

**THE METHODIST CHURCH  
REPORT AND ACCOUNTS  
(ACCRUALS BASIS)  
for the year ended 31 August 2021**

**Leeds North and East**

**Circuit**

**Registered Charity - Registration number**

**1131455**

**Leeds**

**District No / Circuit No 16-02**

**Ministers**

Revd George Bailey (Co-Superintendent)

Revd Edward Sakwe

Revd Tanya Short (Co-Superintendent)

Revd Becki Stennett

Revd Mark Stennett

Deacon Liesl Warren

Revd Helen White

**Circuit Stewards**

Mrs Barbara Belsham

Mr Andy Birkett

Mrs Jennifer Dalton

Mrs Janice Green

Mrs Anne Kirkland

**Circuit Treasurer**

Steven Jones

## Notes to the Accounts

### 1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

### 2 Funds

The funds held constitute:

- General Funds held for any purpose of the Circuit, which are Unrestricted.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders, and is categorised as unrestricted.
- Restricted funds which are held for a narrower purpose.
- There are no Endowment funds.

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

#### Basis

These accounts have been prepared on the basis of historical cost (except that investments are shown at their market value at the end of the year), on the accruals basis to show a true and fair view of the Circuit's financial position and activities.

#### Content

The financial information presented is relevant, reliable, comparable, and complete. Where estimates are used, these are based on experience, research, and judgement.

The accounts are expressed in £ Sterling, rounded to the nearest pound.

#### Going concern

Based on the monetary assets and human resources available as at 31 August 2021, the trustees believe that the Circuit is a going concern.

#### Incoming Resources

Income is included in the Statement of Financial Activities (SOFA) when 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.

#### 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

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £500.

Freehold property is shown in the accounts at 2021 insurance valuations. No depreciation is provided on the buildings 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 therefore not be material.

The properties have 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.

## Investments

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

## Debtors and Prepayments

Debtors and prepayments include the September 2021 stipends paid in advance, insurance premiums relating to post year-end periods, reimbursements for a portion of manse costs receivable from Cliff College, and a short-term loan to the Yorkshire West District in respect of funding for the Leeds City Mission.

## Creditors

Creditors include accrued expenses, grants to which the Circuit has committed for the current year not yet paid out at year-end, the quarterly assessments for September to December 2021 received in advance, the portion of the grant for the Gipton Community Worker that relates to the period September 2021 to March 2022, and funds held for the support of presbyters and deacons.

## 4 Payment to Trustees

Apart from stipends paid to ministers or salaries paid to employed lay staff, there were no payments made to trustees for additional services provided to the Circuit beyond the approved reimbursement of reasonable expenses incurred on behalf of the Circuit.

### Trustee expenses

	2020/21	2019/20
Number of Trustees	18	11
Total amount	£20,495	£20,301

## 5 Fees for audit of the accounts

	2020/21 £	2019/20 £
Independent auditors' fees for reporting on the accounts	3,600	3,600
Other fees (e.g. advice, accountancy services) paid to the independent auditor	NIL	NIL

## 6 Paid employees

### Staff Costs paid during the year were:

	2020/21	2019/20
Gross wages, salaries, and benefits in kind	£ 268,419	248,939
Employer's National Insurance costs	£ 20,394	18,424
Pension costs	£ 52,326	49,936
Total staff costs	£ 341,139	317,298

### Average number of full-time equivalent employees in the year were:

17	16
----	----

## 7 Capital Commitments and Contingent Liabilities

There are no capital commitments as at 31 August 2021.

No contingent liabilities were identified as at 31 August 2021.

## 8 For information only Money received and passed on to External Organisations

### Balance brought forward from last year

Offerings/Gifts - received for External Organisations

Offerings/Gifts - passed to External Organisations

### Balance carried forward

2020/21	2019/20
£	£
0	0
0	0
0	0

## 9 Tangible Fixed Assets

### Cost or valuation

	Land £	Manses £	Other buildings £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward	0	2,641,723	1,193,754			3,835,477
Additions						
Revaluations (+/-)		56,712	35,488			92,200
Disposals (-)		-372,639				-372,639
Transfers * (+/-)						
Balance carried forward	0	2,325,796	1,229,242			3,555,038

### Accumulated depreciation

Balance brought forward						
Depreciation charge for year (-)						
Revaluations (+/-)						
Disposals (-)						
Transfers* (+/-)						
Balance carried forward						

### Net book value

Brought forward	0	2,641,723	1,193,754			3,835,477
Carried forward	0	2,325,796	1,229,242			3,555,038

### Revaluations

The carrying value of manses and other buildings is revalued annually based on insurance replacement value. The carrying value of church buildings is not accounted for in the Circuit's accounts.

