

**Report of the Trustees and**  
**Financial Statement for the Year ended 31 August 2023**  
**for**  
**Blackpool and South Fylde Methodist Circuit**

**Blackpool and South Fylde Methodist Circuit**  
**Trustees' Annual Report**  
**for the Year Ended 31 August 2023**

**Introduction**

Welcome to the Trustees' Annual Report of the Blackpool and South Fylde Methodist Circuit which covers the year to 31st August 2023, a year in which a lot of change has taken place and progress has been made with many of our key objectives. Blackpool Circuit and South Fylde Circuit successfully merged on the 1<sup>st</sup> September 2022 and there are now 9 churches in the circuit.

**Aims of the organisation**

The Blackpool and South Fylde Circuit of the Methodist Church, encouraged by the strategy of the Lancashire Methodist District, seeks the transformation of lives and communities within the geographical area of Blackpool and South Fylde. This will be enabled by offering good quality worship in a variety of styles, exploring fresh expressions of Church and remaining faithful to appropriate traditional expressions, engaging in community outreach projects, supporting the development of children, young people and families. Spirituality for older people and in the revitalisation of work. Within this broad vision, each Church in the Circuit is called to make disciples, to encourage people in their faith, to serve their communities and to focus upon their strengths and their distinct expression of community.

**Review of the year**

The Blackpool and South Fylde Methodist Circuit has embraced our District's Strategy "Transforming Lives and Communities" and continues to support our nine local Churches in moving forward.

We have made good progress with our work with children, young people and families, with developing a community focus across the Circuit, with developing new forms of worship and teaching.

The new structure based on three ministry teams each consisting of a presbyter/part-time Lay-worker and /or a presbyter/Deacon has worked well.

We have continued to undertake training of Local Preachers.

Circuit staff and qualified volunteers continue to provide training for all Church members working with children and vulnerable adults. We ensure that all staff, lay officers and volunteers who are required to undertake safeguarding training have received the training.

The accounts of the Blackpool and South Fylde Methodist Circuit for the year ended 31st August 2023 show a deficit of £1572 on the General Fund and Restricted Fund combined, with £309,851 surplus in the Circuit Model Trust Fund.

**Circuit Income**

Total income on the General Fund and Restricted Fund combined for the year to 31st August 2023 was £303,662. Circuit income is primarily drawn from the Assessment paid by the Circuit churches (£229 914) in 2022/23 and property rental (£23 947). This includes grants for Wesleys of £15 955. This increase is due to the merger of Blackpool and South Fylde Circuit and the additional 2 manses.

**Circuit Expenditure**

Total expenditure on the General Fund and Restricted Fund combined for the year to 31st August 2023 was £305,234. The major expenditure was stipends, salaries and associated costs (59% of total expenditure) which increase each financial year in line with Conference approved rates. This includes spending on Wesleys of £11 954. This increase is due to the merger of Blackpool and South Fylde Circuit and the additional 2 manses.

The other significant expenditure in 2022/23 was the District Assessment on which we spent £35,988, 12% of our expenditure. This is the Circuit's contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

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**Fund balances**

As at 31 August 2023 the net current assets of the Circuit were £90 987 on the General Fund and £447 698 on the Circuit Model Trust Fund. The increase in CMTF is due to the sale of 2 churches in the old Blackpool dcircuit. Net current assets for the restricted Wesley's fund was £3,001. Giving a total net current assets for the Circuit of £585,890.

**Plans for 2023/24**

This year Rev'd Andrew Halstead joined us on the 1<sup>st</sup> September 2022 and sadly Rev'd Louise Makin curtailed on the 30<sup>th</sup> August 2023 which meant we had to go into stationing in 2022/2023. The Circuit continues to function with two ministry teams, each comprising of a Presbyterian and part-time Lay-worker/Deacon, the latter both employed by the Lancashire Methodist District but charged to the Circuit.

The Financial plan for 2023/24 produces a budget surplus of £950, taking the gross balance on the General Fund at 31st August 2024 to £91 937, but the longer term plan shows that this will reduce to by the end of 2024/25 to £63 437. This demonstrates that we will struggle to hold £72,000 in reserve, ie three months' expenditure as required by our Reserves Policy.

