

THE METHODIST CHURCH – CLEVELAND AND DANBY CIRCUIT
Registered Charity – Registration number 1130868

**ANNUAL REPORT AND
FINANCIAL STATEMENTS 2020/21**

Introduction

The Cleveland and Danby Circuit was formed on 1 September 2005, by the amalgamation of the former Cleveland and Danby circuits.

Each of the local Methodist Churches within the area bounded by Redcar, Guisborough, Westerdale, Glaisdale and Hinderwell (thirteen churches in all) is affiliated to the Circuit. The Circuit is in turn affiliated to the Methodist Church of Great Britain, through its Darlington District.

In accordance with the Charities Act 2006 the Circuit became registered as a Charity with the Charity Commission from 30 July 2009, because its gross annual income is above £100k, the current registration threshold. All other Churches are expected to be registered when timetable agreed with Charity Commission.

Mission Statement

“The Cleveland and Danby Methodist Circuit will grow and thrive through:

- Growing in depth (In our walk spiritually with God)
- Growing in vitality (In our ability to make the love of God known)
- Growing new disciples.”

Objectives of the Circuit

“The Circuit is the primary unit in which Local Churches express and experience their interconnexion in the body of Christ, for purposes of mission, mutual encouragement and help.” [The Constitutional Practice and Discipline of the Methodist Church, Standing Order 500]

1. To encourage the churches of the Circuit to work through the implications of “Our Calling”, as prioritised by Conference 2004.
2. Presbyteral ministers have pastoral charge of an independent section but their individual gifts to be shared across the Circuit.
3. To act as manager of the ministers, presbyteral, diaconal, probationer, and lay workers stationed in the Circuit.
4. To deploy effectively the resources of ministry, which include people, property and finance, as they relate to the Methodist churches in the Circuit, to churches of other denominations and to participation in the life of the communities served by the Circuit, including local schools and colleges, and in ecumenical work in the area.
5. To provide and maintain housing for ministers stationed in the Circuit.

6. To plan the programme of worship services for churches in the Circuit and allocate preachers to services.
7. To co-ordinate the activities of churches in the Circuit and organise joint services and other events.
8. To be responsible for the collection and payment of contributions to District and Connexional Funds on behalf of churches in the Circuit.
9. To be responsible for the training and accreditation of local preachers within the area of the Circuit.
10. To organise Circuit Meetings held at least three times a year – the Circuit Meeting is the meeting of the Trustees, responsible for the affairs of the Circuit and development of circuit policy. It exercises a combination of spiritual leadership and administrative efficiency, which enables the Circuit to fulfil its purposes. It acts as the focal point of the working fellowship of the churches in the Circuit, overseeing their pastoral, training and evangelistic work. The meeting encourages leadership within the Circuit, which involves the Circuit Stewards and other lay persons along with the ministers appointed to the Circuit.

Activities during the Year

Coronavirus

The activities of the Circuit were again constrained by the need to follow Government regulations and Methodist Church guidelines and various services and meetings were a mix of virtual and actual depending on the circumstances.

The continued disruption of Chapel services and letting of premises meant that the income for the Chapels has been diminished and consequently several Chapels were unable to make their normal assessment contribution towards the running of the Circuit.

Circuit Leadership

The Ministerial team and the Circuit Leadership Team have continued to meet regularly throughout the year, mainly virtually. In a similar fashion the Circuit meetings have also moved predominantly online, which has compromised the participation by some of the members due to technology limitations.

East Cleveland Community Work

This work has continued to develop and adapted to online and remote support. The local community has also been supported by the running of a pop-up shop selling surplus foodstuffs and the provision of food and school uniform banks. An independent review of the work has been carried out to assist in developing this work further, with the aim to establish a new centre of worship.

Staff Changes

Rev. Arthur Harbottle left the Circuit at the end of the last Connexional year and a Probationer Minister, Rev Kevin Highfield has joined and a part time lay Pastoral Assistant has been recruited to support the Superintendent. Part way through the year the Circuit Administrator resigned and a replacement will be recruited in due course.

Closure of Churches

No churches officially closed during the year.

Manse

The Cartmel Road property reverted to being used as a Manse for the Redcar area minister. The Windermere Drive property, with agreement from TMCP, has been rented out via a Letting Agent.

Statement of Trustees' Responsibilities

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the ongoing concern unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts Reports) Regulations 2008 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees have taken due regard to guidance published by Charity Commission on public benefit.