## Disposals

The following properties were disposed of during the year under review:

*Church building: Thorner Methodist Church, Main Street, Thorner, Leeds LS14 3BU*

Sale price	399,950
------------	---------

Less:

- Selling fees (agent)	-7,794
- Qualified Surveyor's Report	-900
- Legal fees	-2,640
- Disbursements: Land Registry	-36
- Disbursements: Other	-27

Net proceeds	£388,553
--------------	----------

*Manse: 7 Gledhow Park Road, Leeds LS7 4JX*

Sale price	426,000
------------	---------

- Selling fees (agent)	-7,884
- Qualified Surveyor's Report	-840
- Legal fees	-2,640
- Disbursements: Land Registry	-15
- Disbursements: Other	-26

Net proceeds	£414,595
--------------	----------

The carrying amount of this property as at date of sale was £372,639.

## **10 Investment assets**

**The circuit has no Investment properties**

**The circuit has no common investment fund holdings**

## **11 Loans**

The Circuit has paid an amount of £12,433 to the Yorkshire West District (YWD) to provide funding for the Leeds City Mission. This is treated as a loan in the Circuit accounts as YWD has indicated that such amount will be repayable, although as at the year-end there are no set terms for the repayment thereof.

## 12 Analysis of restricted and designated funds

2020-21

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Meeting Point Café	34,735	34,361	48,233		20,863	Outreach and community support in the Harehills area
Moortown Methodist Centre	12,271	2,621	10,234		4,658	Outreach and community support in the North Leeds area
Totals	47,006	36,982	58,467		25,521	

""Comparative analysis of restricted and designated funds 2019-20

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Meeting Point Café	30,813	49,208	45,286		34,735	Outreach and community support in the Harehills area
Moortown Methodist Centre	24,306	12,290	24,325		12,271	Outreach and community support in the North Leeds area
Totals	55,119	61,498	69,611		47,006	

## 13 Related Party transactions

### This year (2020-2021)

Name of related party	Relationship	Description of transaction	Income from related party during the year	Payments to related party during the year	Loans to related party during the year	Amounts owed by related party as on 31-Aug-2021
			£	£	£	£
West Yorkshire Methodist District	Methodist body Leeds Circuits report to	Assessment		20,533		
West Yorkshire Methodist District	Methodist body Leeds Circuits report to	Advance Fund				12,443
Circuit Churches	Churches that comprise the Circuit	Donations to Meeting Point	3,688			
Circuit Churches	Churches that comprise the Circuit	Assessment payments	435,440			
Circuit Meeting Members	Charity Trustees	Donations to support Diaconal work	0			
Methodist Church Fund	National Methodist Fund	Grant to support Meeting Point	0			
Methodist Church Fund	National Methodist Fund	Assessment		87,163		
Methodist ministers housing association	Body to support retired ministers	Grant		1,600		
<b>Total</b>			<b>439,128</b>	<b>109,296</b>	<b>0</b>	<b>12,443</b>

### Last year (2019-2020)

Name of related party	Relationship	Description of transaction	Income from related party during the year	Payments to related party during the year	Loans to related party during the year	Amounts owed by related party as on 31-Aug-2020
			£	£	£	£
West Yorkshire Methodist District	Methodist body Leeds Circuits report to	Assessment		19,838		
West Yorkshire Methodist District	Methodist body Leeds Circuits report to	Advance Fund				12,443
Circuit Churches	Churches that comprise the Circuit	Donations to Meeting Point	2,020			
Circuit Churches	Churches that comprise the Circuit	Assessment payments	466,053			
Circuit Meeting Members	Charity Trustees	Donations to support Diaconal work	0			
Methodist Church Fund	National Methodist Fund	Grant to support Meeting Point	16,666			
Methodist Church Fund	National Methodist Fund	Assessment		84,214		
Methodist ministers housing association	Body to support retired ministers	Grant		1,550		
<b>Total</b>			<b>484,739</b>	<b>105,602</b>	<b>0</b>	<b>12,443</b>

**Leeds North and East Circuit  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**Introduction**

This annual report needs to be read in the context of the annual accounts including the report on governance, risk management, and declarations which together all form a cohesive summary of the financial and general activities of the charity for the year 1 September 2020 to 31 August 2021.

Each of the churches within the circuit are a charity in their own right and therefore file their own set of accounts and annual report. More detailed information on the circuit, its activities and contacts can be found on the charity's website: [www.leedsnandemethodist.org.uk](http://www.leedsnandemethodist.org.uk).