**BLACKPOOL AND SOUTH FYLDE METHODIST CIRCUIT**

**AIMS AND ORGANISATION**

**Purposes of 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

**Main activities undertaken for the Public Benefit**

The Blackpool and South Fylde Circuit supports the nine churches of the Circuit in carrying out their activities in their communities, in particular:-

- the provision 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 provision of sacred space (a building) for prayer and contemplation;
- the resourcing of pastoral work including visiting the sick and bereaved;
- the promotion of Christianity through the staging of events and services;
- the provision of chaplaincy services to schools, care homes and other institutions;
- the provision of social activities with a focus on particular age groups which are open to everyone;
- the provision of space and facilities for a range of community activities.

**Public Benefit**

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

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**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 Superintendent along with the Circuit Stewards and 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' is given to all new Circuit Meeting members as induction to their role as trustees.

**Related Parties**

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

The following Methodist Churches are part of the Circuit:-

The Drive Methodist Church	Church Road Methodist Church	Layton Methodist Church
Fairhaven Methodist Church	Lytham Methodist Church	New Central Methodist Church
Kirkham Methodist Church	Freckleton Methodist Church	
South Shore Methodist Community Church		

**Key Objectives for 2023/24**

- (i) To act as a provider of resources for the Methodist Churches in Blackpool and South Fylde, in particular financial, human and training resources and resources to encourage spiritual development.
- (ii) To exercise ministerial oversight and pastoral care of the local Churches in the Circuit and to support the ministry team.
- (iii) To further advance the support of practical work with children, young people and families across the Circuit.
- (iv) To encourage faith development amongst the people of the Circuit.
- (v) To continue to encourage and support those who are called to be lay preachers and to manage their training programmes;
- (vi) To seek to ensure full compliance across the Circuit with Methodist Safeguarding Policy and Procedures, including training for staff and volunteers.
- (vii) To seek to ensure successful implementation of the new Circuit structure with two ministry teams, each comprising one presbyter and one lay-worker.
- (viii) To seek a probation presbyter for Kirkham and Fairhaven churches for 1<sup>st</sup> September 2024

**BLACKPOOL AND SOUTH FYLDE METHODIST CIRCUIT**

**Risk Management**

The major risks are associated with our Churches and they have been identified and recorded by the Church Officers with professional advice taken as required. The key risk area for the Circuit is around the six mansees and we review risks in conjunction with the occupying ministers.

Each Church undertakes a regular annual review process and records the outcome.

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Income and Expenditure is monitored against the approved annual budget on a quarterly basis to identify trends and problem areas as part of the risk management process to avoid unforeseen calls on reserves. Significant abnormal expenditure is authorised by the Circuit Meeting.

### **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 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 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 seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We seek to challenge any abuse of power, especially by anyone in a position of trust.
- We 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 follow legislation, guidance and recognised good practice

The Blackpool and South Fylde Methodist Circuit commits itself:

- to ensuring the implementation of Connexional Safeguarding Policy, government legislation, guidance and safe practice in the Circuit and in the churches.
- 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.
- to carrying out risk assessments for circuit events involving children, young people or vulnerable adults as stated in our Policy Document agreed on September 2022, namely:
  - Circuit events are to be notified to the District Safeguarding Officer prior to these being agreed to ensure that all permissions, risk assessments and good practice guidelines are in place.
  - All those involved in leading and running the event must be aware of the procedure.
  - The event should have been planned effectively and attention given to the following issues:
  - Risk assessment and suitability of the activity and the premises
  - The appointment of a team to take charge of the event, including safeguarding and first aid personnel (particular health or ability needs should be taken into account)
  - Numbers of children, young people or vulnerable adults involved
  - Transportation - following good practice guidelines.

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This information is to be sent to the District Safeguarding Officer for approval PRIOR to the event being agreed.

**Reserves Policy**

The Circuit Reserves Policy is to hold a minimum sum equivalent to three months' average expenditure. This is currently £72 000 and should be sufficient to meet any unforeseen item of major expenditure on manse 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.

At 31st August 2023, the General Fund held £90 987, gross, so we held the target reserve.

