

**Circuit
Accruals Accounts
2022-2023**

**THE METHODIST CHURCH
REPORT AND ACCOUNTS
(ACCRUALS BASIS)
for the year ended 31 August 2023**

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 2023, 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 2023 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 2023 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 2023 received in advance, 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

| | 2022/23 | 2021/22 |
|--------------------|---------|---------|
| Number of Trustees | 14 | 18 |
| Total amount | £23,134 | £21,734 |

5 Fees for audit of the accounts

| | 2022/23 | 2021/22 |
|--|---------|---------|
| | £ | £ |
| Independent auditors' fees for reporting on the accounts | 4,600 | 4,660 |
| Other fees (e.g. advice, accountancy services) paid to the independent auditor | NIL | NIL |

6 Paid employees

Staff Costs paid during the year were:

| | 2022/23 | 2021/22 |
|---|-----------|---------|
| Gross wages, salaries, and benefits in kind | £ 243,411 | 248,486 |
| Employer's National Insurance costs | £ 17,744 | 18,920 |
| Pension costs | £ 46,916 | 46,706 |
| Total staff costs | £ 308,071 | 314,112 |

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

| | |
|----|----|
| 13 | 13 |
|----|----|

7 Capital Commitments and Contingent Liabilities

There are no capital commitments as at 31 August 2023.

No contingent liabilities were identified as at 31 August 2023.

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

| | 2022/23 | 2021/22 |
|---|---------|---------|
| | £ | £ |
| Balance brought forward from last year | | |
| Offerings/Gifts - received for External Organisations | 0 | 0 |
| Offerings/Gifts - passed to External Organisations | 0 | 0 |
| Balance carried forward | 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 | 2,728,158 | 1,583,878 | 0 | | 4,312,036 |
| Additions | 0 | 0 | 0 | 0 | | 0 |
| Revaluations (+/-) | 0 | 234,652 | 123,561 | 0 | | 358,213 |
| Disposals (-) | 0 | 0 | 0 | 0 | | 0 |
| Transfers * (+/-) | 0 | 0 | 0 | 0 | | 0 |
| Balance carried forward | 0 | 2,962,810 | 1,707,439 | 0 | | 4,670,249 |

Accumulated depreciation

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

Net book value

| | | | | | | |
|-----------------|---|-----------|-----------|---|--|-----------|
| Brought forward | 0 | 2,728,158 | 1,583,878 | 0 | | 4,312,036 |
| Carried forward | 0 | 2,962,810 | 1,707,439 | 0 | | 4,670,249 |

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

No properties were disposed of during the year under review.

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

2022-23

| Restricted Fund Name | Opening Balance | Incoming Resources | Resources Expended | Transfers | Closing Balance | Purpose of the fund |
|---------------------------|-----------------|--------------------|--------------------|-----------|-----------------|--|
| Meeting Point Café | 21,153 | 58,585 | 54,416 | | 25,322 | Outreach and community support in the Harehills area |
| Moortown Methodist Centre | 6,820 | 18,012 | 19,648 | | 5,184 | Outreach and community support in the North Leeds area |
| | | | | | | |
| | | | | | | |
| Totals | 27,973 | 76,597 | 74,064 | | 30,506 | |

""Comparative analysis of restricted and designated funds 2021-22

| Restricted Fund Name | Opening Balance | Incoming Resources | Resources Expended | Transfers | Closing Balance | Purpose of the fund |
|---------------------------|-----------------|--------------------|--------------------|-----------|-----------------|--|
| Meeting Point Café | 20,863 | 47,799 | 47,509 | | 21,153 | Outreach and community support in the Harehills area |
| Moortown Methodist Centre | 4,658 | 17,381 | 15,219 | | 6,820 | Outreach and community support in the North Leeds area |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Totals | 25,521 | 65,180 | 62,728 | | 27,973 | |

13 Related Party transactions

This year (2022-2023)

| 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-2022 |
|---|---|------------------------------------|---|---|--|---|
| | | | £ | £ | £ | £ |
| West Yorkshire Methodist District | Methodist body Leeds Circuits report to | Assessment | 0 | 19,432 | 0 | 0 |
| West Yorkshire Methodist District | Methodist body Leeds Circuits report to | Advance Fund | 10,000 | 0 | 0 | 12,443 |
| Circuit Churches | Churches that comprise the Circuit | Donations to Meeting Point | 9,149 | 0 | 0 | 0 |
| Circuit Churches | Churches that comprise the Circuit | Assessment payments | 388,759 | 0 | 0 | 0 |
| Circuit Meeting Members | Charity Trustees | Donations to support Diaconal work | 0 | 0 | 0 | 0 |
| Methodist Church Fund | National Methodist Fund | Grant to support Meeting Point | 0 | 0 | 0 | 0 |
| Methodist Church Fund | National Methodist Fund | Assessment | 0 | 82,488 | 0 | 0 |
| Methodist ministers housing association | Body to support retired ministers | Grant | 0 | 0 | 0 | 0 |
| Total | | | 407,908 | 101,920 | 0 | 12,443 |