**Aims and organisation**

The overall aims and organisation of the Leeds North and East Circuit are set out in the Governance section (2) of the annual accounts.

**The Circuit Mission Statement for the year 2020/21 was as follows:**

The Churches of the Leeds North and East Methodist Circuit work together to share the Good News of Jesus Christ through worship, learning and caring, service, and evangelism.

**Review of the year**

**Income and expenditure summary**

The consolidated surplus (including movement on Model Trust Funds) was £488,032 compared to a budgeted deficit of £112,632. This is largely due to the operating deficit of £82,435 (compared to budgeted deficit of £104,632), as well as a surplus on the Model Trust Fund (compared to budgeted deficit of £8,000; the surplus is due to the sale of a church building and manse during the year).

There were no significant differences, with the deviations from the original budget being as follows:

- Income was ahead of budget (£9,194) mainly due to additional assessments and other income.
- Expenditure was £13,003 less than budget due to ministers' costs coming in below budget and around £8,272 lower spend on manses. This was countered by increased costs within the Circuit Office, additional grants being paid out, and a slight overrun on lay employees' costs and other expenses.
- Apart from the proceeds on the sale of the two properties, movements on the Model Trust Fund were in line with budget.

Overall reserves increased by £115,393 due to a combination of the net gain on the sale of the properties and the revaluation of properties held at year-end, less the operational deficit.

The Circuit Meeting has agreed to fund certain costs from reserves in accordance with the Circuit Reserves Policy, which is reviewed from time to time.

**Income trends**

The bulk of the Circuit's income is from assessments paid by the Circuit churches. The amount of £435,440 is lower than last year following the retirement of The Revd Robert Creamer, partly offset by the increase to stipends as stipulated by the Connexion.

The Circuit also continues to receive support from the Scurrah Wainwright Trust to cover the costs of the Circuit Lay Worker performing pastoral duties in the Gipton area. £11,575 was received, representing a slight increase on last year due to changes in the National Living Wage upon which lay employee salaries are based.

The Deacon post continues to be supported from Circuit reserves.

**Expenditure trends**

Ministerial costs remained largely unchanged – notwithstanding the aforementioned retirement of The Revd Robert Creamer, this was countered by increases in the proportion of Circuit time by The Revd George Bailey (due to

appointment as Superintendent) and Deacon Liesl Warren (increased to provide additional focus on the two projects, Meeting Point and Moortown Methodist Centre).

Lay employment costs have increased due to the following:

- Two vacant posts were filled part way during the previous year, as was the case with the creation of the additional post at Meeting Point – the current year reflects a full year of employment.
- Circuit contributions to District and Connexional funds increased slightly compared to last year.

### **Fund balances**

Total Circuit funds (excluding Trust properties) increased from £502,168 to £933,488 due to the sale of the two properties, partly offset by the current deficit. The resultant year-end fund balance is sufficient to cover just short of two years' expenditure.

### **Plans for 2021/22**

The Circuit staff complement for 2020/21 has reduced by one presbyter following the aforementioned retirement, countered by a partial increase in time by one of the co-Superintendents and the Deacon. These staffing levels will remain unchanged for 2021/22. For 2022/23 the Circuit will be receiving the services of a United Reformed Church (URC) minister, who will be serving part-time at Christ Church Halton, a Local Ecumenical Partnership between the Circuit and the URC.

As indicated in last year's report, with a number of the churches reporting declining income and the closure of the Thorner church, Circuit assessments have been reduced for 2020/21 with the Circuit having taken a conscious decision to provide increased support from its reserves. However, while the Circuit's financial position is currently sufficiently sound to provide such support in the short term, this is not a sustainable long-term position.

Towards the end of the current year, it became evident that the COVID-19 pandemic had a far greater detrimental impact on the churches' finances and reserves than was initially anticipated, with many of the churches requesting significant support for 2022/23 in the form of further reductions to their assessments.

Given that the current invitation terms of three of our ministers will be coming to an end in August 2023, and in light of the ongoing deterioration in church finances, the Circuit is to embark on a wholesale financial and staffing assessment during 2021/22 with a view to realigning the Circuit's ministry and mission, aimed at achieving a break-even budget within five years and securing long-term financial sustainability.

## **Leeds North and East Circuit**

### **Trustee's Annual Report on Finance and Governance**

#### **Basis of preparation and legal framework**

The Charity's annual report and accounts for the year ended 31 August 2021 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard FRS 102.

Full Name of Charity: Leeds North and East Methodist Circuit

Registration Charity Number: 1131455

Main communication address:

Circuit Office, Lidgett Park Methodist Church, Lidgett Place, LEEDS LS8 1HG

The members of the Leeds North and East Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches. Full membership is shown as Appendix A to this report.

