

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

**ANNUAL REPORT AND
FINANCIAL STATEMENTS 2022/23**

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 independently with the Charity Commission. All other Churches are expected to be registered when a timetable is agreed with the Charity Commission. Currently individual Churches submit their accounts for overview by the Circuit Property and Finance Officer.

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 oversee the ministry and mission of 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

Circuit Leadership

The Ministerial team and the Circuit Leadership Team have continued to meet regularly throughout the year.

Circuit meetings have also been held regularly throughout the year.

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. It continues to thrive in its High Street premises in Loftus, transitioning towards becoming a full-blown new church.

Staff Changes

There was one lay worker staff change through the year, this being the addition of a Circuit Property and Finance Officer in March 2023. They are now well embedded within the work of the Circuit.

Rev John Henry and Rev Alan Coates left the circuit in August 2023. Our new Superintendent Minister Rev Richard Sharples takes up post in September 2023

Closure of Churches

One church officially closed during the year, this being Skinningrove Methodist Church which closed in August 2023.

Manses

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, remained rented out as a residential let until March 2023, when the lease was terminated to allow the property to be readied for occupation by a new Superintendent Minister.

Clustering of Churches

Work has tentatively started looking into grouping of Churches together into 'Clusters'. This work will continue into the Year September 2023/August 2024.

Equality, Diversity and Inclusion

Through the leadership of Rev Kevin Highfield and Rev John Henry many within our Circuit are now better trained with respect to Equality, Diversity and Inclusion.

Safeguarding

A significant programme of Safeguarding training has taken place for our post holders within the Circuit and individual Churches.

Statement of Trustees' Responsibilities

The Property and Finance Officer works on behalf of The Trustees and is accountable to them. They work for and advise The Trustees to assist them in meeting the obligations and requirements upon them as Trustees. The Property and Finance Officer handles the day-to-day management of the finances of the Circuit, oversees its accounting and prepares its budgets and forecasts for the Trustees. The role also involves management and maintenance of the Circuits properties on behalf of The Trustees.

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom (UK) 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 October 2019 (FRS 102);
- 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 going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper 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 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the 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 the 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. There have been no changes in operational procedures since then.

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 2023 were £1,430,691 which were allocated between fund categories as follows:

31.8.23		31.8.22
£		£
52,693	Unrestricted Funds	50,729
Nil	Endowments	Nil
22,734	Restricted Funds	33,678
1,230,000	Manses at Valuation	1,198,000
8,455	Designated Funds	9,055
116,809	Model Trust Fund	175,790
	Other	
1,430,691		1,467,252

4. The change for the year on unrestricted funds was an increase of £1,964.
5. Model Trust Fund is a restricted fund, which may only be used for purposes defined by Methodist Church Standing Orders.

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 £200,950.

Our reserves policy was to progressively reduce the year-end unrestricted funds balance to £40,000, which is the level agreed at June 2012 Circuit meeting. This will be reviewed in the forthcoming year with a view to possibly increasing this amount.

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 the 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 two part-time lay workers 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 Meeting has approved to release grants from the Model Trust fund.

Other Restricted Funds

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

The principal funds in the year September 2022 to August 2023 were:

- Circuit Layworker's Fund (end of year balance £15,287) to fund the East Cleveland Community Outreach project.
- Education & Youth Fund (end of year balance £708) – To support education and youth activities
- New Places For New People Fund (end of year balance £5,000) to fund the East Cleveland Community Outreach project.
- Benevolence Fund (end of year balance £250) – Support for the needy, including refugees and asylum seekers.
- Mission and Discipleship Fund (end of year balance £1,309) – To support mission and discipleship.

Endowment Funds

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

Designated Funds

Designated funds can only be used for the purpose to which they were designated. The only designated fund in the year September 2022 to August 2023 was:

- Circuit and District Mission Fund (end of year balance £8455) – To support mission within the Circuit.