Last year (2021-22)

| 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 | 0 | 20,121 | 0 | 0 |
| West Yorkshire Methodist District | Methodist body Leeds Circuits report to | Advance Fund | 0 | 0 | 0 | 12,443 |
| Circuit Churches | Churches that comprise the Circuit | Donations to Meeting Point | 4,276 | 0 | 0 | 0 |
| Circuit Churches | Churches that comprise the Circuit | Assessment payments | 395,694 | 0 | 0 | 0 |
| Circuit Meeting Members | Charity Trustees | Donations to support Diaconal work | 0 | 0 | 0 | 0 |
| Methodist Church Fund | National Methodist Fund | Grant to support Meeting Point | 0 | 0 | 0 | 0 |
| Methodist Church Fund | National Methodist Fund | Assessment | 0 | 85,418 | 0 | 0 |
| Methodist ministers housing association | Body to support retired ministers | Grant | 0 | 1,640 | 0 | 0 |
| Total | | | 399,970 | 107,179 | 0 | 12,443 |

**Leeds North and East Circuit
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

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 2022 to 31 August 2023.

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.

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 2022/23 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 deficit (including movement on Model Trust Funds) was £114,766 compared to a budgeted deficit of £135,268. This is largely due to the operating deficit of £87,513 (compared to budgeted deficit of £128,268), as well as a £27,252 deficit on the Model Trust Fund (compared to budgeted deficit of £7,000; the deficit is due to the levy charged by the Trustees for Methodist Church Purposes on opening cash balances held by them).

The deviations from the original budget that need to be noted are as follows:

- Circuit income totalling £451,965 was £7,869 ahead of budget overall.
 - o Assessments from churches were as per budget.
 - o The budget for grants received was £11,750 based on the anticipated amount to be applied for to cover the costs of the Gipton Lay Worker. With the 2022/23 budget had already been drawn up prior to the end of 2021 when the Gipton church closed, the grant originally envisaged from March 2023 was not applied for.
 - o The establishment of the District Digital Enabler role and the appointment of Rev Mark Stennett in this role meant that District would contribute £10,000 to the Circuit to compensate for time spent on District work.
- Circuit expenditure totalling £539,478 was £32,886 under budget overall.
 - o Ministers' stipends were as per budget, but savings on expenses meant that overall ministers' costs were £3,668 less than budget.
 - o Manse maintenance costs exceeded budget by £12,303 due to extensive work that needed to be carried out on the Elmete Walk property, Primrose Close having been extensively renovated in the previous year.
 - o Lay employment costs were £36,338 below budget due to the request by the Circuit Administrator to reduce his weekly hours from 24 to 16, and the Circuit Mission Enabler's position not being filled after Dr Paul Coleman tendered his resignation during the year.
 - o Grants paid out was £13,060 below budget – mainly because of the budget allocation of £10,000 for the University Chaplaincy in 2022/23; the 5-year-commitment only began in 2023/24.
- While the interest received on the funds held at Trustees for Methodist Church Purposes exceeded the budgeted amount due to the amount of cash held on deposit, the same cash deposit resulted in a significantly higher levy charged. This resulted in the Model Trust Fund deficit being £20,252 worse than what was budgeted. The budgeted amount has been corrected from 2023/24 onwards.

Overall reserves increased by £119,886 due to the revaluation of properties held at year-end, less the combined deficits from normal operations and the Model Trust Funds, 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 £388,759 is lower than last year due to the reduction in the cost of lay employment, the effects of which were fully realised during this Connexional year.

Expenditure trends

With the ministerial staff remaining unchanged during this Connexional year, ministerial costs have increased by £10,809. Given the high inflation that prevailed during the year, this represents a net decrease in real terms.

Lay employment costs were also reduced due to one position becoming redundant and two members of staff seeking employment outside the Circuit during 2021/22. With the payment of redundancy pay and the resignations taking place later during the previous Connexional year, this has made a significant difference in 2022/23.

Fund balances

Total Circuit funds (excluding Trust properties) decreased from £806,444 to £694,210 due to the current deficit. The resultant year-end fund balance is sufficient to cover just over a full year's expenditure.

Plans for 2023/24 and 2024/25

A combination of cost reductions (including one presbyter not seeking re-invitation, and a number of lay staff members leaving our employ or reducing hours) and assessment increases is moving the Circuit in this direction, with a gradual reduction in the annual deficit in the 2023/24 and 2024/25 Connexional years.