Circuit Ministers and officers for the year to end of August 2021

Active Circuit Ministers	Revd George Bailey (Co-Superintendent)
	Revd Edward Sakwe
	Revd Tanya Short (Co-Superintendent)
	Revd Becki Stennett
	Revd Mark Stennett
	Deacon Liesl Warren
	Revd Helen White

Circuit Lay Workers (members of Circuit meeting)	Mr John Burland (secretary)
	Mrs Mary Saddler
	Ms Denise Cariss

Circuit Stewards	Mrs Barbara Belsham
	Mr Andy Birkett
	Mrs Jennifer Dalton
	Mrs Janice Green (Senior)
	Mrs Anne Kirkland

Steven Jones (Circuit Finance Steward) acted as the principal officer overseeing the day-to-day financial management and accounting for the circuit during the year.

Independent auditors:	Thomas Coombs Limited, Chartered Accountants and Business Advisers
	3365 The Pentagon
	Century Way
	Thorpe Park
	Leeds, LS15 8ZB

Investment Bankers:	Central Finance Board of the Methodist Church
	Trustees for Methodist Church Purposes

#### **Aims and organisation**

Charity objective is to act as a Resource provider within the area around North and East Leeds for the Methodist Church.

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit. Local or other organisation of The Methodist Church;

- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.  
The teaching of Christianity through sermons, courses and small groups.  
The resourcing of pastoral work including visiting the sick and bereaved.  
Taking religious assemblies in local schools.  
Promotion of Christianity through the staging of events and services.  
Provision of chaplaincy services to the local university and other institutions.

### **Public Benefit**

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

### **Structure, governance, and management**

The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976)  
Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).  
Day to day management of the circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting.  
Overall accountability for circuit matters rests with the Circuit Trustees who meet usually three times a year under the Chair of the Superintendent Ministers. The Trustees are also the Key Management Personnel and collectively take all the key decisions in respect of use of resources and activities.

### **Trustee training**

A range of guidance produced by the Methodist Connexion to support the effective running of the circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church', is given to all new Circuit meeting members as induction to their role as trustees.

### **Related Parties**

The Circuit is part of the Yorkshire West District and is also accountable to the Methodist Conference.  
The following Methodist Churches are linked to the circuit: Alwoodley Park, Barwick-in-Elmet, Chapel Allerton, Christ Church Halton, Colton, Cross Gates, Garforth, Gipton, Lidgett Park, Newbourne, Oakwood, Roscoe, Scholes, Seacroft, Shadwell, Trinity.  
The circuit also manages the Meeting Point Cafe in Harehills and the Moortown Methodist Church Centre.

### **Pay policy**

The circuit pays all its presbyters and deacons in line with stipend rates agreed by the Methodist Conference each year.  
Lay employees are on locally agreed rates approved by the circuit meeting in general terms, and which comply with Methodist Conference advice.  
No Trustees are paid in their capacity as trustees - although the presbyters, deacons, and lay employees are paid for undertaking their specific agreed roles.

### **Risk Management**

The Circuit Leadership Team and Circuit Stewards manage risk taking on a day-to-day basis. Professional advice is taken as required.  
There is a regular annual review process which is undertaken and recorded.  
Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

### **Safeguarding**

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ.  
Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults.
- the safeguarding and protection of all children, young people and adults when they are vulnerable.
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.

- In all these principles we will follow legislation, guidance and recognised good practice.

The Leeds North and East Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Leeds North and East Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

#### **Reserves policy**

The Reserves Policy for the Circuit is to hold a minimum sum in its current and Circuit Finance Board deposit accounts equivalent to 3 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

The circuit also holds reserves over and above this minimum which have arisen from the sale of churches, manses or bequests.

The use of this money is currently under consideration.

## **Independent Auditor's Report to the Trustees of Leeds North and East Methodist Circuit**

### **Opinion**

We have audited the financial statements of Leeds North and East Methodist Circuit (the 'charity') for the year ended 31st August 2021 which comprise of Statement of Financial Activities, the Statement of Financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 2 to 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144<sup>3</sup> of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge of the sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts of the operations of the Charity, including the Charities Act 2011.
- We assess the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations are communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing any correspondence with HMRC, relevant regulators including the Charities Commission and the charity's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Thomas Coombs Limited*

