

EAST CUMBRIA METHODIST CIRCUIT

Registered Charity No. 1133928

The Charity was first registered on 1 February 2010 as Penrith Methodist Circuit (previously Excepted Registration)

TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS

For the year ended 31 August 2024

Legal and Administrative Information:

Communication Address **Penrith Methodist Church, Wordsworth Street, Penrith,
Cumbria, CA11 7QY**

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

Circuit Stewards **Mr Chris Hulme**
 Mr John Slee
 Miss Kathleen Williamson

Circuit Treasurer **Mr Allan R Armstrong**

Circuit Secretary **Mrs Sarah Mulheron-Summers**

Administrator **Mrs Sarah Mulheron-Summers**

Independent Examiner **Mr Paul Mills**

Bankers **1) Central Finance Board of the Methodist Church (CFB)**
 2) 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 East Cumbria. 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 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 2024 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

Following the successful merger of Kirkoswald and Alston Moor Methodist Circuit and Penrith Methodist Circuit the combined figures are as follows.

Circuit income totalled £349,386 which includes an exceptional item of £97,314 representing the sale of Renwick Methodist Chapel, less an amount retained by the Methodist Church centrally. The remaining income is primarily drawn from the Assessment paid by Circuit churches and rental income.

Expenditure totalled £258,871 of which £154,287 arises from the cost of Ministry within the Circuit and £27,085 was sent to the Methodist Cumbria District and the Connexion to support their wider Ministry. In addition, Grants totalling £15,000 was made to help with Outreach within the Circuit.

Fund Balances

As at 31 August 2024 the Circuit held net current assets of £594,452 of which £99,012 is unrestricted. The Model Trust Fund stands at £349,927. There is a restricted fund for the sole use of Penrith Methodist Church which stands at £145,513. All expenditure from the Model Trust Fund held by the Trustees for Methodist Church Purposes requires the specific authorisation of the Circuit (Trustees) meeting. The William Stirzaker Endowment as at the 31/8/2024 stands at £215,882 from which the interest can be used for Chapel building repairs across the East Cumbria Methodist Circuit.

Circuit Financial Plans for 2022/23

Based on the monetary assets and human resources available as at 31 August 2024 the Trustees believe these are sufficient to meet plans for 2024/25 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

General Funds

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.

Assessment Reimbursement £65,000 to Circuit Chapels – one off incentive for 2024/5 to facilitate additional mission outreach.

£65858 towards an ecumenical Pioneer Minister 50/50 joint funded with Anglicans over 3 years within East of Eden Mission Community (EEMC) from proceeds received from sale of Ainstable chapel.

£75,000 towards Shared Ministry with Anglicans who are hoping to redevelop All Saints Church Renwick into an ecumenical community hub (our contribution from proceeds of sale of Renwick Chapel), sharing agreement will be required.

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

Restricted Funds

£145,513 is ring-fenced in a separate account with TMCP for the sole use of Penrith Methodist Church arising from the sale of their Youth and Community building no longer fit for purpose pending reinvestment in similar activity in the main Church building. The long-term effect of COVID, and decisions taken by the Methodist Church in recent years, together with the rate of inflation have impacted heavily on the Church finances and these funds are now having to be used to carry out essential repairs and renewals and as a reserve against the background of budgeting deficits.

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 2024

Rev Gillian Belford
Mr Morgan Tebb-Roger
Mrs Tracey Cooke
Mrs Alison Birkett
Mrs Diane Grey
Mrs Sylvia Dufton
Mrs Jan Blackshaw
Mrs Jennifer Jackson
Mr Ray Wager
Mrs Judith James
Mr Shane McNicol
Mrs Kath Davidson
Mrs Lois Morton
Mr Soonu Verghese
Mr John Wilson

Rev Alan Gawthrop
Mr Dean Lawson
Dr Peter Bowes
Mrs Hazel Bowes
Mrs Sheila Mallinson
Mr Robert Toppin
Mr Brian Armstrong
Mr Andrew Holiday
Mrs Joan Wager
Mrs Joyce Cordingley
Mr Steve Clements
Mrs Jean Parker
Mrs Ruth Combella
Mrs Sylvia Campbell
Mr Terry Cousin

Signed:



Dated:

20/6/2025,

Joint Superintendent Minister

RESERVES POLICY

Report on behalf of

East Cumbria Methodist Circuit
(*Church Council/ Circuit Meeting/District)

To

Circuit Meeting
(*Circuit Meeting/District)

We submit our annual report in accordance with the requirements of the Methodist Conference and the Charity Commission guidance in CC19.

