

# **PENRITH METHODIST CIRCUIT**

**Registered Charity No. 1133928**

*The Charity was first registered on 1 February 2010 (previously Excepted Registration)*

## **TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS**

**For the year ended 31 August 2022**

### **Legal and Administrative Information:**

**Communication Address**                      **Wordsworth Street Penrith Cumbria CA11 7QY**

**Ministers**                                      **Rev Tim Cooke      (Superintendent)**  
**Rev David Milner**

**Circuit Stewards**                              **Mrs Gillian Williams**  
**Mr Keith Jones**  
**Mrs Sheila Mallinson**

**Circuit Treasurer**                              **Mr Malcolm Teed**

**Circuit Secretary**                              **Mrs Gillian Williams**

**Administrator**                                  **Miss Sarah Mulheron**

**Independent Examiner**                      **Mrs Judith Heeley**

**Bankers**    **1) Barclays Bank Market Square Penrith CA11 7SN**  
**2) Central Finance Board of the Methodist Church (CFB)**  
**3) Trustees for Methodist Church Purposes (TMCP)**

## **Introduction**

The following pages are designed to give the reader an overview of the purposes of the Charity, of how it conducts itself, of those who were involved in the Charity and draws attention to what has occurred during the past year. These pages are an introduction to and should be read in conjunction with the detailed financial reports contained later on in the document.

## **Aims and Objectives**

The primary aim and objective of the Charity is to act as a resource provider for The Methodist Church within the area around Penrith. Our Mission Statement is: 'Working in partnership to encourage and enable God's people to discover God's presence as we grow daily in our faith, building God's kingdom and sharing God's love in practical ways'.

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 subsidiary or ancillary to the The Methodist Church.

The Objectives are carried out through the following activities:

- 'Provide leadership ministry and support to the five Churches which make up the Penrith Circuit enabling them to fulfil their purpose within their local community and beyond.
- The organisation and resourcing of regular public acts of worship open to members of the Church or non-members alike.
- The resourcing of pastoral work including visiting the sick and bereaved.
- Taking religious assemblies in local schools.
- Promotion of Christianity by both leading and supporting local initiatives, events and services.

## **Accounting Standard**

The Charity's annual report and Accounts for the year ended 31 August 2022 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 102 (FRS102).

## **Public Benefit**

In carrying out all its activities, the Trustees of the Charity had due 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 the 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 which includes the Treasurer and Property Steward, along with the Local Preachers meeting.

The Circuit is part of the Cumbria District and is also accountable to the Methodist Conference.

The following Methodist Churches make up the Penrith Circuit: the Cottage Wood Centre, Penrith, Skelton and Stainton together with St Patricks Patterdale which is a Local Ecumenical Partnership with the Church of England.

## **Consolidation**

The Circuit has denominational regulatory oversight in respect the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of Churches within the Circuit are not consolidated into these financial statements.

## **Financial Review**

**Circuit income** totalled £265,518 which includes an exceptional item of £88,300 representing the sale of the building previously used by Sleagill Methodist Church which is now closed, less an amount retained by the Methodist Church centrally. The remaining income of £177,218 is primarily drawn from the Assessment paid by Circuit churches (£99,453) together with the reimbursement of expenditure for shared resources.

**Expenditure** totalled £197,940 of which £148,756 arises from the cost of Ministry within the Circuit and £29,184 was sent to the Methodist Cumbria District and the Connexion to support their wider Ministry. In addition Grants of totalling £20,000 were made to Churches within the Circuit.

## **Fund Balances**

As at 31 August 2022 the Circuit held net current assets of £392,339 of which £185,505 is unrestricted. Of the £304,593 held in the Model Trust Fund £206,759 is restricted for the sole use of Penrith Methodist Church. All expenditure from the Model Trust Fund held by the Trustees for Methodist Church Purposes requires the specific authorisation of the Circuit (Trustees) meeting.

## **Circuit Financial Plans for 2022/23**

The Penrith Circuit has entered a covenanted agreement with the Kirkoswald & Alston Moor Circuit to share staff resources which will reduce the net expenditure of the Circuit. Based on the monetary assets and human resources available as at 31 August 2022 the Trustees believe these are sufficient to meet plans for 2022/23 and as such the Circuit is regarded as a going concern.

## **Risk Management**

Risks identified are reviewed by the Circuit Leadership Team and brought to the attention of the quarterly meeting of Trustees with appropriate action taken.

Income and expenditure are monitored and compared with the annual budget monthly as part of the risk management process to avoid unforeseen calls on Reserves.

