



THE METHODIST CHURCH

REPORT AND ACCOUNTS (ACCRUALS BASIS) for the year ended 31 August 2022

Thirsk & Northallerton Methodist Circuit

Registered Charity - Registration number 1133873

Circuit Number 29/23

Ministers

Rev'd W Arthur Harbottle
Rev'd Denise Williamson

Circuit Stewards

Mr Derek Smith
Mrs. Karen Collin
Mrs Karen Portsmouth

Circuit Treasurer

vacant

**Thirsk & Northallerton Methodist Circuit
Trustees' Annual Report
For The Year Ended 31st August 2022**

Introduction

The Trustees present their Annual Accounts for the year ended 31st August 2022, together with the relevant notes.

Mission Statement

The Circuit's Mission Policy is :

"To respond to God's grace in Jesus Christ by sharing in God's mission of love and restoration, in collaboration with our ecumenical partners. In particular by supporting the congregations in their call to discipleship, their worship, service, learning, evangelism and love of neighbours through the release of resources, which are God's gift and which we hold in common."

Review of the year

Income trends

Circuit income is primarily drawn from the assessment paid by the circuit churches as the residential investment property was sold during this financial year

Expenditure trends

Stipend expenditure has increased each financial year in line with conference approved increases.

15% of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

The expenditure drawn from reserves was for the donation to the Methodist Pension Fund

Fund balances

As at 31 August 2022 the net current assets of the Circuit were £389k, covering anticipated expenditure.

Plans for 2023/24

Circuit financial plans for the coming year have been prepared on the basis that there remains two full time ordained staff, one part time lay worker, and one full time lay worker with anticipated cost of living salary increases combined with an increase in the assessment paid to the district. The circuit is holding extra funds in reserve to help any struggling churches.

**Thirsk & Northallerton Methodist Circuit Circuit
Trustees' Annual Report on Finance and Governance
For The Year Ended 31st August 2022**

Aims and organisation

The Charity's aim is to fulfill the purposes of the Methodist Church within the area around Thirsk & Northallerton.

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
-
- e) The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.
 - f) The teaching of Christianity through sermons, courses and small groups.
 - g) The resourcing of pastoral work including visiting the sick and bereaved.
 - h) Taking religious assemblies in local schools.
 - i) Promotion of Christianity through the staging of events and services.

Public Benefit

The circuit produces a quarterly preaching plan to ensure regular acts of worship take place in the 9 methodist chapels in the area. 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). Oversight of the circuit is undertaken by the Circuit Meeting on the advice of the Circuit Leadership team .

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the circuit , specifically the leaflet 'The Role of a Trustee in The Methodist Church' . New Circuit meeting members are advised to read this as an induction to their role as trustees.

**Thirsk & Northallerton Methodist Circuit
Trustees' Annual Report on Finance and Governance
For The Year Ended 31st August 2022**

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2022 have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(effective 1 January 2015) and the Charities Act 2011.

Full Name of Charity

Thirsk and Northallerton Methodist Circuit

Charity Registration Number

1133873

Date of registration

28th January 2010

Main communication address

Northallerton Methodist Church
High Street, Northallerton, DL7 8EG

Members

The members of the Thirsk & Northallerton Methodist Circuit meeting are the Charity Trustees, membership being made up of Circuit office holders, Ministers and representatives appointed by the local churches.

Circuit Ministers and officers

Active Circuit Ministers Rev W Arthur Harbottle
 Rev Denise Williamson

Circuit Stewards Mr Derek Smith
 Mrs Karen Collin
 Mrs Karen Portsmouth

Administrator Miss Susan Jarman

Mrs Karen Collin acted as the principal officer with oversight of the financial management and accounting for the Circuit during the year.

Independent examiner :- Mr G Duncan Fothergill F.C.C.A. Swaleside Accountancy Limited, Old Rectory, South Kilvington, Thirsk, North Yorkshire YO7 2NL

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

Thirsk & Northallerton Methodist Circuit Circuit
Trustees' Annual Report on Finance and Governance
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Related Parties

The Circuit is part of the Yorkshire North and East District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the Circuit :

Appleton Wiske
Brompton
Northallerton (with Osmotherley)
Romanby
Sowerby
Thirsk
Thornton-le-Beans

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to six months' average expenditure of around £70,000; this should enable in the short term the funding of planned activities in the event of any inability to raise the full Circuit Assessment from churches.

£34,000 has been thought to be sufficient to meet any unforeseen item of expenditure on the two manses and one cottage in its care.

The Trustees also consider it prudent to provide an amount in case of redundancy of £2,500.

The reserves fund the salary and expenses of the Pastoral and Development worker, which is a further £27,000.

The total reserve fund required is therefore £133,500

**Thirsk And Northallerton Methodist Circuit
Trustee's Annual Report on Finance and Governance
For The Year Ended 31st August 2022**

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

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 Thirsk and Northallerton 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 Thirsk and Northallerton 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.