Risk Management

The Trustees have reviewed the principal risks affecting the operations at the March 2020 Circuit meeting, and have concluded that there are effective measures in place to mitigate those risks.

Financial Results

1. The attached financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting by Charities, and the latest model circuit accounts prepared by the Trustees for Methodist Church Purposes. In particular, they have been prepared on the accruals basis.
2. In following the latest model circuit accounts, a single statement of financial activities and a single balance sheet have been prepared, covering all funds under the control of the Circuit Meeting, including the Model Trust Fund.
3. The total funds at 31 August 2021 were £1,369,129 which were allocated between fund categories as follows:

31.8.21		31.8.20
£		£
46,125	Unrestricted Funds	74,636
Nil	Endowments	Nil
13,178	Restricted Funds:	5,711
1,063,000	Manse at Valuation	1,063,000
5,150	Designated Funds	9,499
268,676	Model Trust Fund	307,809
	Other	
1,396,129		1,460,655

4. The change for the year on unrestricted funds was a deficit of £28,511
5. Model Trust Fund is a restricted fund, which may only be used for purposes defined by Methodist Church Standing Orders.
6. Cash balances at 31 August 2021 were £56,015 (2020 : £86,303).

Post Balance Sheet Event

There are no post balance sheet events

Reserves Policy

The reserves policy relates to all the funds for which the Circuit Meeting is responsible as trustees of the charity.

The aim of this policy is twofold:

- To secure and sustain the Circuit's viability and future;
- To give reassurance to the affiliated churches and their members, and to the public, that the Circuit intends to use all of the money coming into its care for the purposes of the charity.

Circuit Unrestricted General Fund

Under the Standing Orders of the Methodist Church, the Circuit is required to meet its financial obligations for the support of its ministers, the maintenance of its manses, and its contributions to the District and the Connexion. The total cost of these in the last financial year was £195,040.

Our reserves policy is to progressively reduce the year-end balance to £40,000, which is the level agreed at June 2012 Circuit meeting.

Model Trust Fund

This fund derives primarily from the sale of chapels and manses, and the Methodist Conference controls its use under "The Constitutional Practice & Discipline of the Methodist Church", mainly SO 916 & 917. This restriction is an internal regulation, which permits the fund to be used for a variety of purposes as approved by Circuit meeting.

The funds held in the Model Trust Fund (and those that are anticipated to be realised from planned sales) have been earmarked by the trustees as follows:

- £10,000 per annum for general Circuit purposes, including maintenance of manses, under Standing Order 917;
- up to £25,000 per annum for grants to affiliated churches for future property schemes;
- Westerdale Methodist annual contribution to Westerdale Christ Church running costs as part of LEP building sharing agreement, approx. £1,000 per annum.
- Ongoing support for the next 2yrs for the East Cleveland project
- 3 year support for a part-time lay worker in East Cleveland area of Saltburn section.

A proposal is annually applied for to release £10,000 under Standing order 917 for general Circuit purposes. Projects are submitted by the Circuit's churches for property schemes using an online system after the Circuit has approved to release grants from the Model Trust fund.

The trustees believed that these objectives, together with the annual levy payable to the District, and release for future assessment shortfalls would utilise all of the funds, those currently held and those anticipated to be realised from planned sales, over the next five years. The actions taken to contain the Coronavirus epidemic have had a negative impact upon the income for the Circuit's chapels and there will be greater need to cover the assessment shortfalls for the near future whilst the financial impact becomes clearer and plans to address the imbalance are implemented.

Other Restricted Funds

All restricted funds are utilised only for the purposes specified by the donors.

The principal funds are:

- Circuit Layworker Fund (balance £4,384) to fund the East Cleveland Community Outreach project.
- Education & Youth Fund (balance £708) – To support education and youth activities
- Benevolence Fund (balance £250) – Support for the needy, including refugees and asylum seekers.

Endowment Funds

All the Circuits Endowments are closed and the monies realised for Circuit use.

Approved by the Trustees at a Circuit Meeting on 2022, and signed
on their behalf by

John Henry 1/6/22

Rev John Henry, Superintendent Minister

Legal and Administrative Particulars

Trustees of the Circuit (Members of the Circuit Meeting) September 2020 – August 2021

The trustees of the Circuit, who are listed below, meet regularly, normally up to four times each year, in the Circuit Meeting. This is the ultimate decision-making body of the Circuit, operating under the terms of Methodist Standing Orders.