Particular attention is being paid to the consequences of the CoVid pandemic and decisions taken at the Methodist Conference, on the Churches for which the Circuit has responsibility. This being in terms of compliance, the impact on Church activities, financial stability and on the membership.

## **Reserves Policy**

The Reserves Policy takes into account that income is received quarterly whilst most expenditure occurs on a monthly basis. The Circuit retains in reserve a sum equivalent to 6 months average expenditure from unrestricted funds. Six months budgeted expenditure for 2021/22 is £68,000 which together with commitments and contingent liabilities results in a total requirement of £101,809 with any surplus available for investment in Mission, Ministry and Service.

This should enable the Circuit to meet any unforeseen item of major expenditure and enable it to continue funding the work of the Circuit in the short term if the Churches making up the Circuit were unable to meet their full annual contribution known as their Assessment

## **Safeguarding Policy**

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

The Circuit has adopted the Methodist Connexional Safeguarding Policy, and commits to ensure its implementation, together with relevant government legislation, guidance, and safe practice, in the Circuit and in our Churches.

The Circuit has a Safeguarding Officer who is also a Trustee and provides support, advice, and training for lay and ordained people designed to ensure that people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable. Appropriate records are in place and kept up to date.

## **Trustees and Trustee Training**

The members of the Penrith Circuit Meeting are the Charity Trustees. These include the Circuit Ministers Supernumerary Ministers, Circuit office holders and representatives appointed by the Churches which make up the Circuit.

There is a range of training and guidance material provided by the Methodist Connexion to support the effective running of the Circuit.

A general training course has been provided in the past and a copy of the "The role of a Trustee in the Methodist Church" and the "Charity Trustee Welcome Pack" published by the Charities Commission is brought to the attention of, and made available to, all Trustees.

## **Responsibilities of the Managing Trustees**

Penrith Methodist Circuit is held on the Model Trust Deed of the Methodist Church and therefore the custodian Trustees of the Circuit are the Trustees for Methodist Church Purposes. Under the Methodist Church Act 1976 the members of the Circuit Meeting serve as Managing Trustees and as such fulfil the obligations laid upon them by Charity law. This requires the managing Trustees to prepare financial statements for each financial year that give a true and fair view of the financial state of affairs of the Circuit including any surpluses and balance carried forward into a new financial year.

In preparing these financial statements the Managing Trustees are required to adopt appropriate accounting policies as described in the Notes to the Accounts, and apply them consistently, observe the methods and principles in the Charities SORP, making judgements and estimates that are both prudent and reasonable. The Management Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Circuit will continue to operate.

The Managing Trustees are responsible for keeping proper accounting records that at any time disclose with reasonable accuracy the financial position of the Circuit. Such records must enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church (Accounts and Reports) Regulations 2008. The Managing Trustees are also responsible for safeguarding the assets of the Circuit and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Trustees in office as at 31 August 2022**

Rev Gillian Belford  
Mrs Alison Birkett  
Mrs Helen Brunskill  
Rev John Carr  
Rev Timothy Cooke  
Mrs Tracey Cooke  
Mrs Joyce Cordingley  
Mrs Kathryn Davidson  
Mr Fraser Dickinson  
Mrs Sylvia Dufton  
Rev Alan Gawthrop  
Mr Lloyd Graham

Mrs Jane Hutchinson  
Mr Keith Jones  
Mrs Sheila Mallinson  
Mrs Anna Matthews  
Rev David Milner  
Mrs Lois Morton  
Mrs Jean Parker  
Mr Jordan Summers  
Mr Malcolm Teed  
Mr Soonu Verghese  
Mrs Gillian Williams  
Miss Kathleen Williamson

Signed:



Rev Tim Cooke

Dated:

7/12/2022

Superintendent Minister



THE METHODIST CHURCH  
STANDARD FORM OF ACCOUNTS

Penrith	Circuit
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FOR THE YEAR ENDED  
31 AUGUST 2022

Cumbria	District	Circuit no	09/09
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Registered Charity - Charity Registration number

1133928

If not a registered charity Her Majesty's Revenue and Customs Gift Aid number

(The HMRC number is equivalent to a registered charity number in terms of evidence of charitable status and may be used to give to donors or grant funders wishing to see evidence of the organisation's charitable status. Methodist charities in England and Wales that are not registered charities are excepted from registration under Statutory Instrument 2014 No.242 )

Ministers:

Rev Tim Cooke
Rev David Milner

Circuit Stewards:

Mrs Gill Williams
Mrs Sheila Mallinson
Mr Keith Jones

Treasurer:

Mr Malcolm Teed
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## 20ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

Penrith

Circuit

SECTION A			Un - restricted Funds	Circuit Model Trust Fund	Restricted Funds	Totals this year	Totals last year
a1	RECEIPTS	Note	£	£	£	£	£
a2	Assessment/Share		99,453			99,453	120,655
a3	Capital receipts		88,300			88,300	207,398
a4	Bank and CFB interest and Investment income		243	476	968	1,687	363
a5	Grants		500			500	
a6	Reimbursements Received	Yes	60,342			60,342	42,019
a6	Other receipts	Yes	15,236			15,236	4,105
a7	<b>TOTAL RECEIPTS</b>		<b>264,074</b>	<b>476</b>	<b>968</b>	<b>265,518 (a8)</b>	<b>374,540</b>

SECTION B							
b1	<b>PAYMENTS</b>						
b2	Stipends, salaries, NIC, Pension and travel costs		77,807			77,807	74,030
b3	Manse Costs	Yes	16,383			16,383	10,063
b4	Administration etc		7,432			7,432	9,353
b5	District Assessment		25,684			25,684	27,395
b6	Grants & donations	Yes	23,500			23,500	
b7	Expenditure reimbursed by Stainton and Penrith Methodist Churches	Yes	28,868			28,868	31,682
b8	Other payments	Yes	18,266			18,266	18,188
b9	<b>TOTAL PAYMENTS</b>		<b>197,940</b>			<b>197,940 (b9)</b>	<b>170,711</b>

SECTION C							
c1	<b>NET RECEIPTS/PAYMENTS FOR THE YEAR</b>	(a7-b9)	<b>66,134</b>	<b>476</b>	<b>968</b>	<b>67,578</b>	<b>203,829</b>
c2	Total funds brought forward from last year		324,761			324,761 (c6)	120,932
c3	<b>Sub total</b>	(c1+c2)	<b>390,895</b>	<b>476</b>	<b>968</b>	<b>392,339</b>	<b>324,761</b>
c4	Transfers and adjustments					(c7)	
c5	<b>TOTAL FUNDS AT END OF YEAR</b>	(c3+c4)	<b>390,895</b>	<b>476</b>	<b>968</b>	<b>392,339 (c8)</b>	<b>324,761 (c6)</b>

SECTION D						
d	<b>FOR INFORMATION ONLY: MONEY RECEIVED AND PASSED ON TO EXTERNAL ORGANISATIONS</b> (these amounts should not be included in total receipts/payments above)					
d1	Balance brought forward from last year				75	
d2	Offerings/Gifts - received for external organisations					75
d3	Offerings/Gifts - passed to external organisations					
d4	<b>BALANCE STILL TO BE PAID (d1 + d2 - d3)</b>				<b>75</b>	<b>75</b>



# SUMMARY OF CIRCUIT ACCOUNTS AND INTERNAL ORGANISATION REPORTING TO THE CIRCUIT MEETING

## SECTION E

Please follow the Guidance Notes to complete this page

Summary of the Circuit accounts for the year ended 31 August 2022 and Internal Organisations reporting to the Circuit Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose. This section must be completed to arrive at the gross receipts and payments totals of the Circuit. If gross income exceeds the Accruals threshold of £250,000, then the Accruals method of accounting AND A DIFFERENT FORM must be used to report the accounts (see Methodist website). Please refer to the guidance notes regarding transfers between the Circuit and connected Circuit Organisations.

INTERNAL ORGANISATIONS		Receipts		Payments		Net Receipts/ Payments		Adjustments		Opening balances		Closing balances	
c1													
c2													
c3													
c4													
c5													
c6													
c7													
c8	Sub total of Internal Organisations funds										(e11)		(e12)
c9	Circuit accounts (totals brought forward from page 2 - totals column) TOTAL CASH FUNDS HELD BY CIRCUIT	266,618 (a8)	197,940 (b9)	67,578	(c7)	324,761 (c6)	392,339 (c8)						
c10		266,618	197,940	67,578		324,761 (x)	392,339 (y)						
		TOTAL RECEIPTS	TOTAL PAYMENTS										