Income trends

The bulk of the Circuit's income is from assessments paid by the Circuit churches. For 2023/24 it was proposed that assessments be increased by an average of 6.5%, taking total assessments up from £388,759 to £411,858.

The preliminary budget for 2024/25 initially proposed a further 10% increase in assessments, given the high levels of inflation experienced during 2023. However, by the time the church treasurers met at the beginning of 2024, it was felt that inflation was moderating sufficiently to enable this increase to be reduced to 8%.

With the proposed increases to District and Connexional assessments coming in at an estimated 2% rather than the 6% budgeted for (to be confirmed by the District treasurer), and stipend increases likely to be 6.81% (compared to the 8% figure used in the budget), there is scope to curtail the assessment increases to 7% (i.e. £440,688) while still reducing the deficit.

The support from the Scurrah Wainwright Trust came to an end during 2021/22. This was not due to any unwillingness on the part of the Trust to continue providing such funding, but with the closure of the Gipton church at the end of December 2021, the position of the Circuit Lay Worker performing pastoral duties in the Gipton area (which the Trust was funding) became redundant.

However, rental income from the two manses at Primrose Close and Mercia Way, together with the annual grant for the District Digital Enabler role, has resulted in budgeted 'other' income increasing from £68,140 to £74,940.

Expenditure trends

While the ministerial staff was reduced by one presbyter from the beginning of the 2021/22 Connexional year, and lay staff also being reduced due to one position becoming redundant, two members of staff seeking employment outside the Circuit, and the Circuit Administrator requesting reduced hours, the general cost of living has seen the following trends in staff costs:

| | Ministerial | Lay |
|------------------|-------------|---------|
| 2021/22 (actual) | £243,481 | £99,737 |
| 2022/23 (actual) | £236,138 | £71,933 |
| 2023/24 (budget) | £244,342 | £69,330 |
| 2024/25 (budget) | £263,661 | £75,675 |

Manse costs have also increased significantly due to major work being required on the Primrose Close and Elmete Walk manses – in both cases the kitchens, floor coverings, and certain bathroom fittings were replaced, and the properties completely redecorated. Although the remaining manses aren't expected to require renovations of this scale, some of them will still need some significant work over the next couple of years.

Looking to 2025/26 and beyond

It is important that the Circuit Meeting bears in mind its commitment to a balanced budget by the end of the 2025/26 Connexional year.

The Circuit had put together a major restructuring proposal aimed at reducing costs in the aftermath of the COVID-19 pandemic, and the Circuit Meeting is well aware of the reduction in staffing (both lay and ministerial) that has taken place over the past couple of years. This has resulted in the annual deficit being significantly reduced, and this trend has continued.

Unfortunately, the churches have taken a lot longer than anticipated to recover from the COVID-19 lockdowns, limiting the scope for reducing (and ultimately eliminating) deficits through increased assessments. The likelihood of reducing our ministerial staff by a further presbyter during the 2025/26 round of stationing is therefore high.

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 2023 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 2023

| | |
|--------------------------|---|
| 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, 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 and manses, or bequests.

The use of this money is currently under consideration.

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

| | Notes to the accounts | Circuit Model General Fund (Unrestricted) £ | Trust (Unrestricted) £ | Designated Funds (unrestricted) £ | Restricted Funds £ | Endowment Funds £ | Total 2022-23 £ |
|--|-----------------------|--|------------------------------|--|--------------------------|-------------------------|-----------------------|
| Income | | | | | | | |
| 1 Donations and legacies | 4 | 14,177 | - | - | 16,486 | - | 30,663 |
| 2 Income from monetary investments | 5 | 5,428 | 17,607 | - | 664 | - | 23,699 |
| 3 Income from investment properties | 6 | 15,302 | - | - | 21,073 | - | 36,375 |
| 4 Assessments on Churches | | 388,759 | - | - | - | - | 388,759 |
| 5 Capital Receipts | 7 | - | - | - | - | - | 0 |
| 6 Grants received | | 10,000 | - | - | - | - | 10,000 |
| 7 Other charitable income | | - | - | - | 38,374 | - | 38,374 |
| 8 Total income | | 433,666 | 17,607 | - | 76,597 | - | 527,870 |
| Expenditure | | | | | | | |
| 9 Grants and donations | 9 | 12,038 | - | - | - | - | 12,038 |
| 10 Salaries and associated costs | 8 | 288,234 | - | - | 19,837 | - | 308,071 |
| 11 Property maintenance | | 37,302 | | | 14,984 | | 52,286 |
| 12 Connexional assessment & model trust levy | 13 | 19,432 | - | | | | 19,432 |
| 13 District Assessment & Levy | 13 | 82,488 | 42,897 | | | | 125,385 |
| 14 Depreciation | | - | | | | | 0 |
| 15 Office expenses | 10 | 56,107 | 1,963 | - | 760 | - | 58,830 |
| 16 Other outgoings | 11 | 25,579 | - | - | 38,483 | - | 64,062 |
| 17 Total charitable expenditure | | 521,180 | 44,860 | 0 | 74,064 | 0 | 640,104 |
| 18 Gains/(losses) on monetary investments | | | | | | | 0 |
| 19 Gains/(losses) on investment properties | | | | | | | 0 |
| 20 Net income/(expenditure) | | -87,514 | -27,253 | 0 | 2,533 | 0 | -112,234 |
| 21 Transfers between funds | | 150,000 | - | 150,000 | | | 0 |
| 22 Other gains/(losses) | 12 | 234,652 | - | - | 123,561 | - | 358,213 |
| 23 Net movement in funds | | 297,138 | -177,253 | 0 | 126,094 | 0 | 245,979 |
| 24 Total funds brought forward | | 2,761,358 | 688,621 | 49,334 | 1,619,167 | - | 5,118,480 |
| 25 Total funds carried forward | | 3,058,496 | 511,368 | 49,334 | 1,745,261 | - | 5,364,459 |