23<sup>rd</sup> November 2022

Thomas Coombs Limited

Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

3365 The Pentagon

Century Way

Thorpe Park

Leeds

West Yorkshire

LS15 8ZB

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

	Notes to the accounts	Circuit Model				Restricted Funds	Endowment Funds	Total 2020-21
		General Fund (Unrestricted)	Trust (Unrestricted)	Designated Funds (unrestricted)				
		£	£	£	£	£	£	£
<b>Income</b>								
1 Donations and legacies	4	8,451	-	-	23,039	-	-	31,490
2 Income from monetary investments	5	362	787	-	23	-	-	1,172
3 Income from investment properties	6	-	-	-	3,588	-	-	3,588
4 Assessments on Churches		435,439	-	-	-	-	-	435,439
5 Capital Receipts	7	-	388,553	-	-	-	-	388,553
6 Grants received		11,576	-	-	-	-	-	11,576
7 Other charitable income		-	-	-	10,332	-	-	10,332
<b>8 Total income</b>		<b>455,828</b>	<b>389,340</b>	<b>-</b>	<b>36,982</b>	<b>-</b>	<b>-</b>	<b>882,150</b>
<b>Expenditure</b>								
9 Grants and donations	9	23,283	-	-	-	-	-	23,283
10 Salaries and associated costs	8	324,065	-	-	17,073	-	-	341,138
11 Property maintenance		14,429			8,356			22,785
12 Connexional assessment & model trust levy	13	20,533	281,239					301,772
13 District Assessment & Levy	13	87,163	8,500					95,663
14 Depreciation		-						0
15 Office expenses	10	54,580	440	-	784	-	-	55,804
16 Other outgoings	11	14,210	-	-	32,253	-	-	46,463
<b>17 Total charitable expenditure</b>		<b>538,263</b>	<b>290,179</b>	<b>0</b>	<b>58,466</b>	<b>0</b>	<b>0</b>	<b>886,908</b>
18 Gains/(losses) on monetary investments								0
19 Gains/(losses) on investment properties								0
<b>20 Net income/(expenditure)</b>		<b>-82,435</b>	<b>99,161</b>	<b>0</b>	<b>-21,484</b>	<b>0</b>	<b>-4,758</b>	<b>-4,758</b>
21 Transfers between funds								0
22 Other gains/(losses)	12	56,712	41,956	-	35,488	-	-	134,156
<b>23 Net movement in funds</b>		<b>-25,723</b>	<b>141,117</b>	<b>0</b>	<b>14,004</b>	<b>0</b>	<b>0</b>	<b>129,398</b>
24 Total funds brought forward		2,874,551	220,006	49,334	1,248,076	-	-	4,391,967
<b>25 Total funds carried forward</b>		<b>2,848,828</b>	<b>361,123</b>	<b>49,334</b>	<b>1,262,080</b>	<b>-</b>	<b>-</b>	<b>4,521,365</b>

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

	Notes to the accounts	Circuit Model				Restricted Funds	Endowment Funds	Total 2019-20
		General Fund (Unrestricted)	Trust (Unrestricted)	Designated Funds (unrestricted)				
		£	£	£	£	£	£	
<b>Income</b>								
1 Donations and legacies	4	25,172	-	-	34,966	-	-	60,138
2 Income from monetary investments	5	1,789	1,887	320	159	-	-	4,155
3 Income from investment properties	6	-	-	-	12,131	-	-	12,131
4 Assessments on Churches		466,053	-	-	-	-	-	466,053
5 Capital Receipts	7	-	-	-	-	-	-	0
6 Grants received		-	-	-	-	-	-	0
7 Other charitable income		-	-	-	14,242	-	-	14,242
<b>8 Total income</b>		<b>493,014</b>	<b>1,887</b>	<b>320</b>	<b>61,498</b>	-	-	<b>556,719</b>
<b>Expenditure</b>								
9 Grants and donations	9	19,645	-	-	-	-	-	19,645
10 Salaries and associated costs	8	317,298	-	-	27,337	-	-	344,635
11 Property maintenance		13,328	-	-	9,233	-	-	22,561
12 Connexional assessment & model trust levy		84,214	-	-	-	-	-	84,214
13 District Assessment & Levy	13	19,838	8,872	-	-	-	-	28,710
14 Depreciation		-	-	-	-	-	-	0
15 Office expenses	10	43,895	-	320	8,457	-	-	52,672
16 Other outgoings	11	20,751	455	-	24,583	-	-	45,789
<b>17 Total charitable expenditure</b>		<b>518,969</b>	<b>9,327</b>	<b>320</b>	<b>69,610</b>	<b>0</b>	<b>0</b>	<b>598,226</b>
18 Gains/(losses) on monetary investments		-	-	-	-	-	-	0
19 Gains/(losses) on investment properties		-	-	-	-	-	-	0
<b>20 Net income/(expenditure)</b>		<b>-25,955</b>	<b>-7,440</b>	<b>0</b>	<b>-8,112</b>	<b>0</b>	<b>0</b>	<b>-41,507</b>
21 Transfers between funds	12	193,422	-	-	57,927	-	-	251,349
22 Other gains/(losses)		167,467	-7,440	0	49,815	0	0	209,842
<b>23 Net movement in funds</b>		<b>2,707,084</b>	<b>227,446</b>	<b>49,334</b>	<b>1,198,261</b>	<b>0</b>	<b>0</b>	<b>4,182,125</b>
24 Total funds brought forward		2,874,551	220,006	49,334	1,248,076	-	-	4,391,967
<b>25 Total funds carried forward</b>								