Circuit Ministers:

Rev. John Henry (Superintendent Minister)
Rev. Alan Coates
Rev. Kevin Highfield

Circuit Stewards:

Mr Colin Crossman (also Synod Rep)
Mr. John Harrison (also Synod Rep)
Mr. Alan Richmond (also Property Secretary)
Mrs Liz Fernandez
Mrs Mary Bielby
Mrs Ann Forster-Harding
Mrs Liz Chadwick
Rev. Isabel Stuart

Circuit Officers:

Mr Steven Bee – Joint Circuit Treasurer
Mr Ron Kirk - - Joint circuit Treasurer

Church Representatives:

Brotton	Mr. David Williams – Treasurer Mrs. Pam Chester – Church Representative Mr Phil Darby – Steward
Danby	Mrs. Sheila Jones - Steward Mrs. Mary Smith – Church Representative Mr. Steve Jones – Church Treasurer
Glaisdale Head Guisborough	Mrs. Ena Harker – Church Representative Mrs Pat Anderson – Steward Mr. Peter Crabb – Treasurer Mrs Angie Gavens – Church Representative
Hinderwell	Mrs. Ann Southgate – Steward Mr. Tim Husbands – Treasurer
Lealholm	Mr. Chris Pellant – Church Representative Mrs. Helen Pellant – Treasurer Mr. Laurie Pierson – Steward
Marske	Mrs. Wendy Lawrence – Steward Mr. Stephen Pearson – Treasurer Mrs. Gillian Pearson – Church Representative
Newcomen	Mrs. Judith Hathaway – Steward Mr. George Sands – Treasurer Mrs. Rosemary Taylor – Church Representative
New Marske	Mrs. Barbara Tansley - Steward Mrs. Janet Coles - Treasurer Mrs. Beryl Hurren – Church Representative
Saltburn	Mrs. Susan Richmond – Steward

	Mr. Geoffrey Callaghan – Treasurer
	Mrs. Sandie Callaghan – Church Representative
Skelton	Mr. Denise Burden – Church Representative
	Mr. Robert Shawcross – Treasurer
Westerdale	No representatives
Zetland Park	Ms. Sarah Dixon – Church Representative
	Mrs. Ann Woodhouse – Steward
	Mr. John Sims – Treasurer

Supernumerary Ministers:

Rev. Keith Martin
 Rev. Isabel Stuart (also Circuit Steward)
 Rev. Trevor Haigh (District Ecumenical Officer)
 Rev. Bill Middlemiss

Other Members:

Mrs Dorothy Hutton – MwiB Representative
 Mrs Sheila Crossman MHA Representative
 Mr Jason Griffiths – Safeguarding Officer
 Mr Brian Stephenson – Circuit Mission Treasurer
 Mrs Rachael Cort – Circuit Administrator
 Mr Peter Barley – Guisborough Lay Worker
 Mrs Sandie Dixon - Pastoral Lay Worker
 Mrs Emma Dacey – East Cleveland Lay Worker

Superintendent Minister:

Rev John Henry, 10 Bracken Crescent, Guisborough TS14 8DU

Independent Examiners:

Azets, New Garth House, Upper Garth Gardens, Guisborough TS14 6HA

Bankers:

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Accountants

Draycott and Kirk, 82 Westgate, Guisborough, TS14 6AP

Solicitors:

Punch Robson, 34 Myton Road, Ingleby Barwick, TS17 0WG

Property Advisors:

Bell Snoxell Building Consultants Ltd, Mortar Pit Farm, Sneatonthorpe, Whitby.
 YO22 5JG

The Methodist Church - Cleveland and Danby Circuit

FINANCIAL STATEMENTS

For Year Ending 31 August 2021

DRAYCOTT & KIRK
Cleveland House
92 Westgate
Guisborough
Cleveland
TS14 6AP

THE METHODIST CHURCH
STANDARD FORM OF ACCOUNTS
ACCRUALS BASIS

Cleveland and Danby	Circuit
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FOR THE YEAR ENDED
31 AUGUST 2021

Darlington	District	Circuit no	..13/07
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Registered Charity number

1130868

Ministers:

Rev J P Henry (Superintendent)
Rev K Highfield
Rev A Coates

Circuit Stewards:

Mrs L Chadwick
Mrs E Fernandez
Mr J Harrison
Mr C Crossman
Rev I Stuart
Mrs M Beilby
Mrs A Forster-Harding

Treasurer:

Mr S Ree & Mr R Kirk

Statement of Financial Activities (SOFA) for the year ended 31 August 2021

	Notes to the accounts	2020/21 Unrestricted Funds			2020/21 Restricted & Endowment Funds		Total 2020-21
		General Fund	Circuit Model Trust	Designated Funds	Restricted Funds	Endowment Funds	
		(Unrestricted)	(Unrestricted)	(unrestricted)			
		£	£	£	£	£	£
Income							
Donations and legacies		600					600
Income from monetary investments	5	65	803				868
Income from investment property	6	7,091					7,091
Assessments on Churches	7	165,791					165,791
Grants	8				8,837		8,837
Other charitable activities		139					139
Total from charitable activities		173,686	803	0	8,837	0	183,326
Other charitable income							0
Total from Charitable Income		173,686	803	0	8,837	0	183,326
Other income	9	4,187			3,258		7,445
Total income and endowments		177,873	803	0	12,095	0	190,771
Expenditure							
Grants and donations	10	0	6,000		1,761		7,761
Salaries and associated costs	11	128,648			11,176		139,824
Property	12	31,913					31,913
Office expenses	13	4,875					4,875
District Assessment & Levy	14	50,436	14,321				64,757
Other Outgoings	15	512	615	4,349	691		6,167
Total charitable expenditure		216,384	20,936	4,349	13,628	0	255,297
Net income/(expenditure) before investments		(38,511)	(20,133)	(4,349)	(1,533)	0	(64,526)
Gains/(losses) on revaluation/sale of properties		0	0				0
Gains/(losses) on monetary investments							0
Net incoming/(outgoing) resources before transfers		(38,511)	(20,133)	(4,349)	(1,533)	0	(64,526)
Transfers between funds		10,000	(19,000)		9,000		0
Other gains/(losses)							
Net movement in funds		(28,511)	(39,133)	(4,349)	7,467	0	(64,526)
Reconciliation of funds:							
Total funds brought forward		1,137,636	307,809	9,499	5,711	0	1,460,655
Less: Future installments of grants							
Total funds carried forward		1,109,125	268,676	5,150	13,178	0	1,396,129

Balance Sheet as at 31 August 2021

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2021 £
Fixed Assets							
Circuit Manses & Equipment	16	833,000					833,000
Investment properties	16	230,000					230,000
Investments							0
Total fixed assets		1,063,000	0	0	0	0	1,063,000
Current Assets							
Debtors	17	9,670	37				9,707
Trustees for Methodist Church Purposes	18		268,639				268,639
Central Finance Board Deposits	19	26,479					26,479
Cash at Bank and in hand	19	29,536	0	5,150	13,178		47,864
Total current assets		65,685	268,676	5,150	13,178	0	352,689
Current Liabilities							
Creditors (due in under 1 year)	20	19,560	0	0	0	0	19,560
Grants payable within 2020-21							0
Total current liabilities		19,560	0	0	0	0	19,560
Net current assets/liabilities		46,125	268,676	5,150	13,178	0	333,129
Total assets less current liabilities		1,109,125	268,676	5,150	13,178	0	1,396,129
Long term liabilities							
(due after more than one year)							0
Grants payable after 2020-21							0
Net assets		1,109,125	268,676	5,150	13,178	0	1,396,129
Funds of the Circuit							
General Fund (Unrestricted)		1,109,125					1,109,125
Circuit Model Trust Fund (Unrestricted)			268,676				268,676
Designated Funds (Unrestricted)	21			5,150			5,150
Total Unrestricted Funds							1,382,951
Restricted Funds	22				13,178		13,178
Endowment Funds						0	0
Total Funds		1,109,125	268,676	5,150	13,178	0	1,396,129