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

| | Notes to the accounts | General Fund (Unrestricted) | Circuit Model Trust (Unrestricted) | Designated Funds (unrestricted) | Restricted Funds | Endowment Funds | Total 2021-22 |
|--|-----------------------|--------------------------------|--|---------------------------------------|---------------------|--------------------|------------------|
| | | £ | £ | £ | £ | £ | |
| Income | | | | | | | |
| 1 Donations and legacies | 4 | 26,590 | - | - | 15,410 | - | 42,000 |
| 2 Income from monetary investments | 5 | 478 | 3,232 | - | 42 | - | 3,752 |
| 3 Income from investment properties | 6 | - | - | - | 19,809 | - | 19,809 |
| 4 Assessments on Churches | | 395,695 | - | - | - | - | 395,695 |
| 5 Capital Receipts | 7 | - | - | - | - | - | 0 |
| 6 Grants received | | 6,854 | - | - | - | - | 6,854 |
| 7 Other charitable income | | - | - | - | 29,918 | - | 29,918 |
| 8 Total income | | 429,617 | 3,232 | - | 65,179 | - | 498,028 |
| Expenditure | | | | | | | |
| 9 Grants and donations | 9 | 20,153 | - | - | - | - | 20,153 |
| 10 Salaries and associated costs | 8 | 296,949 | - | - | 17,163 | - | 314,112 |
| 11 Property maintenance | | 45,221 | - | - | 14,520 | - | 59,741 |
| 12 Connexional assessment & model trust levy | | 20,122 | - | - | - | - | 20,122 |
| 13 District Assessment & Levy | 13 | 85,418 | 46,282 | - | - | - | 131,700 |
| 14 Depreciation | | - | - | - | - | - | 0 |
| 15 Office expenses | 10 | 58,260 | 2,091 | - | 725 | - | 61,076 |
| 16 Other outgoings | 11 | 20,687 | - | - | 30,320 | - | 51,007 |
| 17 Total charitable expenditure | | 546,810 | 48,373 | 0 | 62,728 | 0 | 657,911 |
| 18 Gains/(losses) on monetary investments | | | | | | | 0 |
| 19 Gains/(losses) on investment properties | | | | | | | |
| 20 Net income/(expenditure) | | -117,193 | -45,141 | 0 | 2,451 | 0 | -159,883 |
| 21 Transfers between funds | | - 372,639 | 372,639 | | | | 0 |
| 22 Other gains/(losses) | 12 | 402,362 | - | - | 354,636 | - | 756,998 |
| 23 Net movement in funds | | -87,470 | 327,498 | 0 | 357,087 | 0 | 597,115 |
| 24 Total funds brought forward | | 2,848,828 | 361,123 | 49,334 | 1,262,080 | | 4,521,365 |
| 25 Total funds carried forward | | 2,761,358 | 688,621 | 49,334 | 1,619,167 | - | 5,118,480 |