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

**4. Income - Donations and legacies**

	Notes to the accounts	Circuit Model			Restricted Funds	Endowment Funds	Total 2020-21	Total 2019-20
		General Fund (Unrestricted)	Trust (Unrestricted)	Designated Funds (unrestricted)				
4.1 Donations		£ 8,451			£ 23,039		£ 31,490	£ 60,138
4.2 Legacies							0	0
<b>Total</b>		<b>£ 8,451</b>	<b>-</b>	<b>-</b>	<b>£ 23,039</b>	<b>-</b>	<b>£ 31,490</b>	<b>£ 60,138</b>

**5. Income - Monetary investments**

5.1 Central Finance Board		362	787		23		362	4,155
5.2 Trustees for Methodist Church Purposes							810	0
5.3 Current accounts							0	0
5.4 Other							0	
<b>Total</b>		<b>362</b>	<b>787</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>1,172</b>	<b>4,155</b>

**6. Income - Investment properties**

6.1 Rental income - Meeting Point flat					990		990	0
6.2 Rental income - Moortown Methodist Centre					2,598		2,598	12,131
6.3 Rental income - Circuit manse							0	0
6.4 Other								
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>3,588</b>	<b>-</b>	<b>3,588</b>	<b>12,131</b>

**7. Income - Capital receipts**

7.1 Proceeds on sale - churches		388,553					388,553	0
7.2 Other							0	0
<b>Total</b>		<b>-</b>	<b>388,553</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>388,553</b>	<b>-</b>

The net proceeds from trust properties sold (churches) were from the sale of the Thorne Methodist Church, Main Street, Thorne, Leeds LS14 3BU, and are calculated as follows:

Sale price	<b>399,950</b>
- Selling fees (agent)	- 7,794
- Qualified Surveyor's Report	- 900
- Legal fees	- 2,640
- Disbursements: Land Registry	- 36
- Disbursements: Other	- 27
<b>Net proceeds</b>	<b>388,553</b>

## 8. Expenditure - Salaries and associated costs

## 9. Expenditure - Grants and donations

## 10. Expenditure - Office expenses

10.1 Travel	3,612			3,612
10.2 Telephones and internet (Circuit Office, Meeting Point)	1,806	784		2,590
10.3 Telephones and internet (ministers and lay staff)	8,931			8,931
10.4 Photocopying (net of recoveries)	361			361
10.5 Postage, stationery, and other	9,694			9,694
10.6 Council Tax	14,314			14,314
10.7 Insurance	5,382			5,382
10.8 Water	3,243			3,243
10.9 Other	7,237	440		7,677
<b>Total</b>	<b>54,580</b>	<b>440</b>	<b>-</b>	<b>55,804</b>
				<b>52,672</b>

**Statement of Financial Activities (SOFA) for the year ended 31 August 2021 - NOTES (continued)****11. Expenditure - Other outgoings**

Notes to the accounts	General Fund		Circuit Model		Designated		Endowment Funds	Total 2020-21	Total 2019-20
	£	(Unrestricted)	Trust	(Unrestricted)	Funds	(unrestricted)	£	£	£
11.1 Lecturer allowance (Cliff College)	1,259						1,259		1,057
11.2 Assessments paid - ecumenical partnerships	1,404						1,404		1,404
11.3 Audit fees	3,600						3,600		3,600
11.4 Expenses relating to sold properties (churches)	840						840		0
11.5 Expenses relating to sold properties (manse)	4,264						4,264		75
11.6 Expenses related to aborted projects	2,700						2,700		0
11.7 Honoraria - supernumerary ministers	143						143		1,030
11.8 Other expenses (Meeting Point & Moortown)						32,253	32,253		38,623
<b>Total</b>	<b>14,210</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>32,253</b>	<b>46,463</b>		<b>45,789</b>