- (i) The trustees have established their mission aims taking into account all of the resources available in terms of people, property and money
- (ii) Mission initiatives/projects have been costed or estimates made of projected future costs which take into account the needs of the buildings and the requirements of the Quinquennial Inspection Report/s

(iii) We have agreed a Reserves Policy which is set out overleaf and is recorded in the trustees' minutes and our Annual Report

(iv) We recognise the need to be accountable as charity trustees for all the money which comes into our hands and will provide further information as required by the Circuit/District/Connexion

(v) Our Report is attached overleaf

* please delete as appropriate

To be completed by Receiving Body

The North West District

*Circuit Meeting/District received the RESERVES POLICY of

East Cumbria Methodist Circuit

*Church Council/Circuit Meeting/District

Policy accepted and acknowledgement sent to the trustees

YES ☐ / NO ☐

Policy noted and the following enquiries made of the trustees

Responses received and any further action taken

*Circuit/District

Signatures Date.....

* Please delete as appropriate

RESERVES POLICY of

East Cumbria methodist Circuit(*Church Council ☐/Circuit MeetingX/District ☐)

1. General Funds held at Y/E 31/08/24	£349926
2. Restricted Funds held "	£145513
3. Endowment Funds held "	£215882

4. Reserves policy for General Funds

50% of Annual Outgoing £150,000

Assessment Reimbursement £65,000 to Circuit Chapels – one off incentive for 2024/5 to facilitate additional mission outreach

£65858 towards an ecumenical Pioneer Minister 50/50 joint funded with Anglicans over 3 years within East of Eden Mission Community (EEMC) from proceeds received from sale of Ainstable chapel

£75,000 towards Shared Ministry with Anglicans who are hoping to redevelop All Saints Church Renwick into an ecumenical community hub (our contribution from proceeds of sale of Renwick Chapel), sharing agreement will be required.

5. Policy for Restricted Funds

£145,513 is ring-fenced in a separate account with TMCP for the sole use of Penrith Methodist Church arising from the sale of their Youth and Community building no longer fit for purpose pending reinvestment in similar activity in the main Church building. The long term effect of COVID, and decisions taken by the Methodist Church in recent years, together with the rate of inflation have impacted heavily on the Church finances and these funds are now having to be used to carry out essential repairs and renewals and as a reserve against the background of budgeting deficits.

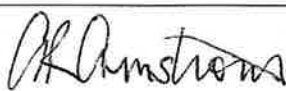
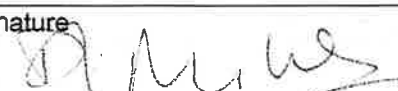
6. Terms relating to Endowment Funds held

£215,882 is ring-fenced in a separate TMCP account. The interest accrued is for the sole use of ECMC Chapel repairs and maintenance and is paid directly into the MTF Reserve Account. On the 1st Sept 2025 this will need to be changed so that this interest can be used across the whole of Cumbria as ECMC will no longer exist.

This Reserves Policy has been approved by

Circuit Meeting

(*Church Council ☐/Circuit Meeting ☐/District ☐)

Treasurer	Trustee
Full name Allan R Armstrong	Full Name Rev David Milner
Signature 	Signature 

Old Coach House, Kirkoswald, Penrith, Cumbria, CA10 1DQ
(H) 01768 898891 (M) 0770 932 8501
Email: millsy303030@yahoo.co.uk

Allan R Armstrong
East Cumbria Methodist
Circuit Treasurer & Property Steward
36 Foster Street
Penrith
CA11 7PA

28 March 2025

Dear Allan,

EAST CUMBRIA METHODIST CHURCH (ECMC) ACCOUNTS TO 31 AUGUST 2024

I am writing to confirm I have now completed my independent examination of the aforementioned annual accounts, and that I am happy to sign the Independent Examiner's Report to the Trustees of the ECMC.

I should emphasise that I have not conducted a full audit of the accounts. The scope of my examination has been as follows:

- To ensure the accounts accord with the accounting records;
- To ensure the accounting records agree with the accounts for the previous year, and reconcile with bank statements and statements from the Trustees For Methodist Church Purposes;
- To ensure payments and receipts have been properly recorded.

In undertaking this work I have given due regard to the requirements of the Charities Act 2011.

I note that your gross income after the deduction of proceeds from the sale of investments or fixed assets is below the threshold of £250,000 for accrual based accounts, which means the receipts and payments form of accounts is appropriate. I understand from you that further mergers may take place in the future, and I suggest that the effects of this on the level of gross income are monitored, and whether or not it takes any combined structure over the threshold for accrual based audited accounts.

The results of my examination have resulted in a number of small reclassifications of other payments and receipts and the rectification of a few final transactions not included in the bank reconciliation, all of which you and I have ensured are now correct.

The production and independent examination of the 2024 accounts also highlighted errors in the signed off 2023 accounts, namely the incorrect analysis of "Total funds at the end of year" between the categories "Unrestricted", "Circuit Model Trust" and "Restricted". These errors have been corrected in the 2024 accounts through the restatement of the analysis of "Total funds brought forward from last year".

It would be helpful for future examinations if the accounting records spreadsheets and supporting receipts were cross referenced in numerical sequence, and if bank statements for each bank were filed separately, and preferably without other documents filed inbetween statement pages. These changes would make it somewhat easier for the Examiner to undertake the review work.