| | Notes to the accounts | Circuit Model General Fund (Unrestricted) £ | Trust (Unrestricted) £ | Designated Funds (unrestricted) £ | Restricted Funds £ | Endowment Funds £ | Total 2022-23 £ | Total 2021-22 £ |
|---|-----------------------|--|------------------------------|--|--------------------------|-------------------------|-----------------------|-----------------------|
| 4. Income - Donations and legacies | | | | | | | | |
| 4.1 Donations | | 14,177 | | | 16,486 | | 30,663 | 42,000 |
| 4.2 Legacies | | | | | | | 0 | 0 |
| Total | | 14,177 | - | - | 16,486 | - | 30,663 | 42,000 |
| 5. Income - Monetary investments | | | | | | | | |
| 5.1 Central Finance Board | | 1,951 | | | | | 1,951 | 381 |
| 5.2 Trustees for Methodist Church Purposes | | 1,424 | 17,607 | | 664 | | 19,695 | 3,371 |
| 5.3 Current accounts | | 2,053 | | | | | 2,053 | 0 |
| 5.4 Other | | | | | | | 0 | 0 |
| Total | | 5,428 | 17,607 | - | 664 | - | 23,699 | 3,752 |
| 6. Income - Investment properties | | | | | | | | |
| 6.1 Rental income - Meeting Point flat | | | | | 3,725 | | 3,725 | 2,470 |
| 6.2 Rental income - Moortown Methodist Centre | | | | | 17,348 | | 17,348 | 17,339 |
| 6.3 Rental income - Circuit manses | | 15,302 | | | | | 15,302 | 0 |
| 6.4 Other | | | | | | | 0 | 0 |
| Total | | 15,302 | - | - | 21,073 | - | 36,375 | 19,809 |
| 7. Income - Capital receipts | | | | | | | | |
| 7.1 Proceeds on sale - churches | | | - | | | | 0 | 0 |
| 7.2 Other | | | | | | | 0 | 0 |
| Total | | - | - | - | - | - | - | - |

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

| Notes to the accounts | Circuit Model | | Designated | | Restricted Funds | Endowment Funds | Total 2022-23 | Total 2021-22 |
|--|-----------------------------|----------------------|----------------------|--|------------------|-----------------|----------------|----------------|
| | General Fund (Unrestricted) | Trust (Unrestricted) | Funds (unrestricted) | | | | | |
| | £ | £ | £ | | £ | £ | £ | £ |
| 8. Expenditure - Salaries and associated costs | | | | | | | | |
| 8.1 Gross wages, salaries, and benefits-in-kind | 223,574 | | | | 19,837 | | 243,411 | 248,486 |
| 8.2 Employer's National Insurance costs | 17,744 | | | | | | 17,744 | 18,920 |
| 8.3 Employer's pension costs | 46,916 | | | | | | 46,916 | 46,706 |
| Total | 288,234 | - | - | | 19,837 | - | 308,071 | 314,112 |
| 9. Expenditure - Grants and donations | | | | | | | | |
| 9.1 Grants (Meeting Point - operating shortfall) | - | | | | | | 0 | 0 |
| 9.2 Grants (Meeting Point - assistant manager post) | - | | | | | | 0 | 9,571 |
| 9.3 Grants (Meeting Point - manager employer's NI) | 1,793 | | | | | | 1,793 | 991 |
| 9.4 Grants (WIFCOS) | - | | | | | | 0 | 65 |
| 9.5 Grants (Methodist Ministers Housing Society) | 1,640 | | | | | | 1,640 | 1,640 |
| 9.6 Grants (Leeds Citizens) | 2,000 | | | | | | 2,000 | 0 |
| 9.7 Grants (Leeds Methodist Extension Society) | - | | | | | | 0 | 80 |
| 9.8 Grants (Leeds Mission) | - | | | | | | 0 | -3,000 |
| 9.9 Grants (WYDAN) | 2,000 | | | | | | 2,000 | 2,000 |
| 9.10 Grants (other) | 4,605 | | | | | | 4,605 | 8,806 |
| Total | 12,038 | - | - | | - | - | 12,038 | 20,153 |
| 10. Expenditure - Office expenses | | | | | | | | |
| 10.1 Travel | 7,511 | | | | | | 7,511 | 7,068 |
| 10.2 Telephones and internet (Circuit Office, Meeting Point) | 1,394 | | | | 760 | | 2,154 | 1,454 |
| 10.3 Telephones and internet (ministers and lay staff) | 8,616 | | | | | | 8,616 | 8,443 |
| 10.4 Photocopying (net of recoveries) | 658 | | | | | | 658 | 3,268 |
| 10.5 Postage, stationery, and other | 6,334 | | | | | | 6,334 | 5,739 |
| 10.6 Council Tax | 12,956 | | | | | | 12,956 | 13,511 |
| 10.7 Insurance | 5,485 | | | | | | 5,485 | 4,719 |
| 10.8 Water | 2,673 | | | | | | 2,673 | 5,144 |
| 10.9 Other | 10,480 | 1,963 | | | | | 12,443 | 11,730 |
| Total | 56,107 | 1,963 | - | | 760 | - | 58,830 | 61,076 |