**12. Other gains / (losses)**

12.1 Net proceeds of trust properties sold (manse)		414,595						92,200	251,349
12.2 Revaluation of trust properties (manse)	56,712					35,488		-372,639	0
12.3 Less: Carrying amount of trust properties sold (manse)		-				-			
<b>Total</b>	<b>56,712</b>	<b>41,956</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,488</b>	<b>-</b>	<b>280,439</b>	<b>251,349</b>

The net proceeds on sale - manse were from the sale of themanse at 7 Gledhow Park Road, Leeds LS7 4JX, and are calculated as follows:

Sale price	<b>426,000</b>
- Selling fees (agent)	7,884
- Qualified Surveyor's Report	840
- Legal fees	2,640
- Disbursements: Land Registry	15
- Disbursements: Other	26
Net proceeds	<b>414,595</b>

The carrying amount of this property as at date of sale (see Note 15) was:

**372,639**

**13. District assessments and levy**

The District assessment is calculated relative to the proportion of church members and staffing (ordained staff only) of all Circuits in the Yorkshire West District. A further adjustment is made to take into account an agreed maximum increase / decrease for each Circuit relative to the previous year.

The District levy is calculated on a sliding scale percentage of the Circuit's Model Trust Fund balance with Trustees for Methodist Church Purposes as at 31 August of the previous year.

District assessments	<b>87,163</b>
District levy	<b>8,500</b>

**Statement of Financial Activities (SOFA) for the year ended 31 August 2021 - NOTES (continued)**

	Circuit No	16-02
	Total	Total
	2020-21	2019-20
	£	£
	0	0
	20,495	20,301
	18	11

**14. Payments to Trustees**

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

Payments made to Trustees for reimbursement of expenses incurred on behalf of the Circuit

Number of Trustees to whom expenses were paid

## Balance Sheet as at 31 August 2021

GN

Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020/21 £	Totals 2019/20 £
-----------------------	-------------------------------	---------------------------------------	-----------------------------------	--------------------	-------------------	------------------	------------------

## Fixed Assets

Circuit Manse & Equipment	15	2,325,796			0	2,325,796	2,641,723
Investment properties	16	0			1,229,242	1,229,242	1,193,754
Investments	-					0	0
<b>Total fixed assets</b>		<b>2,325,796</b>	<b>0</b>	<b>0</b>	<b>1,229,242</b>	<b>3,555,038</b>	<b>3,835,477</b>

## Current Assets

Debtors	17	22,336	0	0	0	22,336	23,414
Loans by the Circuit	18	12,433	0	0	0	12,433	12,433
Investments with TMCP	-	0	733,762	49,334		783,096	269,340
Central Finance Board Deposits	-	227,582			10,034	237,616	340,600
Cash at Bank and in hand	19	6,311	0	0	22,804	29,115	38,614
<b>Total current assets</b>		<b>268,662</b>	<b>733,762</b>	<b>49,334</b>	<b>32,838</b>	<b>1,084,596</b>	<b>684,401</b>

## Current liabilities

Creditors (due in under 1 year)	20	111,069	0	0	0	111,069	123,161
Grants payable within 2020-21	21	7,200	0	0	0	7,200	4,750
<b>Total current liabilities</b>		<b>118,269</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>118,269</b>	<b>127,911</b>
<b>Net current assets/liabilities</b>		<b>150,393</b>	<b>733,762</b>	<b>49,334</b>	<b>32,838</b>	<b>966,327</b>	<b>556,490</b>
<b>Total assets less current liabilities</b>		<b>2,476,189</b>	<b>733,762</b>	<b>49,334</b>	<b>1,262,080</b>	<b>4,521,365</b>	<b>4,391,967</b>

Long term liabilities  
(due after more than one year)

Grants payable after 2020-21						0	0
Loans to the Circuit						0	0
<b>Net assets</b>		<b>2,476,189</b>	<b>733,762</b>	<b>49,334</b>	<b>1,262,080</b>	<b>4,521,365</b>	<b>4,391,967</b>

GN

Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020/21 £	Totals 2019/20 £
-----------------------	-------------------------------	---------------------------------------	-----------------------------------	--------------------	-------------------	------------------	------------------

Funds of the Circuit

General Fund (Unrestricted)	2,476,189					2,476,189	2,923,885
Circuit Model Trust Fund (Unrestricted)		733,762				733,762	220,006
Designated Funds (Unrestricted)			49,334			49,334	
<b>Total Unrestricted Funds</b>						<b>3,259,285</b>	<b>3,143,891</b>
Restricted Funds				1,262,080		1,262,080	1,248,076
Endowment Funds					0	0	0
<b>Total Funds</b>		<b>733,762</b>	<b>49,334</b>	<b>1,262,080</b>	<b>0</b>	<b>4,521,365</b>	<b>4,391,967</b>
	-372,639	372,639	0	0	0	0	0