Approved by the Trustees at a Circuit Meeting on 13/06/24, and signed on their behalf by

Rev Richard Sharples, Superintendent Minister

RV Sharples
13/6/24

Legal and Administrative Particulars

Trustees of the Circuit (Members of the Circuit Meeting) September 2022 – August 2023

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. John Harrison (also Synod Rep)
Mrs Liz Chadwick
Rev. Isabel Stuart

None Voting Circuit Officers:

Mrs Yvonne Holden – Circuit Administrator
Mr Martin McLachlan – Circuit Property and Finance Officer

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 Rev. Isabel Stuart – 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	Mrs. Christine Clayton - Steward Mr. Stephen Pearson – Treasurer Mrs. Gillian Pearson – Church Representative
Newcomen	Mrs. Judith Hathaway – Steward Mrs. Mavis Sands – Treasurer Mrs. Rosemary Taylor – Church Representative
New Marske	Mrs. Barbara Tansley - Steward Mrs. Janet Coles - Treasurer Mrs. Beryl Hurren – Church Representative
Saltburn	Mr. Alan Richmond - Steward Mr. Geoffrey Callaghan – Treasurer Mrs. Cynthia Callaghan – Church Representative
Skelton	Mrs. Gina McMahon - Steward Mrs. Denise Burden – Church Representative

Westerdale	Mr. Robert Shawcross – Treasurer
Zetland Park	No representatives
	Ms. Sarah Dixon – Steward
	Mrs. Ann Woodhouse – Church Representative
	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 Sheila Crossman MHA Representative
Mr Jason Griffiths – Safeguarding Officer
Mr Brian Stephenson – Connexional Funds Treasurer
Mrs Emma Dacey – East Cleveland Lay Worker

Superintendent Minister:

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

Independent Examiners:

Graham Fitzgerald, Azets Audit Services, Wynyard Park House, Wynyard Avenue, Wynyard, TS22 5TB

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

Charity Registration No. 1130868

The Methodist Church - Cleveland and Danby Circuit

FINANCIAL STATEMENTS

For Year Ending 31 August 2023

DRAYCOTT & KIRK LLP
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 2023

Darlington	District	Circuit no	..13/07
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Registered Charity - Charity Registration 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
Rev I Stuart

Treasurer:

Mr M McLachlan & Mr R Kirk

Cleveland and Danby Circuit

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Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Notes to the accounts	2022/23 Unrestricted Funds			2022/23 Restricted & Endowment Funds		Total 2022-23
		General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	
		£	£	£	£	£	£
Income							
Donations and legacies		1,817					1,817
Income from monetary investments	5	1,692	5,470				7,162
Income from investment property	6	5,729					5,729
Assessments on Churches	7	173,924					173,924
Grants	8				10,000		10,000
Other charitable activities							0
Total from charitable activities		183,162	5,470	0	10,000	0	198,632
Other charitable income							0
Total from Charitable income		183,162	5,470	0	10,000	0	198,632
Other income	9	21,072			3,113		24,185
Total income and endowments		204,234	5,470	0	13,113	0	222,817
Expenditure							
Grants and donations	10	351	1,500		2,963		4,814
Salaries and associated costs	11	158,020			21,094		179,114
Property	12	43,257	7,171				50,428
Office expenses	13	5,575					5,575
District Assessment & Levy	14	42,760	6,280				49,040
Other Outgoings	15	1,307	500	600	0		2,407
Total charitable expenditure		251,270	15,451	600	24,057	0	291,378
Net income/(expenditure) before investments		(47,036)	(9,981)	(600)	(10,944)	0	(68,561)
Gains/(losses) on revaluation/sale of properties	16	32,000					32,000
Gains/(losses) on monetary investments							0
Net incoming/(outgoing) resources before transfers		(15,036)	(9,981)	(600)	(10,944)	0	(36,561)
Transfers between funds		49,000	(49,000)				0
Other gains/(losses)							0
Net movement in funds		33,964	(58,981)	(600)	(10,944)	0	(36,561)
Reconciliation of funds:							
Total funds brought forward		1,248,729	175,790	9,055	33,678	0	1,467,252
Less: Future installments of grants							
Total funds carried forward		1,282,693	116,809	8,455	22,734	0	1,430,691

Cleveland and Danby Circuit

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Balance Sheet as at 31 August 2023

