investment properties	5	15,477	-	-	-	-	15,477
Assessments on Churches	6	184,446	-	-	-	-	184,446
Grants received	7	-	-	-	9,500	-	9,500
Other charitable income	8	2,254	-	-	-	-	2,254
Total income		202,314	1,204	0	9,500	641	213,659
Expenditure							
Grants and donations	9	-	-	-	-	-	0
Salaries and associated costs	10	126,582	-	-	12,176	-	138,758
Property maintenance & other costs	12	29,063	-	-	-	-	29,063
District Assessment & Levy	13	44,492	113,517	-	-	-	158,009
Office expenses & resources	14	4,491	-	-	434	-	4,925
Other outgoings	15	1,058	151	-	-	75	1,284
Total charitable expenditure		205,686	113,668	0	12,610	75	332,039
Gains/(losses) on monetary investments	18	-	(528)	-	-	(1,660)	(2,188)
Capitalisation of property improvement	17	-	-	-	-	-	-
Net income/(expenditure)		(3,372)	(112,992)	0	(3,110)	(1,094)	(120,568)
Transfers between funds		566	(103,000)	103,000	-	(566)	0
Other gains	16	-	339,304	-	-	-	339,304
Net movement in funds		(2,806)	123,312	103,000	(3,110)	(1,660)	218,736
Total funds brought forward		1,631,922	53,004	0	9,425	26,418	1,720,769
Total funds carried forward		1,629,116	176,316	103,000	6,315	24,758	1,939,505

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

BALANCE SHEET AS AT 31 AUGUST 2023

	Notes	General Fund Unrest'd	Circuit Model Trust Unrest'd	Design'd Funds unrest'd	Rest'd Fund	Endow Funds	Total 2023	Total 2022
Fixed Assets								
Circuit Manses	17	1,250,000					1,250,000	1,250,000
Investment Properties	17	282,250					282,250	282,250
Total Fixed Assets		1,532,250	0	0	0	0	1,532,250	1,532,250
Current Assets								
Investments with TMCP	18		166,172			23,707	189,879	201,075
Debtors & Prepayments	19	10,159					10,159	12,964
Cash at Bank	20	74,406		108,000	10,953		193,359	194,967
Total Current Assets		84,565	166,172	108,000	10,953	23,707	393,397	409,006
Current Liabilities								
Creditors (due in under 1 year)	21	3,120					3,120	1,750
Total Current Liabilities		3,120	0	0	0	0	3,120	1,750
Net Current Assets		81,445	166,172	108,000	10,953	23,707	390,277	407,256
Total assets less current liabilities		1,613,695	166,172	108,000	10,953	23,707	1,922,525	1,939,506
Long term liabilities (due after more than 1 year)		0	0	0	0	0	0	0
Net assets		1,613,695	166,172	108,000	10,953	23,707	1,922,525	1,939,506
Funds of the Circuit								
General Fund (Unrestricted)	22-24	1,613,695					1,613,695	1,629,117
General Fund (Allocated)	22-24			108,000			108,000	103,000
CMTF (Unrestricted)	22-24		166,172				166,172	176,316
Total Unrestricted Funds		1,613,695	166,172	108,000	0	0	1,887,867	1,908,433
Restricted Funds	22-24				10,953		10,953	6,315
Endowment Funds	22-24					23,707	23,707	24,758
Total Funds		1,613,695	166,172	108,000	10,953	23,707	1,922,527	1,939,506

The notes on pages 20 to 33 form part of these accounts

Approved by the trustees of The Methodist Church-Chelmsford Circuit and signed on their behalf.

Revd. Mark Pengelly, Superintendent Minister..... 

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102-the Charities SORP (FRS 102)October 2019 update.

Note 2 Funds

The funds held comprise:

Unrestricted General Funds held for any purpose of the Circuit.

The Circuit Model Trust Fund which has wide purposes defined in Standing Orders and is categorised as unrestricted.

Restricted funds are those held for a narrower purpose. The Circuit has two restricted fund, a grant received for the Family & Schools Worker project in the Maldon section, and donations received for the Refugee Support fund.

Designated Funds -There are two such funds. The trustees have voted to reserve funds for the Family & Schools Worker project in the Maldon section and also for the matching contribution from the Circuit for Refugee Support fund.

Endowment funds are those for which the capital is invested, and the income may be used for specified purposes. The Circuit has one endowment fund.