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

| Notes to the accounts | Circuit Model | | Designated Funds (unrestricted) | Restricted Funds | Endowment Funds | Total 2022-23 | Total 2021-22 |
|--|-----------------------------|----------------------|---------------------------------|------------------|-----------------|---------------|---------------|
| | General Fund (Unrestricted) | Trust (Unrestricted) | | | | | |
| | £ | £ | £ | £ | £ | £ | £ |
| 11. Expenditure - Other outgoings | | | | | | | |
| 11.1 Lecturer allowance (Cliff College) | 1,692 | | | | | 1,692 | 1,692 |
| 11.2 Assessments paid - ecumenical partnerships | 5,783 | | | | | 5,783 | 9,754 |
| 11.3 Audit fees | 4,600 | | | | | 4,600 | 4,660 |
| 11.4 Expenses relating to sold properties (churches) | - | | | | | 0 | 0 |
| 11.5 Expenses relating to sold properties (manses) | - | | | | | 0 | 0 |
| 11.6 Expenses relating to closed churches | 12,881 | | | | | 12,881 | 4,331 |
| 11.7 Expenses related to aborted projects | - | | | | | 0 | 0 |
| 11.8 Honoraria - supernumerary ministers | 623 | | | | | 623 | 250 |
| 11.9 Other expenses (Meeting Point & Moortown) | | | | 38,483 | | 38,483 | 30,320 |
| Total | 25,579 | - | - | 38,483 | - | 64,062 | 51,007 |

12. Other gains / (losses)

| | | | | | | | |
|--|----------------|----------|----------|----------------|----------|----------------|----------------|
| 12.1 Net proceeds of trust properties sold (manses) | | - | | | | 0 | 0 |
| 12.2 Revaluation of trust properties (manses, projects) | 234,652 | | | 123,561 | | 358,213 | 756,998 |
| 12.3 Less: Carrying amount of trust properties sold (manses) | | - | | - | | 0 | 0 |
| Total | 234,652 | - | - | 123,561 | - | 358,213 | 756,998 |

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 | <u><u>82,488</u></u> | |
| District levy | | <u><u>42,897</u></u> |

14. Payments to Trustees

| | | |
|---|--------|--------|
| Payments made to Trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | 0 | 0 |
| Payments made to Trustees for reimbursement of expenses incurred on behalf of the Circuit | 23,134 | 21,734 |
| Number of Trustees to whom expenses were paid | 14 | 18 |

Balance Sheet as at 31 August 2023

GN

| | Notes to the Accounts | General Fund (Unrestricted) £ | Circuit Model Trusts (Unrestricted) £ | Designated Funds (Unrestricted) £ | Restricted Funds £ | Endowment Funds £ | Totals 2022/23 £ | Totals 2021/22 £ | |
|---|-----------------------|-------------------------------------|--|--|--------------------------|-------------------------|------------------------|------------------------|---|
| Fixed Assets | | | | | | | | | |
| Circuit Manses & Equipment | 15 | 2,962,810 | | | 0 | | 2,962,810 | 2,728,158 | R |
| Investment properties | 16 | 0 | | | 1,707,439 | 0 | 1,707,439 | 1,583,878 | R |
| Investments | - | | | | | | 0 | 0 | |
| Total fixed assets | | 2,962,810 | 0 | 0 | 1,707,439 | 0 | 4,670,249 | 4,312,036 | |
| Current Assets | | | | | | | | | |
| Debtors | 17 | 32,677 | 0 | 0 | 0 | 0 | 32,677 | 23,252 | S |
| Loans by the Circuit | 18 | 12,433 | 0 | 0 | 0 | 0 | 12,433 | 12,433 | |
| Investments with TMCP | - | 0 | 511,368 | 49,334 | | | 560,702 | 737,955 | |
| Central Finance Board Deposits | - | 153,119 | | | 10,426 | | 163,545 | 116,216 | T |
| Cash at Bank and in hand | 19 | 3,010 | 0 | 0 | 27,396 | 0 | 30,406 | 31,398 | |
| Total current assets | | 201,239 | 511,368 | 49,334 | 37,822 | 0 | 799,763 | 921,254 | |
| Current liabilities | | | | | | | | | |
| Creditors (due in under 1 year) | 20 | 100,313 | 0 | 0 | 0 | 0 | 100,313 | 113,210 | U |
| Grants payable within 2021-22 | 21 | 5,240 | 0 | 0 | 0 | 0 | 5,240 | 1,600 | V |
| Total current liabilities | | 105,553 | 0 | 0 | 0 | 0 | 105,553 | 114,810 | |
| Net current assets/liabilities | | 95,686 | 511,368 | 49,334 | 37,822 | 0 | 694,210 | 806,444 | |
| Total assets less current liabilities | | 3,058,496 | 511,368 | 49,334 | 1,745,261 | 0 | 5,364,459 | 5,118,480 | |
| Long term liabilities (due after more than one year) | | | | | | | | | |
| Grants payable after 2021-22 | | | | | | | 0 | 0 | V |
| Loans to the Circuit | | | | | | | 0 | 0 | |
| Net assets | | 3,058,496 | 511,368 | 49,334 | 1,745,261 | 0 | 5,364,459 | 5,118,480 | W |