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2023 £
Fixed Assets							
Circuit Manses & Equipment	17	1,230,000					1,230,000
Investment properties	17	0					0
Investments							0
Total fixed assets		1,230,000	0	0	0	0	1,230,000
Current Assets							
Debtors	18	9,944	489				10,433
Trustees for Methodist Church Purposes	19		116,320				116,320
Central Finance Board Deposits	20	72,916					72,916
Cash at Bank and in hand	20	338	0	8,455	34,584		43,377
Total current assets		83,198	116,809	8,455	34,584	0	243,046
Current liabilities							
Creditors (due in under 1 year)	21	30,505	0	0	12,000	0	42,505
Grants payable within 2022-23							0
Total current liabilities		30,505	0	0	12,000	0	42,505
Net current assets/liabilities		52,693	116,809	8,455	22,584	0	200,541
Total assets less current liabilities		1,282,693	116,809	8,455	22,584	0	1,430,541
Long term liabilities							
(due after more than one year)							
Grants payable after 2022-23							0
							0
Net assets		1,282,693	116,809	8,455	22,584	0	1,430,541
Funds of the Circuit							
General Fund (Unrestricted)		1,282,693					1,282,693
Circuit Model Trust Fund (Unrestricted)			116,809				116,809
Designated Funds (Unrestricted)	22			8,455			8,455
Total Unrestricted Funds							1,407,957
Restricted Funds	23				22,734		22,734
Endowment Funds						0	0
Total Funds		1,282,693	116,809	8,455	22,734	0	1,430,691

Signed

Martin M. Gachlan 13/06/24

Circuit Treasurer

Cleveland and Danby Circuit

..13/07

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)							0
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

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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 M. Gachman 13/06/24

Circuit Treasurer

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

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 2023

Income and Expenditure Notes:

5 Income from Monetary Investments

	General Fund		CMT	
	2022/23	2021/22	2022/23	2021/22
Interest				
Interest CFB/TMCP	1,692	196	5,470	1,278

6 Income from Investment Property

The trustees have determined that the Windermere Drive property listed below will no longer be retained as a rental property
The manse is now occupied by the Minister in Skelton section of Circuit

	General Fund	
	2022/23	2021/22
Letting Income		
60 Windermere Drive	5,729	9,240

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	
	2022/23	2021/22
Guisborough	54,324	53,076
Zelland Park	20,064	18,540
Newcomen	16,940	15,889
Marske	24,624	24,636
New Marske	5,304	4,548
Saltburn	12,993	21,926
Skelton	8,400	6,000
Brolton	3,600	2,700
Skinningrove	1,400	1,400
Hinderwell	3,780	3,948
Danby	11,595	11,112
Lealholm	8,400	6,500
Glaisdale Head	2,500	2,500
Westerdale	0	182
Total	173,924	172,957

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Income and Expenditure Notes:

8 Grants Receivable

	Restricted 2022/23	Restricted 2021/22
Grants		
TMCP	10,000	23,457
The Christian Education Trust		580
Total	10,000	24,037

9 Other charitable activities

	General 2022/23	Restricted 2022/23	General 2021/22	Restricted 2021/22
C&D Churches donations - Property		240		160
C&D Churches donations-Aux FSPD		255		155
C&D Churches donations- LWPT		130		100
C&D Churches donations - MMHS		80		80
C&D Churches donations - MRDF		0		124
C&D Churches donations - MIBF		70		0
C&D Churches donations - MHA		96		0
MWIB		1,707		1,248
Home Missions		173		391
Overseas Missions		362		655
Westerdale	4,876			
Brotton repayment of roof repairs	16,196			
Total	21,072	3,113	0	2,913

10 Grants and Donations to Churches

	CMFT 2022/23	General 2022/23	CMFT 2021/22	General 2021/22
Zelland Park			30,000	
New Marske	1,500			
Total	1,500	0	30,000	0

	Restricted 2022/23	General 2022/23	Restricted 2021/22	General 2021/22
Donations				
C&D Churches donations - Property	240		585	
C&D Churches donations-Aux FSPD	255		590	
C&D Churches donations- LWPT	130		255	
C&D Churches donations - MMHS	80		360	
C&D Churches donations - MRDF			124	
C&D Churches donations - MIBF	70			
C&D Churches donations - MHA	96			
MWIB	1,557		1,248	
Home Missions	173		404	
Overseas Missions	362		844	
ME Assoc		351		
Total	2,963	351	4,410	0

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Income and Expenditure Notes:

11 Salaries and Associated costs

Stipends	General Fund	
	2022/23	2021/22
Stipends	84,004	80,567
NI Contributions	8,009	7,642
Pension Fund Contributions	21,731	20,840
Post/Print/Stat	150	326
Sundry Expenses	317	478
Telephone	3,510	1,873
Travelling	5,672	7,030
Apprenticeship levy	411	405
Supernumerary	3,548	3,490
Relocation expenses	6,173	0
Leaving gifts	1,175	0
Total	134,700	122,651