Note 3 Accounting policies

Basis

These accounts have been prepared on the basis of historical cost or valuation as at 2015, except that investments (including a property) are shown at their market value at the end of the year. The accruals basis has been used 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, and the Trustees are reasonably certain that they will receive the resources; and the monetary value can be measured with sufficient reliability

In accordance with the Charities SORP (FRS102), the time of volunteers is not recognised

Expenditure

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

VAT

Since the Circuit is not 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 individually cost at least £1,000. All properties are freehold and the estimated land component of all properties is shown in note 17 to the accounts. Fixtures and fittings within the properties are not valued separately from the building value.

No depreciation is provided on buildings since the Trustees consider the current residual fair value of the manse buildings to be not less than their current value. Any depreciation would not be material.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 3 Accounting policies (continued)

Investment Property

The Circuit owns one residential property (formerly a manse) which is surplus to its normal staffing requirements. This property is currently let on an Assured Shorthold Tenancy and is classified as an investment property. The property is valued in the accounts at fair value, being open market value, net of estimated costs of disposal.

Monetary investment assets

The investment assets of the Circuit Model Trust Fund and the Endowment Fund are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP.

Debtors

Debtors include assessments due by the end of August and are stated at the amounts owed to the Circuit. The prepayment is the monthly ministerial stipends paid in advance to Methodist Church central payroll at the end of August, for stipends due on 1 September.

Creditors

Creditors include trade creditors and expenses incurred before the year end, at the amounts subsequently paid.

Going concern

To the best of their knowledge and belief the Trustees confirm that there are no material uncertainties that would call into question the Circuit's financial viability for at least 12 months from the date of the approval of these accounts.

Consolidation

The Circuit has denominational regulatory oversight in respect of work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of Churches within the Circuit are not consolidated into these financial statements.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make the grant without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant to be accrued is recurrent over more than one year the balance payable in future years, discounted to net present value where the difference is material, is treated as a provision being released in future years in accordance with the originally agreed terms.

Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Church. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits-in-kind for ministers as HMRC does not apply any tax charge.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 4 Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for the Methodist Church in Great Britain and provides investment advice to those entities.

Church: a group of members relating to a specific Church

Circuit: a group of Methodist Churches near each other, and overseen jointly

Circuit Meeting: The trustees of the Circuit, most of whom are appointed by their local Churches and the others by virtue of a role they undertake for the Circuit and/or their local Churches.

CLT (Circuit Leadership Team): A group (comprising mostly, but not exclusively) of Circuit trustees responsible for the day-to-day administration and policy formulation of the Circuit. Generally, the CLT comprises the Presbyters (Ministers) and lay staff stationed within the Circuit, the Circuit Stewards and the Circuit Treasurer

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain.

Connexional Funds: The designated and/or Restricted Funds held and administered by the Connexion in furtherance of its charitable and mission objectives.

CPF : Connexional Priority Fund

District: a group of contiguous Circuits linked geographically.

DAF: District Advance Fund

FRS: Financial reporting Standard

HMRC: Her Majesty's Revenue and Customs

Lay Employees: Personnel employed by the Circuit on generally accepted commercial employment terms.

MMPS: Methodist Ministers' Pension Scheme

NEST: Pensions and Assurance Scheme for Lay Employees of the Chelmsford Methodist Church

Presbyters (including Superintendent): Probationer or Ordained Methodist Ministers who have pastoral and administrative responsibility for the Churches within the Circuit

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Note 5 Income from Investment Properties

The trustees have determined that the property owned at 10 Wickfield Ash, Chelmsford is unlikely to be returned to use as a manse in the foreseeable future and have therefore classified it as an investment property.

Note 6 Assessments on Churches

The Circuit comprises 13 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. The Circuit aims to cover all its net core costs from the Assessment. The Assessment on Churches is determined annually and calculated as 50% on the membership of each Church and 50% on its income from offerings and Gift Aid. The amount due from the churches which are part of a Local Ecumenical Partnership (LEP) is reduced if another denomination funds the Minister for that church.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
 31 AUGUST 2023

Note 6 Assessment or share (continued)	General Fund (unrestricted)	General Fund (unrestricted)
	2022/23	2021/22
Broomfield	18,161	18,664
Christ Church, Braintree (LEP)	7,200	7,200
Christ Church, Coggeshall (LEP)	962	800
The Church at Great Notley (LEP)	1,477	1,440
Hall Street, Chelmsford	6,000	4,800
Halstead	8,000	5,500
Hatfield Peverel	7,488	3,268
Maldon	20,522	17,397
Moulsham Lodge	21,500	34,054
South Woodham Ferrers	14,133	11,875
St Augustine, Springfield (LEP)	3,000	2,796
Trinity, Chelmsford	53,004	63,582
Witham	14,211	13,070
Total	175,658	184,446

These amounts are included in the accounts based on the due date of receipt by the Circuit. They include £500 (2022 £2,000) to be received after the year end, included in debtors on the Balance Sheet.