Signed

Steven W. Bee 1/6/22

Circuit Treasurer

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	2019/20 Unrestricted Funds			2019/20 Restricted & Endowment Funds		Total 2019-20
		General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	
		£	£	£	£	£	£
Income							
Donations and legacies							0
Income from monetary investments	5	437	2,622				3,059
Income from investment property	6	5,752					5,752
Assessments on Churches	7	209,917					209,917
Grants	8				5,231		5,231
Other charitable activities		2,561					2,561
Total from charitable activities		218,667	2,622	0	5,231	0	226,520
Other charitable income							0
Total from Charitable Income		218,667	2,622	0	5,231	0	226,520
Other income	9				4,402		4,402
Total Income and endowments		218,667	2,622	0	9,633	0	230,922
Expenditure							
Grants and donations	10	0	11,800		3,945		15,745
Salaries and associated costs	11	127,469			12,770		140,239
Property	12	19,429					19,429
Office expenses	13	5,021					5,021
District Assessment & Levy	14	51,464	18,121				69,585
Other Outgoings	15	3,713	717	500	12		4,942
Total charitable expenditure		207,096	30,638	500	16,727	0	254,961
Net income/(expenditure) before investments		11,571	(28,016)	(500)	(7,094)	0	(24,039)
Gains/(losses) on revaluation/sale of properties		0	0				0
Gains/(losses) on monetary investments							0
Net incoming/(outgoing) resources before transfers		11,571	(28,016)	(500)	(7,094)	0	(24,039)
Transfers between funds		10,000	(22,736)	4,736	8,000		0
Other gains/(losses)							
Net movement in funds		21,571	(50,752)	4,236	906	0	(24,039)
Reconciliation of funds:							
Total funds brought forward		1,116,065	358,561	5,263	4,805	0	1,484,694
Less: Future installments of grants							
Total funds carried forward		1,137,636	307,809	9,499	5,711	0	1,460,655

Balance Sheet as at 31 August 2020

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2019 £
Fixed Assets							
Circuit Manse & Equipment	16	893,000					893,000
Investment properties	16	170,000					170,000
Investments							0
Total fixed assets		1,063,000	0	0	0	0	1,063,000
Current Assets							
Debtors	17	9,778	205				9,983
Trustees for Methodist Church Purposes	18		307,604				307,604
Central Finance Board Deposits	19	57,066					57,066
Cash at Bank and in hand	19	29,237	0	9,499	5,711		44,447
Total current assets		96,081	307,809	9,499	5,711	0	419,100
Current liabilities							
Creditors (due in under 1 year)	20	21,445	0	0	0	0	21,445
Grants payable within 2019-20							0
Total current liabilities		21,445	0	0	0	0	21,445
Net current assets/liabilities		74,636	307,809	9,499	5,711	0	397,655
Total assets less current liabilities		1,137,636	307,809	9,499	5,711	0	1,460,655
Long term liabilities (due after more than one year)							
Grants payable after 2019-20							0
							0
							0
Net assets		1,137,636	307,809	9,499	5,711	0	1,460,655
Funds of the Circuit							
General Fund (Unrestricted)		1,137,636					1,137,636
Circuit Model Trust Fund (Unrestricted)			307,809				307,809
Designated Funds (Unrestricted)	21			9,499			9,499
Total Unrestricted Funds							1,454,944
Restricted Funds	22				5,711		5,711
Endowment Funds						0	0
Total Funds		1,137,636	307,809	9,499	5,711	0	1,460,655

Signed

Steven W. Bee 1/6/22

Circuit Treasurer

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

1 Accounting Convention

The financial statements have been prepared in accordance with the charities governing document and "Accounting and Reporting by Charities: statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (published in October 2019)". The charity is a public benefit entity as defined by FRS 102.

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

These accounts have been prepared on the basis of historical cost modified to include the revaluation of freehold properties and to include investment properties at fair value. The principal accounting policies adopted are set out below.

2 Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There are also the following Endowment funds as listed. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

3 Accounting policies

Income Recognition

Income is included in the statement of Financial Activities (SOFA) of the Circuit becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

Resources Expended

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

Grants

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

VAT

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

Tangible fixed assets for use by the Circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1,000.

The freehold property is shown in the accounts at 2020 deemed values. 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 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 - no property is currently deemed to not be held for the long term purposes of the Charity. Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value recognised in the SOFA.

Investments

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

Debtors and Prepayments

Debtors relate to the payment of the September stipend in August.

Creditors and Accruals

Creditors include both sundry expenses and specifically the 1st quarter assessment received in August.

4 Critical Accounting Estimates and Judgements

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

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

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Income and Expenditure Notes:

5 Income from Monetary Investments

	General Fund		CMT	
	2020/21	2019/20	2020/21	2019/20
Interest				
Interest CFB/TMCP	65	437	803	2,622

6 Income from Investment Property

The trustees have determined that the Windermere Drive property listed below will be retained until some time in the future when it may be needed as a manse for Minister in Skelton section of Circuit. The previous minister moved out of the manse in August 2020.

The Cartmel Road manse in Redcar had been let out by a letting agency until June 2020.

After undergoing some renovation and cleaning work the new minister moved into the Cartmel Road manse in August 2020.