Yours sincerely,



Paul Mills

THE METHODIST CHURCH STANDARD FORM OF ACCOUNTS

East Cumbria Methodist Circuit	Circuit
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**FOR THE YEAR ENDED
31 August 2024**

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

1133928

If not a registered charity **His 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:

Kathleen Williamson
John Slee
Chris Hulme

Treasurer:

Allan R Armstrong

ACCOUNTS FOR THE YEAR ENDED 31 August 2024
East Cumbria Methodist Circuit

SECTION A		Un - restricted Funds	Circuit Model Trust Fund	Restricted Funds	Totals this year	Totals year
a1	RECEIPTS	Note	£	£	£	£
a2	Assessment/Share		128,873		128,873	136,852
a3	Capital receipts			97,314	97,314	65,967
a4	Bank and CFB interest and Investment income		4,680	15,637	7,489	27,806
a5	Grants		5,695		5,695	4,730
a6	Other receipts		64,407	25,291	89,698	84,022
a7	TOTAL RECEIPTS		203,655	138,242	7,489	349,386 (a8)
						315,722

SECTION B						
b1	PAYMENTS					
b2	Stipends, salaries, NIC, Pension and travel costs		154,287		154,287	109,036
b3	Manse Costs		25,951		25,951	24,552
b4	Administration etc		9,370	476	394	10,240
b5	District Assessment		27,085		27,085	44,289
b6	Grants & donations		3,292	15,000	18,292	48,460
b7	Exp Reimbursements from Stainton & PMC					36,105
b8	Other payments		6,045	16,971	23,016	79,388
b9	TOTAL PAYMENTS		226,030	32,447	394	258,871 (b9)
						352,047

SECTION C						
c1	NET RECEIPTS/PAYMENTS FOR THE YEAR	(a7-b9)	(22,375)	105,795	7,095	90,515
c2	Total funds brought forward from last year		121,386	244,132	138,418	503,936 (c6)
c3	Sub total	(c1+c2)	99,011	349,927	145,513	594,451
c4	Transfers and adjustments		1			1 (c7)
c5	TOTAL FUNDS AT END OF YEAR	(c3+c4)	99,012	349,927	145,513	594,452 (c8)
						503,936 (c6)

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

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 2024 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
e1						
e2						
e3						
e4						
e5						
e6						
e7						
e8	Sub total of Internal Organisations funds				(e11)	(e12)
e9	Circuit accounts (totals brought forward from page 2 - totals column)					
	349,386 (a8)	258,871 (b9)	90,515	1 (c7)	503,936 (c6)	594,452 (c8)
e10	TOTAL CASH FUNDS HELD BY CIRCUIT					
	349,386	258,871	90,515	1	503,936 (x)	594,452 (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 2024		OPENING BALANCES	CLOSING BALANCES
f1	Cash in hand		
f2	Bank Current Account	31,329	10,633
f3	Bank Deposit Account	4,889	
f4	Central Finance Board	79,623	88,379
f5	Trustees for Methodist Church Purposes	249,674	349,927
f6	Other funds	138,418	145,513
f7	SUB TOTAL	503,933 (c6)	594,452 (c8)
f8	Total funds held by Internal Organisations (the closing balance totals above) (e12)	(e11)	(e12)
f9	TOTAL CASH FUNDS HELD BY CIRCUIT	503,933 (x)	594,452 (y)

SECTION G**OTHER ASSETS and LIABILITIES**

	At 1 September 2023	At 31 August 2024
g1	Investments (include Endowments)	197799
g2	Land and Buildings (see notes re Insurance value)	3,130,432
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)

Name of Circuit East Cumbria Methodist Circuit No 1133928

Declarations and Scrutiny

I confirm that these Receipt and Payment based accounts for the year to 31 August 2024 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 ARA Armstrong Date 27.3.25

Name and address of treasurer Allan Richard Armstrong

36 Foster Street, Penrith Post Code CA11 7PA

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2024 will be presented to the Circuit meeting held on ... 27/3/2025

Signature of the Chair of the meeting David Milner

Name of the Chair of the meeting REV DAVID MILNER Date 27.3.2025

Independent Examiner's Report to the Trustees of the

East Cumbria Methodist Circuit

Charity Number 1133928

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Cumbria Methodist Circuit for the year ended 31 August 2024 set out on pages 1 to 5. 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

Name of Circuit East Cumbria Methodist Circuit No 1133928

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 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 ... Mr Paul A Mills

Relevant professional qualification of independent examiner ... ^{ACA}~~ICAEW~~ (Retired).

Name of firm (where appropriate) ... N/A

Address ... Old Coach House, Kirkoswald

Penrith, Cumbria Post Code CA10 1DQ

Date ... 28/3/2025

The production and independent examination of the 2024 accounts also highlighted errors in the signed of 2023 accounts, namely the incorrect analysis of "Total funds at the end of the year" between the categories "Unrestricted", "Circuit Model Trust" and "Restricted". These errors have been corrected in the 2024 accounts through the restatement of the analysis of "Total funds brought forward from last year".