Note 7 Grants & Donations received

	Restricted Fund	Total
	2022/23	2022/23
DAF-for new windows	4,327	4,327
Total	4,327	4,327
	Restricted Fund	Total
	2021/22	2021/22
DAF-for Schools & Family Worker Project	9,500	9,500
Total	9,500	9,500

The Circuit received a grant of £4,327 from the District Advance Fund towards the cost of new double glazed windows in Park Avenue (2021/22 £9,500 from the District Advance Fund for the Schools & Family Worker Project).

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
 31 AUGUST 2023

Note 8 Other charitable income

	General Fund (unrestricted)	Restricted Fund	Total
	2022/23	2022/23	2022/23
Solar energy rebate	2,193	-	2,193
Refugee fund	-	8,126	8,126
Donations	52	-	52
Total other charitable income	2,245	8,126	10,371

	General Fund (unrestricted)	Restricted Fund	Total
	2021/22	2021/22	2021/22
Solar energy rebate	2,084	-	2,084
Refugee fund	-	-	-
Donation	20	-	20
HSBC Compensation	150	-	150
Total other charitable income	2,254	-	2,254

The Restricted fund is for Refugee Support. This was set up in response to the refugees coming to the UK after the Ukraine invasion (2021/22 - Nil).

Note 9 Grants & donations paid

	Restricted Fund	Restricted Fund
	2022/23	2021/22
Grants from the Refugee Support Fund	1,620	-

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2023

Note 10 Stipends, salaries and associated costs

	General Fund (unrestricted)	Restricted Fund	Total
	2022/23	2022/23	2022/23
Stipends & salaries			
Stipends-Ministers	84,005	-	84,005
Salaries -Lay worker & admin	10,396	779	11,175
Employers' pensioncontributions	21,731	-	21,731
Employers' N I contributions	8,022	3	8,025
Apprenticeship levy	467	-	467
Supernumerary fees	800	-	800
Professional fees-admin contract	5,400	-	5,400
Total stipends & salaries costs	130,821	782	131,603
Associated costs			
Ministers' travel	2,386	-	2,386
Lay employees' travel	171	-	171
Payroll fees	480	-	480
Total associated costs	3,037	-	3,037
Total stipends, salaries & associated costs	133,858	782	134,640

	General Fund (unrestricted)	Restricted Fund	Total
	2021/22	2021/22	2021/22
Stipends & salaries			
Stipends-Ministers	80,568	0	80,568
Salaries -Lay worker & admin	7,514	11,407	18,921
Employers' pensioncontributions	20,840	0	20,840
Employers' N I contributions	7,642	457	8,099
Apprenticeship levy	532	0	532
Supernumerary fees	1,150	0	1,150
Professional fees-admin contract	5,400	0	5,400
Total stipends & salaries costs	123,646	11,864	135,510
Associated costs			
Ministers' travel	2,286	0	2,286
Lay employees' travel	170	312	482
Payroll fees	480	0	480
Total associated costs	2,936	312	3,248
Total stipends, salaries & associated costs	126,582	12,176	138,758

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 10 Stipends, salaries and associated costs (continued)

Stipends were paid to 3 Ministers (2 full-time Presbyters, and 1 Deacon) in 2022/23 and 2021/22. Salaries were paid to 3 part-time lay workers/administrative staff and 1 contractor. The Family & Schools worker resigned at the end of the previous year, with a replacement not appointed until late in the current year. The Family & Schools Worker cost is met from the Restricted Fund, using a grant received from the District.

A home telephone and broadband connection is provided for Ministers solely for use on Circuit business and travel costs incurred on Circuit business are re-imbursed against expense claims.

The full-time Ministers' manses are provided by the Circuit and the Circuit maintains and insures the properties and meets the cost of Council Tax and water charges. The amounts are not regarded by HMRC as benefits in kind.

No employee received employee benefits totalling more than £60,000.

There is no accrual for holiday pay as it is immaterial, the holiday year ends on 31 August.

Pensions

All ministers are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

The Connexion accounts for the MMPS pension scheme and shows the figure in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented.

The lay employees are eligible to join the pension scheme which the Circuit has arranged with NEST, a government scheme which allows for defined contributions. The Circuit contributes as an employer to this scheme.