No. of staff	3	3
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Property & Finance Officer, Administrator, Pastoral Assistant & Layworker

	2022/23					2021/22			
	General	General	Restricted		General	General	Restricted		
	Administrator	Property & Finance	Lay worker		Administrator	Pastoral Assistant	Lay worker		
Salary	11,076	9,973	19,383	40,432	6,864	5,096	10,192	22,152	
Employers NI	276	749	276	1,301	125		178	303	
Pension			446	446				0	
Apprentice Levy	34	37	131	202	39		72	111	
Travelling		512	618	1,130			1,328	1,328	
Telephone	259			259	278			278	
Post/Print/Stat	27	137		164	10			10	
Payroll Fee	120	120	240	480	240		240	480	
Office equipment				0	65			65	
Total	11,792	11,528	21,094	44,414	7,621	5,096	12,010	24,727	

No. of Staff	1	1	2	1	1	1
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Total Stipends and salaries	146,492	11,528	21,094	179,114	147,378
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Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Income and Expenditure Notes:

12 Property

2022/23 General Fund								
Manses	Council Tax	Water Usage	Maintenance	Quin Insp	Other Prof Fees	Other Services	Insurance	Total
10 Bracken Cr	2,635	389	497		295	37	729	4,582
25 Cartmel Rd	1,895	208	351				382	2,836
60 Windermere Dr	778	63	3,097		396	138	824	5,296
1 Bridge Green	2,598	637	108		240		773	4,356
Equipment							147	147
Yr End Adj							(7)	(7)
Total	7,906	1,297	4,053	0	931	175	2,848	17,210

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

Other Church Property

2022/23 General Fund								CMFT
Other Property	Prof fees	Gas & Elec	Water Usage	Maintenance	Quin Insp	Total		Maintenance
Saltburn Church	4,541					4,541		
Skinningrove Church		67				67		
Zelland Park Church					510	510		
Brolton Church				16,195	540	16,735		7,171
Lealholm Church					480	480		
Skinningrove Church					474	474		
Guisborough Church					720	720		
All churches	1,920					1,920		
Hope 4 East Cleveland	600					600		
Total	7,061	67	0	16,195	2,724	26,047		7,171

2021/22 General Fund						
Other Property	Prof fees	Gas & Elec	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

Total Property 2022/23 - CMFT

7,171

Total Property 2022/23 - General Fund

43,257

Total Property 2021/22 - General Fund

24,912

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Income and Expenditure Notes:

13 Office Expenses

	General Fund	
	2022/23	2021/22
Circuit plan	58	295
Admin post/pnnl/stat	88	51
Admin computer software	1,145	841
Audit fee	2,238	2,232
Accountancy Fee	1,980	1,620
Admin monthly bank charges	66	97
Circuit website		33
Total	5,575	5,169

14 District Assessments & Levy

	2022/23		
	General	CMTF	Total
Connex Assessment	38,740		38,740
District Assessment	4,020		4,020
Levy on CMTF		6,280	6,280
Total	42,760	6,280	49,040

	2021/22		
	General	CMTF	Total
	40,673		40,673
	4,339		4,339
		11,398	11,398
	45,012	11,398	56,410

15 Other Outgoings

	2022/23				
	General Fund	CMTF	Designated	Restricted	Total
TMCP management Ch		500			500
Local Preacher Exps	280				280
Other Circuit Exps	1,027				1,027
C&D Mission Fund			600		600
Hope4east Cleveland Audit					0
Hope4east Cleveland Club					0
Total	1,307	500	600	0	2,407

	2021/22				
	General Fund	CMTF	Designated	Restricted	Total
TMCP management Ch		766			766
Local Preacher Exps	362				362
Other Circuit Exps	1,613			40	1,653
C&D Mission Fund			95		95
Hope4east Cleveland Audit				1,011	1,011
Hope4east Cleveland Club				2,979	2,979
Total	1,975	766	95	4,030	6,866

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Income and Expenditure Notes:

16 Valuation of Property

2022/23					
	General Fund	CMTF	Designated	Restricted	Total
10 Bracken Crescent	32,000				32,000
					0
Total	32,000	0	0	0	32,000

2021/22					
	General Fund	CMTF	Designated	Restricted	Total
25 Carmel 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

