

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

**ANNUAL REPORT AND
FINANCIAL STATEMENTS 2021/22**

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. Guisborough Church is registered with the Charity Commission. All other Churches are expected to be registered when timetable agreed with Charity Commission. Currently individual Churches submit their accounts for overview by the Circuit Treasurer.

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 Circuit has had a gradual emerging from the effects of the coronavirus. With activities being gently restored and renewed.

Circuit Leadership

The Ministerial team and the Circuit Leadership Team have continued to meet regularly throughout the year, often virtually, although latterly meetings have started to take place face-to-face.

Circuit meetings have now started to happen face-to-face.

East Cleveland Community Work

This work has continued to develop and is actively pursuing a new source of funding through the New Places for New People initiative of the Methodist Church. We are looking to transform this community into a full-blown new church.

Staff Changes

There was only one staff change through the year with an additional part-time Children and Families Worker within the East Cleveland community project.

Closure of Churches

No churches officially closed during the year.

Mansees

The 3 properties Cartmel Road, Bracken Crescent and Bridge Green were all used as Manse accommodation for Ministers within the Circuit. The Windermere Drive property, with agreement from TMCP over its lease, has been remained rented out as a residential let.

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 2022 were £1,467,252 which were allocated between fund categories as follows:

31.8.22		31.8.21
£		£
50,729	Unrestricted Funds	46,125
Nil	Endowments	Nil
33,678	Restricted Funds:	13,178
1,198,000	Manses at Valuation	1,063,000
9,055	Designated Funds	5,150
175,790	Model Trust Fund	268,676
	Other	
1,467,252		1,396,129

4. The change for the year on unrestricted funds was an increase of £139,604 which includes £135,000 revaluation gain on properties.
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 2022 were £62,593 (2021 : £56,015).

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 £196,413.

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

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 915, 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:

- For general Circuit purposes, including maintenance of manses, under Standing Order 917;
- 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 East Cleveland project
- Support for a part-time lay worker in East Cleveland area;

A proposal is annually applied for to release funds 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 these funds over the next few years. The actions taken to contain the Coronavirus epidemic have had a negative impact upon the income for the Circuit's chapels. The financial position of many of those chapels still remains uncertain and there will continue to be a 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 £26,381) 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 20th June 2023, and signed on their behalf by

John Henry 29/06/23.

Rev John Henry, Superintendent Minister

Legal and Administrative Particulars

Trustees of the Circuit (Members of the Circuit Meeting) September 2021 – August 2022

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:

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

Circuit Officers:

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 Gavins – Church Representative
Hinderwell	Mrs. Ann Southgate – Steward Mr. Tim Husbands – Treasurer
Lealholm	Mr. Chris Pellant – Treasurer Mrs. Helen Pellant – Church Representative Mr. Laurie Pearson – Steward
Marske	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	Mr. Geoffrey Callaghan – Treasurer Mrs. Sandie Dixon – Church Representative
Skelton	Mr. Denise Burden – Church Representative Mr. Robert Shawcross – Treasurer

Westerdale
Zetland Park

No representatives
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:

Mr Steve Bee – Circuit Treasurer
Mrs Dorothy Hutton – MwiB Representative
Mrs Sheila Crossman MHA Representative
Mr Jason Griffiths – Safeguarding Officer
Mr Brian Stephenson – Connexional Funds Treasurer
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 Audit Services, 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 LLP, 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

Charity Registration No. 1130868

The Methodist Church - Cleveland and Danby Circuit

FINANCIAL STATEMENTS

For Year Ending 31 August 2022

**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 2022**

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
Ms S Dixon
Mr J Harrison
Mr C Crossman
Rev I Stuart
Mrs M Beilby
Mrs A Forster-Harding
Mr A Richmond

Treasurer:

Mr S Bee & Mr R Kirk

Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the accounts	2021/22 Unrestricted Funds			2021/22 Restricted & Endowment Funds		Total 2021-22
		General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	
		£	£	£	£	£	£
Income							
Donations and legacies		647					647
Income from monetary investments	5	196	1,278				1,474
Income from investment property	6	9,240					9,240
Assessments on Churches	7	172,957					172,957
Grants	8				24,037		24,037
Other charitable activities							0
Total from charitable activities		183,040	1,278	0	24,037	0	208,355
Other charitable income							0
Total from Charitable Income		183,040	1,278	0	24,037	0	208,355
Other Income	9				2,913		2,913
Total Income and endowments		183,040	1,278	0	26,950	0	211,268
Expenditure							
Grants and donations	10		30,000		4,410		34,410
Salaries and associated costs	11	135,368			12,010		147,378
Property	12	24,912					24,912
Office expenses	13	5,169					5,169
District Assessment & Levy	14	45,012	11,398				56,410
Other Outgoings	15	1,975	766	95	4,030		6,866
Total charitable expenditure		212,436	42,164	95	20,450	0	275,145
Net income/(expenditure) before Investments		(29,396)	(40,886)	(95)	6,500	0	(63,877)
Gains/(losses) on revaluation/sale of properties	16	135,000					135,000
Gains/(losses) on monetary investments							0
Net incoming/(outgoing) resources before transfers		105,604	(40,886)	(95)	6,500	0	71,123
Transfers between funds		34,000	(52,000)	4,000	14,000		0
Other gains/(losses)							
Net movement in funds		139,604	(92,886)	3,905	20,500	0	71,123
Reconciliation of funds:							
Total funds brought forward		1,109,125	268,676	5,150	13,178	0	1,396,129
Less: Future installments of grants							
Total funds carried forward		1,248,729	175,790	9,055	33,678	0	1,467,252

Cleveland and Danby Circuit

..13/07

Balance Sheet as at 31 August 2022

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2022 £
Fixed Assets							
Circuit Manses & Equipment	17	883,000					883,000
Investment properties	17	315,000					315,000
Investments							0
Total fixed assets		1,198,000	0	0	0	0	1,198,000
Current Assets							
Debtors	18	10,139	185				10,324
Trustees for Methodist Church Purposes	19		175,605				175,605
Central Finance Board Deposits	20	61,908					61,908
Cash at Bank and In hand	20	685	0	9,055	33,678		43,418
Total current assets		72,732	175,790	9,055	33,678	0	291,255
Current Liabilities							
Creditors (due in under 1 year)	21	22,003	0	0	0	0	22,003
Grants payable within 2021-22							0
Total current liabilities		22,003	0	0	0	0	22,003
Net current assets/liabilities		50,729	175,790	9,055	33,678	0	269,252
Total assets less current liabilities		1,248,729	175,790	9,055	33,678	0	1,467,252
Long term liabilities							
(due after more than one year)							0
Grants payable after 2021-22							0
Net assets		1,248,729	175,790	9,055	33,678	0	1,467,252
Funds of the Circuit							
General Fund (Unrestricted)		1,248,729					1,248,729
Circuit Model Trust Fund (Unrestricted)			175,790				175,790
Designated Funds (Unrestricted)	22			9,055			9,055
Total Unrestricted Funds							1,433,574
Restricted Funds	23				33,678		33,678
Endowment Funds						0	0
Total Funds		1,248,729	175,790	9,055	33,678	0	1,467,252

Signed

Martin McKechnan 29/06/23
Circuit Treasurer

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 (Unrestricted)	Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	
		£	£	£	£	£	£
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			11,178		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	16	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 instalments of grants							
Total funds carried forward		1,109,125	268,676	5,150	13,178	0	1,396,129