Note 11 Payments to trustees

The Superintendent of the Circuit, the Presbyters and Deacon and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent Minister and other presbyters undertake the primary executive roles within the Circuit. The Circuit Senior Steward chairs meeting of the CLT and the Superintendent chairs the Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit.

No trustee received any remuneration for their role as trustee.

The Circuit policy is to reimburse members of the CLT and other trustees for expenditure properly incurred in carrying out their duties, including where appropriate travelling expenses and reimbursement of purchases on behalf of the Circuit such as maintenance of the manses, or where they have been requested to undertake certain activities for the Circuit such as training.

During the year the sum of £2,568 was reimbursed in this regard to 5 trustees (2021/22 £5,360 to 8 trustees). Of this amount £0 related to manse refurbishments and £2,568 to travel, computer, and office expenses (2021/22 £18 for manse expenditure and £5,342 for travel, computer, and office expenses).

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 12 Property expenses

	General Fund (unrestricted)	General Fund (unrestricted)
	2022/23	2021/22
Property costs-manses		
Insurance	1,066	2,564
Manse Council tax & water	9,539	8,635
Maintenance-manses	23,403	5,668
Quinquennial inspection fee4 (1 in 2021/22)	2,795	650
Property costs-let properties		
Maintenance-let properties	2,754	7,886
Agents' fees	4,007	3,010
Quinquennial inspection fee	-	650
Total property costs	43,564	29,063

The Circuit is Managing Trustee for three properties used as manses, (two in Chelmsford and one in Maldon) and one property in Chelmsford let out on an Assured Shorthold Tenancy. With the exception of, the let properties, the Circuit is responsible for the payment of Council Tax, water rates, insurance and maintenance. In August one of the Manses in Chelmsford was also let out on an Assured Shorthold Tenancy resulting in increased agents' fees (including a new tenant fee).

Note 13 Connexional & District Assessment and Levy

	General Fund- unrestricted	General Fund- unrestricted
	2022/23	2021/22
District Assessment	44,232	44,492
	CMTF Fund - unrestricted	CMTF Fund - unrestricted
	2022/23	2021/22
District Advance Fund Levy	6,316	1,325
Connexional Priority Fund Levy	-	112,192
Total Levies	6,316	113,517

The District Assessment is calculated relative to the proportion of church members, and staffing (Presbyters and Mission staff only) of all Circuits in the Beds, Essex & Herts District. 50% of the overall cost is calculated using relative membership proportions and 50% using relative staffing proportions. The assessment is mainly a contribution to Connexional costs for national support services, discipleship and mission but also includes funding towards the costs of the District office and staff.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

The levy for the District Advance Fund is calculated on a sliding scale percentage of the Circuit's CMTF Account balance as at 31 August in the previous accounting period.

There was an additional levy last year for the Connexional Priority Fund, taken from the net proceeds of sale of the Hatfield Peverel church which was sold during the year. The levy of £112,192 was calculated as a proportion of the sale proceeds of £339,304 and is used for Mission work across the Connexion.

Note 14 Office expenses and resources

	General Fund (unrestricted)	Restricted Fund	Total
	2022/23	2022/23	2022/23
Telephone & internet	2,116	-	2,116
Printing, postage & stationery	1,151	-	1,151
IT & video equipment costs	210	-	210
Use of office	-	-	-
Preaching & sundry resources	293	991	1,284
Total	3,770	991	4,761
	General Fund (unrestricted)	Restricted Fund	Total
	2021/22	2021/22	2021/22
Telephone & internet	2,060	-	2,060
Printing, postage & stationery	1,399	-	1,399
IT costs	191	-	191
Use of office	500	-	500
Preaching & sundry resources	341	434	775
Total	4,491	434	4,925

Note 15 Other outgoings

	General Fund (unrestricted)	CMTF Fund (unrestricted)	Restricted	Endowment Fund	Total	Total
	2022/23	2022/23	2022/23	2022/23	2022/23	2021/22
Bank Charges	60	-	-	-	60	63
Just Giving Charge	-	-	95	-	95	245
Training	960	-	-	-	960	-
Independent examiner's fee	800	-	-	-	800	750
TCMP admin. fee	-	502	-	70	572	226
Total	1,820	502	95	70	2,487	1,284

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 16 Other gains-Circuit Model Trust Fund

The Methodist Church in Hatfield Peverel was sold last year. The proceeds of sale net of selling costs were £339,304. In accordance with Connexional Standing Orders, this amount is held by the Circuit in the Circuit Model Trust Fund for Circuit use. The Connexional Priority Fund Levy is taken from this amount (see note 13).