At 31st August 2023, the Circuit held a balance of £447 698 on the Circuit Model Trust Fund. This Fund derives from sales of chapels and manse.

Our reserves policy for the management of this Fund is as follows:-

- £350 000 available for property and/or mission projects in the future.
- £100 000 available for general Circuit purposes, largely manse repairs and maintenance.

**BLACKPOOL AND SOUTH FYLDE METHODIST 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 2022-23 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.

Registration Charity Number: 1134142

Date of registration 5th February 2010

Main communication address: 8, Royal Troon Court, Kirkham, Preston PR4 2TF

The members of the Blackpool and South Fylde 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:**

<b>Active circuit ministers</b>	Rev Stuart Wild Rev Louise Makin (curtailed 31 <sup>st</sup> August 2023) Rev Andrew Halstead (appointed 1 <sup>st</sup> September 2022) Deacon Kim Gabbatiss (0.5)
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<b>Circuit Lay workers</b>	Judith Smith (retired 31 <sup>st</sup> August 2023) Mandy Laird-Hall
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<b>Circuit Stewards</b>	Michael Steele Edwards Katharine Davies
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Melvyn Slater  
David Leach  
Sandra Waddington  
Mark John Walmsley

**Circuit Safeguarding Officer** Margaret Porter and Sandra Waddington (temp)

Katharine Davies acted as the principal officer overseeing the day-to-day financial management and accounting for the Circuit during the year.

**Accountant and Independent Examiner**

Leanne Nield ACA  
Arc Accountancy Solutions Limited  
51 Laverton Road  
Lytham St. Annes  
FY8 1EN

I confirm that I have prepared the accounts from the records of the Circuit and that they include all funds under the control of the Circuit Meeting

Signature of  
Treasurer

**Katharine A Davies**

Date

Name

Katharine Davies

Address

8, Royal Troon Court, Kirkham, Preston. PR4 2TF

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

I confirm that the Accounts have been presented to the Circuit Meeting on

**12th Sept  
2023**

and were approved.

Signature of the  
Chair of the meeting

**Stuart Wild**

Name of the Chair of  
the meeting

**Rev Stuart Wild**

Date

**12th September  
2023**

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**Appendix A**

**Circuit Meeting Membership as at 31<sup>st</sup> August 2023**

**MINISTERS**

Circuit Ministers

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Rev Stuart Wild Superintendent  
Rev Louise Makin (curtailed  
31.08.2023)  
Rev Andrew Halstead  
(appointed 1.09.2022)

Deacon Kim Gabbatiss

HMP Chaplain, Kirkham

Rev Tony Davies

**SUPERNUMERARY MINISTERS**

Rev Alan Clark

Rev Malcolm Maymand  
Rev Joan Edwell  
Rev Barrie Lees  
Rev Stephen Heath  
Rev Janet Pybon  
Rev David Tidswell

**CIRCUIT STEWARDS**

Michael Steele-Edwards  
Katharine Davies  
Melvyn Slater  
David Leach  
Sandra Waddington  
Mark John Walmsley

**CIRCUIT MEETING SECRETARY**

Sue Leach

**CIRCUIT CHURCH REPRESENTATIVES**

The Drive Methodist Church

Patricia Brown

Ray Brown

Eileen Beedle

Church Road Methodist Church

Janette Farley

Catherine Peak

Monica Bissett

Fairhaven Methodist Church

Patricia Hirst



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	Roger Peace
	Neil Lowe
	Clare Harris
Lytham Methodist Church	William Douglas Martin
	Mike Bell
	Ann Bullick
	Ann Hearne
	Margaret Porter
Freckleton Methodist Church	David Banks
	Laura Gill
Kirkham Methodist Church	Gillian Womersley
	Lucinda Baldwin
	Ian Womersley

**Circuit Meeting Membership as at 31<sup>st</sup> August 2023  
(continued)**

Layton Methodist Church	Jo Walmsley
	Kathryn Pritchard
	Ruth Sellers
New Central Methodist Church	Trevor Mustoe
	Ken Davitt
	Michael Ardron
	Jackie Eltoft
	Res: Pat Mustoe
South Shore Methodist Community Church	Jennifer Allcock
	Dorothy Chatterton
	Dawn Cheetham
	Pauline Scott
	Joy Gillott