	General Fund	
	2020/21	2019/20
Letting Income		
25 Cartmel Road	0	5,752
60 Windermere Drive	7,091	0

7 Assessments on Churches

The Circuit comprises of 13 churches and 1 LEP each is assessed for a contribution to meet overall net costs of the Circuit.

In making it's assessment, budgeted income from investment income (including property letting) and confirmed external grants is taken into account.

The assessment requires an annual contribution from the Circuit Model Trust Fund. An assessment on churches is annually determined by the Circuit using a formulaic method which takes into account the October number of members in each church and the annual average number weekly attending each church. Assessments are paid monthly in advance and are treated as prepayments on a receivable basis. If any church has not paid it's assessment by the due date the sum in question is also treated as a creditor.

Church	General Fund	
	2020/21	2019/20
Guisborough	55,080	61,975
Zetland Park	19,236	21,757
Newcomen	16,428	19,526
Marske	25,560	27,914
New Marske	4,716	5,136
Saltburn	12,408	24,884
Skelton	6,000	8,000
Brotton	5,760	5,760
Skinningrove	1,400	1,400
Hinderwell	3,000	7,361
Danby	11,111	12,966
Leaitholm	1,500	10,432
Glaisdale Head	2,500	1,714
Westerdale	1,092	1,092
Total	165,791	209,917

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Income and Expenditure Notes:

8 Grants Receivable

	Restricted	Restricted
Grants	2020/21	2019/20
TMCP	0	5,231
The Christian Education Trust	1837	
Darlington NPNP	5000	
Mission & Discipleship	2000	
Total	8,837	5,231

Grants for Lay worker

9 Other charitable activities

	General	Restricted Funds	
	2020/21	2020/21	2019/20
C&D Churches donations		425	485
C&D Churches donations		435	410
C&D Churches donations		155	165
C&D Churches donations		280	280
C&D Churches donations			223
MWIB		419	224
Home Missions		590	805
Overseas Missions		954	1,210
Hope4EastCleveland			600
Guisborough	4187		
Total	4187	3258	4402

10 Grants and Donations to Churches

	CMFT	General	CMFT	General
	2020/21	2020/21	2019/20	2019/20
Guisborough	5,000		5,000	
Westerdale	1,000		1,000	
Saltburn			5,800	
Total	6,000	0	11,800	0

	Restricted	
Donations	2020/21	2019/20
C&D Church's donations		485
C&D Church's donations		410
C&D Church's donations		165
C&D Church's donations		280
C&D Church's donations		223
MWIB	419	209
Home Missions	577	834
Overseas Missions	765	1,339
Total	1,761	3,945

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Income and Expenditure Notes:

11 Salaries and Associated costs

Stipends	General Fund	
	2020/21	2019/20
Stipends	79,632	77,536
NI Contributions	6,831	7,106
Pension Fund Contributions	21,205	20,056
Post/Print/Stat	355	186
Sundry Expenses	480	40
Telephone	1,716	2,653
Travelling	3,107	6,729
Apprenticeship levy	435	414
Supernumerary	880	2,166
Removal costs		604
Leaving gift		500
Total	114,641	117,990

No. of staff 3 3

Administrator, Pastoral Assistant & Layworker

	2020/21					2019/20			
	General	General	Restricted			General	General	Restricted	
	Administrator	Pastoral Assistant	Lay worker			Administrator	Pastoral Assistant	Lay worker	
Salary	8,228	4,940	9,835	23,003	7878		9620	17,498	
Employers NI	123		141	264	203		128	331	
Apprentice Levy	41		74	115	30		45	75	
Travelling			425	425	133		812	945	
Telephone	378		461	839	351		461	812	
Post/Print/Stat				0	193			193	
Sundry expenses				0			1,464	1,464	
Payroll Fee	240		240	480	240		240	480	
Leaving gift	57			57	44			44	
Office equipment				0	407			407	
Total	9,067	4,940	11,176	25,183	9,479	0	12,770	22,249	

No. of staff 1 1 1 1 0 1

Total Stipends and salaries

123,708	4,940	11,176	139,824
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140,239

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Income and Expenditure Notes:

12 Property

2020/21 General Fund								
Manses	Council Tax	Water Usage	Maintenance	Quin Insp	Other Prof Fees	Other Services	Insurance	Total
10 Bracken Cr	2,481	399	11,371				581	14,832
25 Cartmel Rd	1,936	207	5,211			75	318	7,747
60 Windermere Dr	517	78	1,075	600		53	667	2,990
1 Bridge Green	2,426		102				643	3,171
Equipment		592	500				148	1,240
Yr End Adj							(17)	(17)
Total	7,360	1,276	18,259	600	0	128	2,340	29,963