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 2022/23 | Totals 2021/22 |
|--------------------------------|---|---------------------------------------|---------------------|--------------------|-------------------|-------------------|
| £ | £ | £ | £ | £ | £ | £ |

Funds of the Circuit

| | | | | | | | |
|---|--|------------------|----------------|---------------|------------------|------------------|------------------|
| General Fund (Unrestricted) | | 3,058,496 | | | | 3,058,496 | 2,761,358 |
| Circuit Model Trust Fund (Unrestricted) | | | 511,368 | | | 511,368 | 688,621 |
| Designated Funds (Unrestricted) | | | | 49,334 | | 49,334 | 49,334 |
| Total Unrestricted Funds | | | | | | 3,619,198 | 3,499,313 |
| Restricted Funds | | | | 1,745,261 | | 1,745,261 | 1,619,167 |
| Endowment Funds | | | | | 0 | 0 | 0 |
| Total Funds | | 3,058,496 | 511,368 | 49,334 | 1,745,261 | 5,364,459 | 5,118,480 |
| | | 0 | 0 | 0 | 0 | 0 | 0 |

Signed



Circuit Treasurer

Balance Sheet as at 31 August 2023 - NOTES (continued)

GN

| Notes to the Accounts | General Fund (Unrestricted) £ | Circuit Model Trusts (Unrestricted) £ | Designated Funds (Unrestricted) £ | Restricted Funds £ | Endowment Funds £ | Totals 2022/23 £ | Totals 2021/22 £ |
|--|-------------------------------------|--|--|--------------------------|-------------------------|------------------------|------------------------|
| 15. Circuit manses and equipment | | | | | | | |
| 15.1 120 Stainbeck Lane, Leeds West Yorkshire, LS7 3QS | 531,366 | | | | | 531,366 | 489,282 |
| 15.2 16 Kingswood Gardens, Leeds West Yorkshire, LS8 2BT | 491,511 | | | | | 491,511 | 452,584 |
| 15.3 7 Gledhow Park Road, Leeds West Yorkshire, LS7 4JX | - | | | | | 0 | 0 |
| 15.4 52 Nursery Lane, Leeds West Yorkshire, LS17 7HW | 431,403 | | | | | 431,403 | 397,236 |
| 15.5 2 Elmete Walk, Leeds West Yorkshire, LS8 2LB | 431,738 | | | | | 431,738 | 397,545 |
| 15.6 11 Mercia Way, Leeds West Yorkshire, LS15 8UA | 311,158 | | | | | 311,158 | 286,515 |
| 15.7 29 Station Fields, Garforth, Leeds West Yorkshire, LS25 1PS | 387,123 | | | | | 387,123 | 356,463 |
| 15.8 8 Primrose Close, Leeds West Yorkshire, LS15 7RT | 378,511 | | | | | 378,511 | 348,533 |
| Total | 2,962,810 | | | | | 2,962,810 | 2,728,158 |
| 16. Investment properties | | | | | | | |
| 16.1 409 Harehills Lane, Leeds West Yorkshire, LS9 6AP | - | | | 360,658 | | 360,658 | 360,658 |
| 16.2 Alderton Rise, Leeds West Yorkshire, LS17 5LH | - | | | 1,346,781 | | 1,346,781 | 1,223,220 |
| Total | - | | | 1,707,439 | - | 1,707,439 | 1,583,878 |
| 17. Debtors | | | | | | | |
| 17.1 Prepaid salaries | 19,040 | | | | | 19,040 | 19,615 |
| 17.2 Other prepayments | - | | | | | 0 | 0 |
| 17.3 Other debtors | 13,637 | | | | | 13,637 | 3,637 |
| Total | 32,677 | - | - | - | - | 32,677 | 23,252 |
| 18. Loans by the Circuit | | | | | | | |
| 18.1 Yorkshire West District | 12,433 | | | | | 12,433 | 12,433 |
| Total | 12,433 | - | - | - | - | 12,433 | 12,433 |
| 19. Cash at bank and in hand | | | | | | | |
| 19.1 Current account - CAF Bank | 3,010 | | | | | 3,010 | 6,185 |
| 19.2 Current account - Barclays Bank | | | | 25,223 | | 25,223 | 21,054 |
| 19.3 Current account - Yorkshire Bank / Virgin Money | | | | 2,073 | | 2,073 | 4,059 |
| 19.4 Cash on hand | | | | 100 | | 100 | 100 |
| Total | 3,010 | - | - | 27,396 | - | 30,406 | 31,398 |