Note 17 Fixed Assets-Manses and Other Properties

	Manse Land	Manse buildings	Investment property	Total	Total
	2022/23	2022/23	2022/23	2022/23	2021/22
Balance brought forward	510,000	740,000	282,250	1,532,250	1,532,250
Revaluation of investment property	-	-	-	-	-
Disposals	-	-	-	-	-
Balance carried forward	510,000	740,000	282,250	1,532,250	1,532,250

Schedule of Manses and Investment Property

Property	Type	Cost	Valuation	Total
30 Park Ave Chelmsford	Manse	425,000		425,000
4 Rubens Gate Springfield Chelmsford	Manse	475,000		475,000
11 Mirosa Drive Maldon	Manse	350,000		350,000
10 Wickfield Ash Chelmsford	Investment		282,250	282,250
Total		1,250,000	282,250	1,532,250

There are 3 manses in use (3 - 2021/22), 2 located in Chelmsford and 1 in Maldon, which are valued at cost as defined by FRS102. The manse at Park Avenue, Chelmsford was stated at deemed historic cost as at August 2014 in accordance with FRS102. The manse at Maldon is valued at purchase cost in June 2015. The property at Rubens Gate, in North Springfield Chelmsford is valued at purchase cost in October 2014 plus the capital cost of improvements net of impairment in 2018/19. The manse at Rubens Gate was let on a short-term basis from mid August 2023. It is intended that this will be used as a manse again in the future.

The property at Wickfield Ash, currently surplus to our requirements, continues to be let on a short-term basis. As it is unlikely that this property will be required in future as a manse it is valued as an investment property at the potential net sale proceeds receivable by the Circuit of £282,250 (2021/22 £282,250). This is based on a trustees' market valuation of £450,000 less the potential costs of sale of £167,750 (£7,750 professional fees and £160,000 payable for the Connexional Priority Fund Levy). 2021/22 figures are: trustees' valuation of £450,000 less £167,750 costs of sale (£7,750 professional fees and £160,000 CPT Levy).

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

No depreciation is being provided for the manses in use as the trustees consider the current residual value of the properties in their present condition to be not less than their brought forward cost and, in the absence of any impairment, any depreciation provision for the buildings component of the properties would be immaterial. The Circuit has made use of the deemed cost option on transitioning to FRS102 as outlined above.

Note 18 Monetary Investment Assets

Investments held by Trustees for Methodist Church Purposes (TMCP)

Year end valuation	2022/23 CMTF fund	2022/23 Endowment fund	2021/22 CMTF fund	2021/22 Endowment fund
Common investment funds	7,542	23,707	7,876	24,758
Trustees' Interest Fund	158,630	-	168,440	-
Total	166,172	23,707	176,316	24,758

Note 18 Monetary Investment Assets (continued)

Change in investment values	CMTF fund	Endowment fund
Investments held in common investment funds	2022/23	2022/23
Carrying (market) value at beginning of year	7,876	24,758
Net loss on revaluation	-334	-1,051
Carrying (market) value at end of year	<u>7,542</u>	<u>23,707</u>

The funds that support the Circuit Model Trust Fund are held by TMCP in Trustees' Interest Fund on which interest is credited to the accounts each month. These are regarded as medium-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 agents who are responsible for the day-to-day management of trust property. TMCP ensures that, through providing guidance and acting under their direction, the managing trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 19 Debtors and prepayments

	General Fund (unrestricted)	General Fund (unrestricted)
	2022/23	2021/22
Debtors		
Assessments due	500	2,000
Solar panel FIT payment due	836	827
Prepayments		
Ministers' stipends in advance	6,876	9,472
Manse insurance	1,493	-
Council Tax	210	665
Letting agents' fees	244	-
Total debtors & prepayments	<u>10,159</u>	<u>12,964</u>

Note 20 Bank & Cash Balances

	General Fund (unrestricted)	Designated Fund	Restricted Fund	Total	Total
	2022/23	2022/23	2022/23	2022/23	2021/22
Central Finance Board	63,021	108,000	10,953	181,974	115,240
Cash at bank	11,383	-	-	11,383	79,727
Total	<u>74,404</u>	<u>108,000</u>	<u>10,953</u>	<u>193,357</u>	<u>194,967</u>

The monetary balance held at the Central Finance Board of the Methodist Church is available on demand without loss of interest. Interest is credited monthly. The HSBC& Co-operative Bank accounts are used for the receipt of income from Churches and rentals and payment of salaries and other revenue costs.