2019/20 General Fund								
Manses	Council Tax	Water Usage	Maintenance	Quin Insp	Other Prof Fees	Other Services	Insurance	Total
10 Bracken Cr	2,392	458	708	480			581	4,619
25 Cartmel Rd	169	21	4,182			355	318	5,045
60 Windermere Dr	2,402	385	395				667	3,849
1 Bridge Green	2,349	569	745				643	4,306
Equipment							147	147
Yr End Adj							(218)	(218)
Total	7,312	1,433	6,030	480	0	355	2,138	17,748

Other Church Property

2020/21 General Fund						
Other Property	Insurance	Electricity	Water Usage	Maintenance	Quin Insp	Total
Saltburn Church					780	780
Marske Church					540	540
Hinderwell Church					630	630
Total	0	0	0	0	1,950	1,950

2019/20 General Fund						
Other Property	Insurance	Electricity	Water Usage	Maintenance	Quin Insp	Total
New Marske Church					480	480
Guisborough Church				1150		1,150
Skinningrove Church				51		51
Total	0	0	0	1,201	480	1,681

Total Property 2020/21 - General Fund

31,913

Total Property 2019/20 - General Fund

19,429

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Income and Expenditure Notes:

13 Office Expenses

	General Fund	
	2020/21	2019/20
Circuit plan	264	712
Admin post/print/stat	25	21
Admin computer software	794	562
Audit fee	2,088	2,046
Accountancy Fee	1,620	1,620
Admin monthly bank charges	84	60
Total	4,875	5,021

14 District Assessments & Levy

	2020/21		
	General	CMTF	Total
Connex Assessment	41,758		41,758
District Assessment	8,678		8,678
Levy on CMTF		14,321	14,321
Total	50,436	14,321	64,757

2019/20		
General	CMTF	Total
42,660		42,660
8,804		8,804
	18,121	18,121
51,464	18,121	69,585

15 Other Outgoings

	2020/21				
	General Fund	CMTF	Designated	Restricted	Total
TMCP management Ch		615			615
MWIB exps					0
Local Preacher Exps	186				186
Other Circuit Exps	326				326
C&D Mission Fund			4,349		4,349
Hope4east Cleveland Club				691	691
Total	512	615	4,349	691	6,167

	2019/20				
	General Fund	CMTF	Designated	Restricted	Total
TMCP management Ch		717			717
MWIB exps				12	12
Local Preacher Exps	213				213
Other Circuit Exps	3500				3500
C&D Mission Fund			500		500
					0
Total	3,713	717	500	12	4,942

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Income and Expenditure Notes:

16 Fixed Assets - Circuit Manses @ Cost or valuation

2020/21							
Manse	Property	Land	Buildings	Machinery	fittings and	Construction	Total
25 Cartmel Rd			170,000				170,000
1 Bridge Green			365,000				365,000
10 Bracken Cres			298,000				298,000
60 Windermere Dr	230,000						230,000
Total	230,000	0	833,000	0	0	0	1,063,000

2019/20							
Manse	Property	Land	Buildings	Machinery	fittings and	Construction	Total
25 Cartmel Rd			170,000				170,000
1 Bridge Green			365,000				365,000
10 Bracken Cres			298,000				298,000
60 Windermere Dr	230,000						230,000
Total	230,000	0	833,000	0	0	0	1,063,000

Valuation of Cartmel Rd and 1 Bridge Green manses based on Bell-Snoxell valuation @2010

Valuation of Bracken Cr and Windermere Drive manses based on Bell-Snoxell valuation when purchased in 2015 and 2016

The Trustees believe that there has not been any material change in the manses values up to 31st August 2021.

During 2020 there was a change of use for 25 Cartmel Road which is once again being used as a manse and

60 Windermere Drive is now an investment property being let out.

17 Current Assets - Debtors

2020/21					
	General Fund	CMTF	Designated	Restricted	Total
Stipends Prepaid	9,023				9,023
Other pre-payments	647				647
CMTF interest due		37			37
Total	9,670	37	0	0	9,707

2019/20					
	General Fund	CMTF	Designated	Restricted	Total
Stipends Prepaid	8,917				8,917
Other pre-payments	861				861
CMTF interest due		205			205
Total	9,778	205	0	0	9,983

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

Balance Sheet Notes:

18 Current Assets - TMCP

	2020/21	2019/20
CMTF 10895	268,639	307,604

19 Current Assets - Central Finance Board (CFB) and Bank/Cash Balances

	2020/21				
	General Fund	CMTF	Designated	Restricted	Total
CFB	26,479				26,479
CAF bank	29,536		5,150	12,946	47,632
MWIB Cash in hand				30	30
WM & HM Cash in hand				202	202
					0
Total	29,536	0	5,150	13,178	47,864

	2019/20				
	General Fund	CMTF	Designated	Restricted	Total
CFB	57,066				57,066
CAF bank	29,237		9,499	5,681	44,417
MWIB Cash in hand				30	30
WM & HM Cash in hand					0
					0
Total	29,237	0	9,499	5,711	44,447

20 Current Liabilities

	2020/21				
	General Fund	CMTF	Designated	Restricted	Total
Assessments in Advance	12,258				12,258
Rent in advance	339				339
Computer software	132				132
Ministers & Staff exps	2,019				2,019
Sundry Creditors	116				116
Accountancy provision	1,620				1,620
Independent exam fee provision	2,076				2,076
Westerdale Grant	1,000				1,000
Total	19,560	0	0	0	19,560

	2019/20				
	General Fund	CMTF	Designated	Restricted	Total
Assessments in Advance	14,780				14,780
Rent in advance					0
Computer Software					0
Ministers & Staff exps	1,197				1,197
Sundry Creditors	1,814				1,814
Accountancy provision	1,620				1,620
Independent exam fee provision	2,034				2,034
Total	21,445	0	0	0	21,445

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2021

21 Designated Fund Analysis

	Leave Donations	C&D Mission Fund	Total
B/fwd from 2019/20	0	9,499	9,499
Donated 2020/21			0
Transfer from TMCP			0
Expenditure 2020/21		(4,349)	(4,349)
C/fwd	0	5,150	5,150

22 Restricted Funds Analysis

	Home Missions	Education Fund	Lay worker Fund	Benevolent Fund	Overseas Fund	MwMB	C&D Church Donations	Mission & Discipleship	Darlington NPNP Fund	Total
B/fwd from 2019/20	0	708	4723	250	0	30	0	0	0	5,711
Donations received 2020/21	590				954	419	1295			3,258
Grants received 2020/21			1,837					2000	5000	8,837
Transfer from General Fund										0
Transfer from TMCP			9,000							9,000
Expenditure 2020/21			(11,176)			(419)		(691)		(12,286)
Donations Trans 2020/21	(577)				(765)					(1,342)
Total	13	708	4,384	250	189	30	1,295	1,309	5,000	13,178

23 Payments to Trustees

Payments to Trustees

Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting

2020/21	2019/20
£ Nil	Nil

Number of trustees who were paid expenses

5	8
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Nature of the expenses

Expense payments primarily relate to reimbursement for travel, postage, training, stationery costs & minor manse maintenance.

Total amount paid

£ 4,311	8,018
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24 Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts

£

Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor

£

2020/21	2019/20
2,088	2,046
1,620	1620

25 Paid employees

Staff Costs paid during the year were :

Gross wages, salaries and benefits in kind

£

Employer's National Insurance Costs

£

Pension Costs

£

Total staff costs

£

2020/21	2019/20
102,635	95,034
7,085	7,437
21,205	20,056
130,935	122,527

Average number of staff employed during the year were:

5	5
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Declarations

Treasurer

I confirm that the accounts have been prepared from the records of the Circuit and they include all of the funds under the control of the Circuit meeting.

Signature of Treasurer.....*Steven W. Bee*..... Date.....*1/6/22*.....

Name : Steven Bee

Presentation to the Circuit meeting for approval.

I confirm that the annual report and accounts for the year ended 31st August 2021 have been:

Presented to the Circuit Meeting on and were approved.

Signature of the Chair of the meeting.....*John Henry*..... Date.....*1/6/22*.....

Name of the Chair of the meeting : Rev J Henry

Independent Examiner's Report to the Trustees of the Methodist Church Cleveland and Danby Circuit

I report on the accounts of the church for the year ended 31st August 2021 which are set out on pages 2 to 15.

Responsibilities and basis of report

As the church trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10000 (ten thousand pounds) at the balance sheet date.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Act;
or
- 2 the accounts do not accord with those records ; or
- 3 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.

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.

Mr J Gresham FCCA
Azets
New Garth House
Upper Garth Gardens
Guisborough TS14 6HA