Cleveland and Danby Circuit

..13/07

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 2020 £
Fixed Assets							
Circuit Manses & Equipment	17	833,000					833,000
Investment properties	17	230,000					230,000
Investments							0
Total fixed assets		1,063,000	0	0	0	0	1,063,000
Current Assets							
Debtors	18	9,670	37				9,707
Trustees for Methodist Church Purposes	19		268,639				268,639
Central Finance Board Deposits	20	26,479					26,479
Cash at Bank and in hand	20	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)	21	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)							
Grants payable after 2020-21							0
							0
							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)	22			5,150			5,150
Total Unrestricted Funds							1,382,951
Restricted Funds	23				13,178		13,178
Endowment Funds						0	0
Total Funds		1,109,125	268,676	5,150	13,178	0	1,396,129

Signed

Martin M. Gashlan 29/06/23

Circuit Treasurer

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

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 affects that period, or in the period of revision and future periods where the provision affects both current and future periods.

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

5 Income from Monetary Investments

	General Fund		CMT	
	2021/22	2020/21	2021/22	2020/21
Interest				
Interest CFB/TMCP	196	65	1,278	803

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.

	General Fund	
	2021/22	2020/21
Letting Income		
60 Windermere Drive	9,240	7,081

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	
	2021/22	2020/21
Guisborough	53,076	55,080
Zetland Park	18,540	19,236
Newcomen	15,889	16,428
Marske	24,636	25,560
New Marske	4,548	4,716
Sellburn	21,926	12,408
Skelton	6,000	6,000
Brotton	2,700	5,760
Skinningrove	1,400	1,400
Hinderwell	3,948	3,000
Danby	11,112	11,111
Lealholm	6,500	1,500
Glaisdale Head	2,500	2,500
Westerdale	182	1,092
Total	172,957	165,791

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

8 Grants Receivable

	Restricted	Restricted
Grants	2021/22	2020/21
TMCP	23,457	
The Christian Education Trust	580	1,837
Darlington NPNP		5,000
Mission & Discipleship		2,000
Total	24,037	8,837

9 Other charitable activities

	General	Restricted	General	Restricted
	2021/22	2021/22	2020/21	2020/21
C&D Churches donations		160		425
C&D Churches donations		155		435
C&D Churches donations		100		155
C&D Churches donations		80		280
C&D Churches donations		124		0
MWIB		1,248		419
Home Missions		391		590
Overseas Missions		655		954
Guisborough			4,187	
Total	0	2,913	4,187	3,258

10 Grants and Donations to Churches

	CMFT	General	CMFT	General
	2021/22	2021/22	2020/21	2020/21
Guisborough			5,000	
Westerdale			1,000	
Zetland Park	30,000			
Total	30,000	0	6,000	0

	Restricted	
Donations	2021/22	2020/21
C&D Church's donations	585	
C&D Church's donations	590	
C&D Church's donations	255	
C&D Church's donations	360	
C&D Church's donations	124	
MWIB	1248	419
Home Missions	404	577
Overseas Missions	844	765
Total	4,410	1,761

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

11 Salaries and Associated costs

Stipends	General Fund	
	2021/22	2020/21
Stipends	80,567	79,632
NI Contributions	7,642	6,831
Pension Fund Contributions	20,840	21,205
Post/Print/Stat	326	355
Sundry Expenses	478	480
Telephone	1,873	1,716
Travelling	7,030	3,107
Apprenticeship levy	405	435
Supernumerary	3,490	880
Total	122,651	114,641

No. of staff 3 3

Administrator, Pastoral Assistant & Layworker

	2021/22				2020/21			
	General	General	Restricted	Total	General	General	Restricted	Total
	Administrator	Pastoral Assistant	Lay worker		Administrator	Pastoral Assistant	Lay worker	
Salary	6,864	5,096	10,192	22,152	8,228	4,940	9,835	23,003
Employers NI	125		178	303	123		141	264
Apprentice Levy	39		72	111	41		74	115
Travelling			1,328	1,328			425	425
Telephone	278			278	378		461	839
Post/Print/Stat	10			10				0
Sundry expenses				0				0
Payroll Fee	240		240	480	240		240	480
Leaving gift				0	57			57
Office equipment	65			65				0
Total	7,621	5,096	12,010	24,727	8,067	4,940	11,176	25,183