Signed

Circuit Treasurer

## Balance Sheet as at 31 August 2021 - NOTES (continued)

GN

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020/21 £	Totals 2019/20 £
<b>15. Circuit manses and equipment</b>								
15.1 120 Stainbeck Lane, Leeds West Yorkshire, LS7 3QS		417,120					417,120	406,949
15.2 16 Kingswood Gardens, Leeds West Yorkshire, LS8 2BT		385,835					385,835	376,427
15.3 7 Gledhow Park Road, Leeds West Yorkshire, LS7 4JX		-					0	372,639
15.4 52 Nursery Lane, Leeds West Yorkshire, LS17 7HW		338,650					338,650	330,392
15.5 2 Elmete Walk, Leeds West Yorkshire, LS8 2LB		338,913					338,913	330,649
15.6 11 Mercia Way, Leeds West Yorkshire, LS15 8UA		244,258					244,258	238,302
15.7 29 Station Fields, Garforth, Leeds West Yorkshire, LS25 1PS		303,890					303,890	296,480
15.8 8 Primrose Close, Leeds West Yorkshire, LS15 7RT		297,130					297,130	289,885
<b>Total</b>		<b>2,325,796</b>					<b>2,325,796</b>	<b>2,641,723</b>
<b>16. Investment properties</b>								
16.1 409 Harehills Lane, Leeds West Yorkshire, LS9 6AP		-			360,658		360,658	326,032
16.2 Alderton Rise, Leeds West Yorkshire, LS17 5LH		-			868,584		868,584	867,722
<b>Total</b>		<b>-</b>			<b>1,229,242</b>	<b>-</b>	<b>1,229,242</b>	<b>1,193,754</b>
<b>17. Debtors</b>								
17.1 Prepaid salaries		18,699					18,699	17,880
17.2 Other prepayments		-					0	5,383
17.3 Other debtors		3,637					3,637	151
<b>Total</b>		<b>22,336</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,336</b>	<b>23,414</b>
<b>18. Loans by the Circuit</b>								
18.1 Yorkshire West District		12,433					12,433	12,433
<b>Total</b>		<b>12,433</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,433</b>	<b>12,433</b>
<b>19. Cash at bank and in hand</b>								
19.1 Current account - CAF Bank		6,311					6,311	788
19.2 Current account - Barclays Bank					20,765		20,765	35,151
19.3 Current account - Yorkshire Bank / Virgin Money					1,939		1,939	2,575
19.4 Cash on hand					100		100	100
<b>Total</b>		<b>6,311</b>	<b>-</b>	<b>-</b>	<b>22,804</b>	<b>-</b>	<b>29,115</b>	<b>38,614</b>

## Balance Sheet as at 31 August 2021 - NOTES (continued)

GN

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020/21 £	Totals 2019/20 £
<b>20. Creditors (due in under 1 year)</b>								
20.1 Church assessments received in advance		94,175					94,175	107,174
20.2 Grants received in advance		6,854					6,854	6,680
20.3 Other creditors		10,040					10,040	9,307
<b>Total</b>		<b>111,069</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111,069</b>	<b>123,161</b>
<b>21. Grants payable within current year</b>								
21.1 Meeting Point - operating shortfall		-					0	4,750
21.2 Meeting Point - assistant manager gross pay		-					0	0
21.3 Meeting Point - assistant manager employer's NI		-					0	0
21.4 WIFCOS		2,600					2,600	0
21.5 Methodist Ministers Housing Society		1,600					1,600	0
21.6 Leeds Mission		3,000					3,000	0
21.7 WYDAN		-					0	0
21.8 Other grants payable within current year		-					0	0
<b>Total</b>		<b>7,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,200</b>	<b>4,750</b>

Leeds North and East Circuit  
**DECLARATIONS**

**Treasurer**

I confirm that these accrual-based accounts for the year ended 31 August 2021 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of  
Treasurer



Date

Name of Treasurer

Steven Jones

Address

37 Fletchers Way, Allerton Bywater, Castleford WF10 2FL

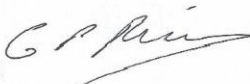
**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 Aug 2021 ~~were~~,  
or will be\* presented to the Circuit Meeting at its meeting on

**8 March  
2022**

and were approved.

Signature of the  
Chair of the meeting



Name of the Chair  
of the meeting

**Rev George Bailey**

Date

---