Continue on a separate  
sheet if necessary and  
bring the totals forward

## SECTION F

### STATEMENT OF ASSETS AND LIABILITIES

#### CIRCUIT - CASH FUNDS HELD at 31 August 2022

	OPENING BALANCES	CLOSING BALANCES
f1 Cash in hand		
f2 Bank Current Account	8,611	6,210
f3 Bank Deposit Account		
f4 Central Finance Board	61,231	81,536
f5 Trustees for Methodist Church Purposes	48,541	97,834
f6 Other funds with TMCP - Restricted	206,378	206,759
f7 SUB TOTAL	324,761 (c6)	392,339 (c8)
f8 Total funds held by Internal Organisations (the closing balance totals above) (e12)	(e11)	(e12)
f9 TOTAL CASH FUNDS HELD BY CIRCUIT	324,761 (x)	392,339 (y)

## SECTION G

### OTHER ASSETS and LIABILITIES

	At 1 September 2021	At 31 August 2022
g1 Investments (include Endowments)		
g2 Land and Buildings (see notes re Insurance value)	1,066,527	1,001,527
g3 Other Assets		
g4 Loan(s) - show amount outstanding at year end		
g5 Other Liabilities		

f4 Include only Funds held at the Central Finance Board

f5 Include only CFB Funds held at Trustees for Methodist Church Purposes

g1 Include any other investments (not the cash element of TMCP trust accounts this is inserted in line f5)

## Declarations and Scrutiny

I confirm that these Receipt and Payment based accounts for the year to 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 MA Teed Date 25/9/22

Name and address of treasurer MALCOLM ANDREW TEED

33 KELD CLOSE STAINTON PENRITH CUMBRIA Post Code CA11 0EJ

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were/will be\* presented to the Circuit meeting held on 7 Dec 2022

Signature of the Chair of the meeting David Milner

Name of the Chair of the meeting DAVID MILNER Date 7 Dec 2022

## Independent Examiner's Report to the Trustees of the

### Penrith Circuit

Charity Number 1133928

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Penrith Methodist Circuit for the year ended 31 August 2022 set out on pages 2 to 3. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Circuit's accounts carried out under section 145 of the Act and, in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

\* delete or circle as appropriate

**Independent Examiner's Statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below\*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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.

Signature of independent examiner ..... 

Name of independent examiner ..... JUDITH HEALEY

Relevant professional qualification of independent examiner ..... C.F.A.

Name of firm (where appropriate) .....

Address ..... CHURCH HOUSE ..... NEWTON REIGNY ..... PENRITH

..... CUMBRIA ..... Post Code CA 11 0AY

Date ..... 7/11/2022

\* delete or circle as appropriate

Sep-22



**Penrith Methodist Circuit Accounts for the Year Ended 31 August 2022**  
**Income & Expenditure - Additional Information**

**Section A - Receipts**

a6	<b>Reimbursements Rec'd</b>	
	<i>Staff &amp; Admin shared office costs</i>	26,520
	<i>Stainton Outreach Staff costs</i>	5,502
	<i>Shared ministry with Kirkoswald &amp; Alston Moor Circuit</i>	28,320
		60,342

a6	<b>Other Receipts</b>	
	<i>Rent from Penrith Church</i>	8,700
	<i>Skelton Church Loan Repaid</i>	5,000
	<i>Miscellaneous</i>	1,536
		15,236

**Section B - Payments**

b3	<b>Manse Costs</b>	
	<i>Council Tax</i>	5,534
	<i>Water</i>	910
	<i>Service Contracts</i>	1,059
	<i>Insurance</i>	1,358
	<i>Repairs &amp; Renewals</i>	7,522
		16,383

b4	<b>Administration etc</b>	
	<i>Telephone &amp; Broadband</i>	1,196
	<i>Advertising</i>	17
	<i>Administration</i>	1,125
	<i>Staff Costs</i>	5,094
		7,432

b6	<b>Grants &amp; Donations</b>	
	<i>Skelton Disabled Access Stairlift Grant</i>	10,000
	<i>Penrith Missional Pioneer Grant</i>	10,000
	<i>Connexional Pension Fund</i>	3,500
		23,500

/ continued overleaf

b7	<b>Expenditure Reimbursed</b>	
	<i>Stainton Methodist Church - Staff</i>	5,275
	<i>Penrith Methodist Church - Telecoms</i>	215
	<i>Penrith Methodist Church - Staff</i>	23,378
		28,868

b8	<b>Other Payments</b>	
	<i>Supers &amp; Lay Preachers Travel</i>	210
	<i>Sleagill survey</i>	480
	<i>Sleagill sale - Connexional Levy</i>	13,660
	<i>TMCP Funds Admin charges</i>	727
	<i>Penrith Church overpayment</i>	2,194
	<i>Miscellaneous</i>	995
		18,266