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Income and Expenditure Notes:

17 Fixed Assets - Circuit Manses @ Cost or valuation

Manse	2022/23						Total
	Property	Land	Buildings	Machinery	fittings and	Construction	
25 Cartmel Rd			210,000				210,000
1 Bridge Green			375,000				375,000
10 Bracken Cres			330,000				330,000
60 Windermere Dr			315,000				315,000
Total		0	1,230,000	0	0	0	1,230,000

Manse	2021/22						Total
	Property	Land	Buildings	Machinery	fittings and	Construction	
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

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

Valuation of Bracken Cr manse based on Bell-Snoxell valuation @2023

The Trustees believe that there has not been any other material change in the manses values up to 31st August 2023

During 2023 there was a change of use for 60 Windermere Drive, which is once again being used as a manse

The Circuit is planning to change the use of Bracken Cr into an investment property and let it out in the coming year.

18 Current Assets - Debtors

	2022/23				
	General Fund	CMTF	Designated	Restricted	Total
Stipends Prepaid	6,876				6,876
Other pre-payments	758				758
CMTF interest due		489			489
Pledged donations	80				80
Other Debtor - Brolton Roof reps	2,230				2,230
Total	9,944	489	0	0	10,433

	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

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

Balance Sheet Notes:

19 Current Assets - TMCP

	2022/23	2021/22
CMTF 10895	116,320	175,605

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

2022/23					
	Fund	CMTF	Designated	Restricted	Total
CFB	72,916				72,916
CAF bank	338		8,455	34,554	43,347
MWIB Cash in hand				30	30
WM & HM Cash in hand				0	0
Total	338	0	8,455	34,584	43,377

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

21 Current Liabilities

2022/23					
	Fund	CMTF	Designated	Restricted	Total
Assessments in Advance	13,639				13,639
Grants in advance				12,000	12,000
Insurance	73				73
Ministers & Staff exps	1,255				1,255
Sundry Creditors	226				226
Accountancy provision	1,800				1,800
Independent exam fee provision	2,196				2,196
Manse Utilities	37				37
Skinningrove Church utilities	67				67
Brolton Church roof repairs	11,212				11,212
Total	30,505	0	0	12,000	42,505

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

Cleveland and Danby Circuit

Notes to the Accounts for the year ending 31 August 2023

22 Designated Fund Analysis

	C&D Mission Fund	Total
B/fwd from 2021/22	9,055	9,055
Donated 2022/23		0
Transfer from TMCP	0	0
Expenditure 2022/23	(600)	(600)
C/fwd	8,455	8,455

23 Restricted Funds Analysis

	Home Missions	Education Fund	Lay worker Fund	Benevolent Fund	Overseas Fund	MwIB	C&D Church Donations	Mission & Discipleship	Darlington NPNP Fund	Total
B/fwd from 2021/22	0	708	26,381	250	0	30	0	1,309	5,000	33,678
Donations received 2022/23	173		10,000		362	1,707	871			13,113
Grants received 2022/23										0
Transfer from General Fund										0
Transfer from TMCP										0
Expenditure 2022/23			(21,094)							(21,094)
Donations Trans 2022/23	(173)				(362)	(1,557)	(871)			(2,963)
Total	0	708	15,287	250	0	180	0	1,309	5,000	22,734

24 Payments to Trustees

Payments to Trustees

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

Number of trustees who were paid expenses

Nature of the expenses

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

Total amount paid

2022/23	2021/22
£ Nil	£ Nil

8	5
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£ 8,848	£ 8,664
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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

2022/23	2021/22
£ 2,238	£ 2,232
£ 1,980	£ 1,620

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

Average number of staff employed during the year were

2022/23	2021/22
£ 124,436	£ 102,719
£ 9,310	£ 7,945
£ 22,177	£ 20,840
£ 155,923	£ 131,504

7	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 13/06/24

Name : Martin McLachlan

Presentation to the Circuit meeting for approval.

I confirm that the annual report and accounts for the year ended 31st August 2023 have been.

Presented to the Circuit Meeting on 13/06/24 and were approved.

Signature of the Chair of the meeting... RV Sharples Date 13/6/24

Name of the Chair of the meeting : Rev Richard Sharples

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 2023 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.

G Fitzgerald
Mr G Fitzgerald BA FCA DChA
Azets Audit Services
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB

20/6/2024