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 31.08.2022
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments		92	1,306			219	1,617
3 Income from investment properties		5,430					5,430
4 Assessments on Churches		136,017					136,017
5 Capital Receipts		1,215	57,779				58,994
6 Grants received							0
7 Other charitable income		17,723					17,723
8 Total income		160,477	59,085	0	0	219	219,781
Expenditure							
9 Grants and donations		4,817	80,743			26,716	112,276
10 Salaries and associated costs		116,301					116,301
11 Property maintenance		3,396					3,396
12 Connexional assessment & model trust levy		1,820	9,715				11,535
13 District Assessment & Levy		24,604					24,604
14 Depreciation		877					877
15 Office expenses		5,454					5,454
16 Other outgoings		20,445	696			100	21,241
17 Total charitable expenditure		177,714	91,154	0	0	26,816	295,684
18 Gains/(losses) on monetary investments			-264			-526	-790
19 Gains/(losses) on investment properties							0
20 Net income/(expenditure)		-17,237	-32,333	0	0	-27,123	-76,693
21 Transfers between funds		-59,931	60,000			-69	0
22 Other gains/(losses)							0
23 Net movement in funds		-77,168	27,667	0	0	-27,192	-76,693
24 Total funds brought forward		696,829	244,299	0	0	35,093	976,221
25 Total funds carried forward		619,661	271,966	0	0	7,901	899,528

Thirsk & Northallerton Circuit
Balance Sheet as at 31 August 2022

Circuit No 29/23

Notes to the
accounts

	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2022 £	Totals 2021 £
Fixed Assets							
Circuit Manses & Equipment	534,569					534,569	535,447
Investment properties	0					0	60,000
Investments						0	
Total fixed assets	534,569	0	0	0	0	534,569	595,447
Current Assets							
Debtors	7,721					7,721	7,456
Loans by the Circuit						0	
Investments with TMCP		271,966			7,901	279,867	279,392
Central Finance Board Deposits	49,624					49,624	45,132
Cash at Bank and in hand	60,375					60,375	82,018
Total current assets	117,720	271,966	0	0	7,901	397,587	413,998
Current liabilities							
Creditors (due in under 1 year)	32,628					32,628	33,224
						0	
Total current liabilities	32,628	0	0	0	0	32,628	33,224
Net current assets/liabilities	85,092	271,966	0	0	7,901	364,959	380,774
Total assets less current liabilities	619,661	271,966	0	0	7,901	899,528	976,221
Long term liabilities (due after more than one year)							
Loans to the Circuit						0	
						0	
Net assets	619,661	271,966	0	0	7,901	899,528	976,221
Funds of the Circuit							
General Fund (Unrestricted)	619,661					619,661	696,829
Circuit Model Trust Fund (Unrestricted)		271,966				271,966	244,299
Designated Funds (Unrestricted)			0			0	
Total Unrestricted Funds						891,627	941,128
Restricted Funds				0		0	
Endowment Funds					7,901	7,901	35,093
Total Funds	619,661	271,966	0	0	7,901	899,528	976,221

Signed


Circuit Support Manager

Thirsk and Northallerton Methodist Circuit
Notes to the Accounts
For The Year Ended 31st August 2022

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 the Financial Reporting Standard for Smaller Entities applicable in the UK (effective from 1 January 2015) – the Charities SORP (FRSSE) – in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

2 Funds

The funds held constitute: General Funds are 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 are held for narrower purposes. There are also the following Endowment funds as listed. Details of each material fund are disclosed in the note 12 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.

Income Recognition

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. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

VAT

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

Tangible fixed assets for use by the Circuit

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

The freehold property is shown in the accounts at cost. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that they had reached the end of their useful economic lives by the year-end) to be not less than its current value. Any depreciation would not be material. The properties have been reviewed for impairment. Depreciation on Fixtures is calculated on a straight line basis to write off the assets over their anticipated useful lives.

Investment

Debtors and Prepayments

Prepayments relate to wages and insurance

Creditors

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

Impact of Accounting changes

A statement is required if there has been any restatement required to previous reported information as a consequence of the new SORP.

Thirsk & Northallerton Methodist Circuit
Notes to the Accounts
For The Year Ended 31st August 2022

5. Investment income	Circuit Model			2022 Total	2021 Total
	Unrestricted	Trust Fund	Restricted		
Income from monetary investments	92	1,306	219	1,617	961
Rental income	5,430			5,430	2,241
Total	5,522	1,306	219	7,047	3,202
6. Paid employees					
Staff Costs paid during the year were:					
Gross wages, salaries and benefits in kind				116,301	116,465
Total staff costs				116,301	115,136
Average number of staff employed during the year were:				4	4

7. Tangible Fixed Assets

Cost or valuation	Two Manses	Fixtures	Total
	£	£	£
Balance brought forward	534,569	16,229	550,798
Additions at Cost			0
Balance carried forward	534,569	16,229	550,798
Accumulated depreciation:			
Balance brought forward	0	15,351	15,351
Depreciation charge for year	0	878	878
Balance carried forward	0	16,229	16,229
Net book value			
Brought forward	534,569	878	535,447
Carried forward	534,569	0	534,569