Balance Sheet as at 31 August 2023 - NOTES (continued)

GN

| Notes to the Accounts | General Fund (Unrestricted) | Circuit Model Trusts (Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Endowment Funds | Totals 2022/23 | Totals 2021/22 |
|--|--------------------------------|---|---------------------------------------|---------------------|--------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| 20. Creditors (due in under 1 year) | | | | | | | |
| 20.1 Church assessments received in advance | 78,477 | | | | | 78,477 | 93,174 |
| 20.2 Grants received in advance | - | | | | | 0 | 0 |
| 20.3 Other creditors | 21,836 | | | | | 21,836 | 20,036 |
| Total | 100,313 | - | - | - | - | 100,313 | 113,210 |
| 21. Grants payable within current year | | | | | | | |
| 21.1 Meeting Point - operating shortfall | - | | | | | 0 | 0 |
| 21.2 Meeting Point - assistant manager gross pay | - | | | | | 0 | 0 |
| 21.3 Meeting Point - assistant manager employer's NI | - | | | | | 0 | 0 |
| 21.4 WIFCOS | - | | | | | 0 | 0 |
| 21.5 Methodist Ministers Housing Society | 3,240 | | | | | 3,240 | 1,600 |
| 21.6 Leeds Mission | - | | | | | 0 | 0 |
| 21.7 WYDAN | - | | | | | 0 | 0 |
| 21.8 Other grants payable within current year | 2,000 | | | | | 2,000 | 0 |
| Total | 5,240 | - | - | - | - | 5,240 | 1,600 |

Cash flow statement for the year ended 31 August 2023

| Statement of cash flows | Note | 2023 £ | 2022 £ |
|---|-------------|-------------------|-------------------|
| Cash from operating activities | | | |
| Net cash used in operating activities | | -190,990 | -187,819 |
| Cash flows from investing activities | | | |
| Interest income | | 23,699 | 3,752 |
| Rental income | | 36,375 | 19,809 |
| Proceeds from the sale of investment property | | - | - |
| Net cash provided by investing activities | | 60,074 | 23,561 |
| Cash flows from financing activities | | | |
| New borrowing | | 0 | 0 |
| Repayments of borrowing | | 0 | 0 |
| Net cash used in financing activities | | 0 | 0 |
| Change in cash and cash equivalents in the reporting period | | -130,916 | -164,258 |
| Cash and cash equivalents at the beginning of the reporting period | | 885,569 | 1,049,827 |
| Cash and cash equivalents at the end of the reporting period | | 754,653 | 885,569 |

Cash flow statement for the year ended 31 August 2023 (Continued)

| | 2023 | 2022 |
|--|-----------------|-----------------|
| | £ | £ |
| Reconciliation of net income to net cash flow from operating activities | | |
| Net income for the reporting period (as per statement of financial activities) | 245,979 | 597,115 |
| Adjustments for: | | |
| Interest & rental income | - 60,074 | -23,561 |
| Profit on the sale of investment property | - | - |
| Gains on investments | - 358,213 | - 756,998 |
| (increase)/decrease in debtors | - 9,425 | -916 |
| increase/(decrease) in creditors | - 9,257 | -3,459 |
| Net cash used in operating activities | -190,990 | -187,819 |
| | | |
| | 2023 | 2022 |
| | £ | £ |
| Analysis of cash and cash equivalent | | |
| Cash in hand | 754,653 | 885,569 |
| Short term deposit (less than 3 months) | 0 | 0 |
| Total cash and cash equivalents | 754,653 | 885,569 |

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 2023 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 2023, 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 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.
- Identified laws and regulations were 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 relevant regulators including the Charities Commission.

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.

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

22 January 2025

Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

Leeds North and East Circuit
DECLARATIONS

Treasurer

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

Signature of
Treasurer



Date

22 Jan 2025

Name of Treasurer

Rev Steven Jones

Address

37 Fletchers Way, Allerton Bywater, Castleford WF10 2FL

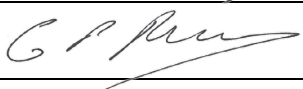
Presentation to the Circuit Meeting for approval.

I confirm that the annual report and accounts for the year ended 31 Aug 2023 were,
~~or will be~~* presented to the Circuit Meeting at its meeting on

**25
November
2024**

and were approved.

Signature of the
Chair of the meeting



Name of the Chair
of the meeting

Rev George Bailey

Date

22 Jan 2025