Note 21 Creditors & accruals

	General Fund (unrestricted)	General Fund (unrestricted)
	2022/23	2021/22
Trade creditors & expenses	470	1,000
Rent received in advance	1,850	-
Accruals-independent examiner's fee	800	750
Total	<u>3,120</u>	<u>1,750</u>

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2023

Note 22 Funds

General Fund - unrestricted

The purpose of this fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes.

Circuit Model Trust Fund (CMTF)-unrestricted

The purpose of the fund is for use at the discretion of the trustees in furtherance of the general objectives of the Circuit. Its main source of income is legacies and formulaically determined contributions from the sale of manses and church buildings in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds. Methodist Standing Orders 930, 931 and 917(2) are applicable.

Designated Fund - unrestricted

These are unrestricted funds that have been allocated for the purpose of employing a Family & Schools worker for the next three years (£103,000) and matching donations made to assist Ukrainian & other refugee families in the area (£5,000). These have been designated by the trustees of the circuit meeting. It can only revert to general funds by the agreement of the same body.

Restricted Fund

The restricted fund comprises funds for Schools and Family worker (£4,542) 2022:(£6,315) and the Refugee Support Fund (£6,411) 2022: (£0). The balance in the Schools and Families worker project within the Maldon section of the Circuit has come from a grant received in 2022/23 from the District Advance Fund. The District has given permission for these funds to be carried forward. Any funds not used for this purpose will be due to be returned to the District. The Refugee Support Fund was raised by individual personal donations received from around the circuit

Endowment Fund

This is a permanent endowment fund arising from a legacy given by Mrs H Walker. The income can only be used for local religious purposes.

Note 23 Summary of fund movements

	Balances as at 31/08/22	Income	Expenditure	Transfers	Unrealised Losses	Balances as at 31/08/23
General Fund	1,629,116	207,683	-227,244	4,140	-	1,613,695
CMTF	176,316	5,488	-6,818	-8,480	-334	166,172
Designated	103,000	-	-	5,000	-	108,000
Restricted	6,315	8,126	-3,488	-	-	10,953
Endowment	24,758	730	-70	-660	-1,051	23,707
Total	1,939,505	222,027	-237,620	0	-1,385	1,922,527

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
 31 AUGUST 2023

Note 24 Analysis of net assets between funds

Fund balances at 31 August are represented by:

	General Fund (unrest'd)	CMTF Fund (unrest'd)	Designated	Restricted Fund	Endo't Fund	Total
	2022/23	2022/23	2022/23	2022/23	2022/23	2022/23
Tangible fixed assets	1,532,250	-	-	-	-	1,532,250
Current assets	84,565	166,172	108,000	10,953	23,707	393,397
Current liabilities	-3,120	-	-	-	-	-3,120
Net assets	1,613,965	166,172	108,000	10,953	23,707	1,922,527
	General Fund (unrest'd)	CMTF Fund (unrest'd)	Designated	Restricted Fund	Endo't Fund	Total
	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22
Tangible fixed assets	1,532,250	-	-	-	-	1,532,250
Current assets	98,616	176,316	103,000	6,315	24,758	409,005
Current liabilities	-1,750	-	-	-	-	-1,750
Net assets	1,629,116	176,316	103,000	6,315	24,758	1,939,505

Note 25 Related Parties

None of the Circuit trustees made donations direct to the Circuit during the year or in the preceding year. All of the Circuit trustees are members of one of the Churches within the Circuit and may be trustees of their Churches.

Related parties include the Methodist Conference, the BE&H District and Churches within the Circuit, CFB and TMCP. One trustee has a related party connection to one supplier, Dragonfly Educational Consultancy. The trustee declares that they have received no special benefits through this connection. Circuit payments to this supplier total £5,400. (2022/23: 1 Trustee & 1 Supplier: Total £5,490).

Note 26 Volunteer Contribution

Every entity (Connexion, District, Circuit and Church) within the Methodist Church in the UK is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. In this Circuit the principal contribution is by serving on committees of the Circuit that deal with the mission, manses, finance, policy, grants and training. We are grateful to all of them for their help and commitment. No attempt has been made by this Circuit to value the non-monetary contributions to the Circuit in monetary terms.

Note 27 Capital commitments and contingent liabilities.

There are no capital commitments or contingent liabilities on 31 August 2023 (2022 Nil).