Thirsk & Northallerton Methodist Circuit
Notes To The Accounts (cont'd)
For The Year Ended 31st August 2022

8. Investments

The funds that support the Circuit Model Trust Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

Analysis of investment movements

	2022	2021
Change in investment values		
Carrying (market) value at beginning of year	0	60,000
Net gain/(loss) on revaluation	0	0
Carrying (market) value at end of year	£0	£60,000

Thirsk And Northallerton Methodist Circuit
Notes To The Accounts (cont'd)
For The Year Ended 31st August 2022

9. Analysis of current assets	This year	Last year
Debtors and prepayments	£	£
Other debtors	7,721	7,456
Total debtors and prepayments	<u>7,721</u>	<u>20,383</u>

Analysis of cash at bank

Bank balance held in HSBC Bank (General Account)	60,375	82,018
Bank balance held in Yorkshire Bank (Rental Account)	0	0
Bank balance held in HSBC Bank (Copier Account)	0	0
Petty Cash Account (bank card)	0	0
Total Cash and Bank	<u>60,375</u>	<u>82,018</u>

10. Analysis of current liabilities and long term creditors

Prepaid Assessments	32,628	33,224
Other Creditors		
Total Current Liabilities	<u>32,628</u>	<u>33,224</u>

11. Capital Commitments and Contingent Liabilities

At 31st August 2022, The Circuit had the following capital commitments :-

A project to provide a Circuit Worker for the Elderly for current at an estimated cost of £22,500

No Contingent liabilities were identified at 31st August 2022

Thirsk & Northallerton Methodist Circuit
Notes To The Accounts (cont'd)
For The Year Ended 31st August 2022

12. Detailed analysis of individual fund movements

Unrestricted Funds

Unrestricted Fund Name	Opening Balance	Income	Expenditure	Transfers	Closing Balance	Purpose of the fund
Circuit Model Trust Fund	244,299	58,821	91,154	-60,000	271,966	
		0			0	
					0	
Totals	244,299	58,821	91,154	-60,000	271,966	

Endowment Name	How the capital is invested	The current value of	Annual income	What the income was used for
For Circuit Ministers	CFB Managed Mixed Fund	3,019	69	Ministers' Welfare
Various Legacies	CFB Managed Mixed Fund	4,882	102	Income Accumulated
Totals		7,901	171	

**Thirsk and Northallerton Methodist Circuit
Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the Trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 130 of the Charities Act.
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(3) I have /have not* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Name of independent
examiner

MR G DUNCAN FOTHERGILL F.C.C.A.

Signature of
independent examiner



Relevant Professional qualification of independent examiner

F.C.C.A.

Name of firm (where appropriate)

SWALESIDE ACCOUNTANCY LTD

Address

Old Rectory, South Kilvington, Thirsk, North Yorkshire YO7 2NL

Date

7th March 2023

Thirsk And Northallerton Methodist Circuit
DECLARATIONS

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2022 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

Address

Presentation to the Circuit Meeting for approval.

I confirm that the annual report and accounts for the year ended 31 Aug 2022 were presented to the Circuit Meeting at its meeting on 2023 and were approved.

Signature of the Chair of the meeting Date

Name of the Chair of the meeting

**Independent Examiner's Report to the Trustees of the
Thirsk and Northallerton Circuit**

This Report is on the Circuit Accounts for the year ended 31st August 2022

Respective responsibilities of Trustees and Examiner

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2022 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under Section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the Charities act; and
- to state whether particular matters have come to my attention.

**Thirsk and Northallerton Methodist Circuit
Circuit Meeting Membership
As At 31st August 2022**

Appendix A

MINISTERS

Rev W Arthur Harbottle
Rev Denise Williamson

SUPERNUMERARY MINISTERS

Rev Richard Bradshaw
Rev Ian Johnson
Rev Michael Webster

LAYWORKER

Miss Susan Jarman
Mrs Helen McCormack

CIRCUIT STEWARDS

Mr Derek Smith
Ms Karen Collin
Mrs Karen Portsmouth

CIRCUIT PROPERTY OFFICER

Mr Alex Lynn

CIRCUIT LOCAL PREACHERS AND WORSHIP LEADERS REPRESENTATIVES

Mrs Kathryn Walker

DISTRICT MWIP

Mrs June Anderson

CIRCUIT SAFEGUARDING CO-ORDINATOR

Mrs Eileen Wrightson

CIRCUIT CHURCH REPRESENTATIVES

Appleton Wiske	Mrs Karen Portsmouth	Mrs Heather Dove	Mrs Ann Preston
Brompton	Mr Tony Brown		
Northallerton	Mrs Alana Barney	Mrs Sandra Larden	Mr Richard Warren
Romanby	Mr Keith Foster	Prof Peter Brophy	Mrs Alison Brophy
Sowerby	Mrs Jeanette Daly	Mr Mick Heyworth	Mrs Ann Patterson
St James Green, Thirsk	Mrs Judith Walker	Mrs Karen Collin	Mr Andy Dalby
Thornton -Le-Beans	Mrs Brenda Dennison	Mrs Freda Chapman	Mr Kevin Baker