No. of staff 1 1 1 1 1 1 1

Total Stipends and salaries 130,272 5,096 12,010 147,378 139,824

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

12 Property

2021/22 General Fund								
Manses	Council Tax	Water Usage	Maintenance	Quin Insp	Other Prof Fees	Other Services	Insurance	Total
10 Bracken Cr	2,557	384	1,171				598	4,710
25 Cartmel Rd	1,842	209	4,536	330			327	7,244
60 Windermere Dr			619				687	1,306
1 Bridge Green	2,503	608	178				661	3,950
Equipment							147	147
Yr End Adj							(5)	(5)
Total	6,902	1,201	6,504	330	0	0	2,415	17,352

2020/21 General Fund								
Manses	Council Tax	Water Usage	Maintenance	Quin Insp	Other Prof Fees	Other Services	Insurance	Total
10 Bracken Cr	2,481	389	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	2,980
1 Bridge Green	2,426	592	102				643	3,763
Equipment			500				148	648
Yr End Adj							(17)	(17)
Total	7,360	1,276	18,259	600	0	128	2,340	29,963

Other Church Property

2021/22 General Fund						
Other Property	Prof fees	Electricity	Water Usage	Maintenance	Quin Insp	Total
Saltburn Church	5,400					5,400
Newcomen Church					510	510
Danby Church					990	990
Glaidsdale Head Church					660	660
Total	5,400	0	0	0	2,160	7,560

2020/21 General Fund						
Other Property	Prof fees	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

Total Property 2021/22 - General Fund

24,912

Total Property 2020/21 - General Fund

31,913

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

13 Office Expenses

	General Fund	
	2021/22	2020/21
Circuit plan	295	264
Admin post/print/stat	51	25
Admin computer software	841	794
Audit fee	2,232	2,088
Accountancy Fee	1,620	1,620
Admin monthly bank charges	97	84
Circuit website	33	
Total	5,169	4,875

14 District Assessments & Levy

	2021/22		
	General	CMTF	Total
Connex Assessment	40,673		40,673
District Assessment	4,339		4,339
Levy on CMTF		11,398	11,398
Total	45,012	11,398	56,410

	2020/21		
	General	CMTF	Total
	41,758		41,758
	8,678		8,678
		14,321	14,321
	50,436	14,321	64,757

15 Other Outgoings

	2021/22				
	General Fund	CMTF	Designated	Restricted	Total
TMCP management Ch		766			766
Local Preacher Exps	362				362
Other Circuit Exps	1613			40	1653
C&D Mission Fund			95		95
Hope4east Cleveland Audit				1011	1,011
Hope4east Cleveland Club				2979	2979
Total	1,975	766	95	4,030	6,866

	2020/21				
	General Fund	CMTF	Designated	Restricted	Total
TMCP management Ch		615			615
Local Preacher Exps	186				186
Other Circuit Exps	326				326
C&D Mission Fund			4349		4349
Hope4east Cleveland Audit					0
Hope4east Cleveland Club				691	691
Total	512	615	4,349	691	6,167

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

16 Valuation of Property

	2021/22				
	General Fund	CMTF	Designated	Restricted	Total
25 Cartmel Road	40,000				40,000
1 Bridge Green	10,000				10,000
60 Windermere Drive	85,000				85,000
					0
Total	135,000	0	0	0	135,000

	2020/21				
	General Fund	CMTF	Designated	Restricted	Total
25 Cartmel Road					0
1 Bridge Green					0
60 Windermere Drive					0
					0
Total	0	0	0	0	0

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Income and Expenditure Notes:

17 Fixed Assets - Circuit Manses @ Cost or valuation

2021/22							
Manse	Property	Land	Buildings	Machinery	fittings and	Construction	Total
25 Cartmel Rd			210,000				210,000
1 Bridge Green			375,000				375,000
10 Bracken Cres			298,000				298,000
60 Windermere Dr	315,000						315,000
Total	315,000	0	883,000	0	0	0	1,198,000

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

Valuation of Cartmel Rd, Windermere Dr and 1 Bridge Green manses based on Bell-Snoxell valuation @2022

Valuation of Bracken Cr mansa based on Bell-Snoxell valuation when purchased in 2015

The Trustees believe that there has not been any other material change in the manses values up to 31st August 2022.

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.

18 Current Assets - Debtors

2021/22					
	General Fund	CMTF	Designated	Restricted	Total
Stipends Prepaid	9,472				9,472
Other pre-payments	667				667
CMTF interest due		185			185
Total	10,139	185	0	0	10,324

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

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

Balance Sheet Notes:

19 Current Assets - TMCP

	2021/22	2020/21
CMTF 10895	175,605	268,639

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

	2021/22				
	Fund	CMTF	Designated	Restricted	Total
CFB	61,908				61,908
CAF bank	685		9,055	33,648	43,388
MWIB Cash in hand				30	30
WM & HM Cash in hand				0	0
Total	685	0	9,055	33,678	43,418

	2020/21				
	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
Total	29,536	0	5,150	13,178	47,864

21 Current Liabilities

	2021/22				
	Fund	CMTF	Designated	Restricted	Total
Assessments in Advance	14,331				14,331
Rent in advance	339				339
Computer software	132				132
Ministers & Staff exps	2,322				2,322
Sundry Creditors	105				105
Accountancy provision	1,620				1,620
Independent exam fee provision	2,154				2,154
Westerdale Grant	1,000				1,000
Total	22,003	0	0	0	22,003

	2020/21				
	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	19,580	0	0	0	19,580

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2022

22 Designated Fund Analysis

	C&D Mission Fund	Total
B/fwd from 2020/21	5,150	5,150
Donated 2021/22		0
Transfer from TMCP	4,000	4,000
Expenditure 2021/22	(95)	(95)
C/fwd	9,055	9,055

23 Restricted Funds Analysis

	Home Missions	Education Fund	Lay worker Fund	Benevolent Fund	Overseas Fund	MwLB	C&D Church Donations	Mission & Discipleship	Darlington NPFP Fund	Total
B/fwd from 2020/21	13	708	4384	250	189	30	1295	1309	5000	13,178
Donations received 2021/22	391				655	1248	619			2,913
Grants received 2021/22			24,037							24,037
Transfer from General Fund										0
Transfer from TMCP			14,000							14,000
Expenditure 2021/22			(16,040)							(16,040)
Donations Trans 2021/22	(404)				(844)	(1,248)	(1,914)			(4,410)
Total	0	708	26,381	250	0	30	0	1,309	5,000	33,878

24 Payments to Trustees

Payments to Trustees

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

2021/22	2020/21
£ Nil	£ Nil

Number of trustees who were paid expenses

5	5
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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

£ 8,664	£ 4,311
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25 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

£

2021/22	2020/21
2,232	2,088
1,620	1620

26 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

£

£

£

£

2021/22	2020/21
102,719	102,635
7,945	7,095
20,840	21,205
131,504	130,935

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... Martin McLachlan Date 29/06/23

Name : Martin McLachlan

Presentation to the Circuit meeting for approval.

I confirm that the annual report and accounts for the year ended 31st August 2022 have been:

Presented to the Circuit Meeting on 20/06/23 and were approved.

Signature of the Chair of the meeting... John Henry Date 29/06/23

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 2022 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.

Azets Audit Services

Mr G Fitzgerald BA FCA DChA
Azets Audit Services
New Garth House
Upper Garth Gardens
Guisborough TS14 6HA

29 June 2023