**OTHER REPRESENTATIVES**

MHA	Jennifer Breare
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Overseas Missions Treasurer	Richmond Neale
Local Preachers	Andrew Barratt
MwiB	Jennifer Jones

**Blackpool and South Fylde Methodist Circuit**  
**Statement of Financial Activities**  
**for the Year Ended 31 August 2023**

	Note	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Total 2022-23	RESTATED Total 2021-22
		£	£	£	£	£	£
<b>Income</b>							
1 Donations and legacies					0	0	
2 Income from monetary investments		3,115	9,775		12,890	873	
3 Income from investment properties		23,947			23,947	17,033	
4 Assessments on Churches		229,914			229,914	169,353	
5 Capital Receipts & Levy refund	3		339,042		339,042	0	
6 Grants received	11				15,955	15,955	8,998
7 Other charitable income		30,720			30,720	17,762	
<b>8 Total income</b>		<b>287,696</b>	<b>348,817</b>	<b>0</b>	<b>15,955</b>	<b>652,468</b>	<b>214,019</b>
<b>Expenditure</b>							
<b>Expenditure on charitable activities:</b>							
9 Grants and donations		4,000	34,552		11,954	50,506	31,644
10 Stipends, salaries, NIC, pension costs	4	179,144				179,144	180,486
11 Property maintenance		50,595				50,595	48,417
12 District Assessment & Levy		35,988	4,190			40,178	69,764
13 Purchase of property						0	0
14 Depreciation						0	0
15 Office, administration and travel expenses		20,724	224			20,948	30,643
16 Other outgoings		2,829				2,829	10,838
<b>17 Total charitable expenditure</b>		<b>293,280</b>	<b>38,966</b>	<b>0</b>	<b>11,954</b>	<b>344,200</b>	<b>371,792</b>
<b>18 Net income before investment losses/gains</b>		<b>(5,584)</b>	<b>309,851</b>	<b>0</b>	<b>4,001</b>	<b>308,268</b>	<b>(157,773)</b>
19 Losses/gains on monetary investments						0	0
20 (Losses)/Gains on investment properties	7	695,000				695,000	0
<b>21 Net income/(expenditure) before transfers</b>		<b>689,416</b>	<b>309,851</b>	<b>0</b>	<b>4,001</b>	<b>1,003,268</b>	<b>(157,773)</b>
22 Transfers between funds		1,000			(1,000)	0	(696)
23 Reclassification of funds						0	0
24 Other gains/(losses)						0	0
<b>25 Net movement in funds</b>		<b>690,416</b>	<b>309,851</b>	<b>0</b>	<b>3,001</b>	<b>1,003,268</b>	<b>(158,469)</b>
26 Funds brought forward		95,562	137,847	0	0	233,409	391,878
27 Property funds brought forward		1,895,000		0	0	1,895,000	1,895,000
28 Total Funds brought forward		1,990,562	137,847	0	0	2,128,409	2,186,182
<b>29 Total funds carried forward</b>		<b>2,680,978</b>	<b>447,698</b>	<b>0</b>	<b>3,001</b>	<b>3,131,677</b>	<b>2,128,409</b>

# Blackpool and South Fylde Methodist Circuit

## Balance Sheet

for the Year Ended 31 August 2023

Not e	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Totals 2023	RESTATED Totals 2022
	£	£	£	£	£	£

### Fixed Assets

Circuit Manses & Equipment	8	1,258,000			1,258,000	860,000
Investment Properties (church buildings)						
Investment Properties (manses rented out)	8	1,332,000			1,332,000	1,035,000
<b>Total fixed assets</b>		<b>2,590,000</b>			<b>2,590,000</b>	<b>1,895,000</b>

### Current Assets

Debtors	9	25,767			25,767	27,393
Loans by the Circuit						
Investments with TMCP			447,698		447,698	137,847
Central Finance Board Deposits		91,255			91,255	108,648
Cash at Bank and in hand		18,169		3,001	21,170	7,034
<b>Total current assets</b>		<b>135,191</b>	<b>447,698</b>	<b>3,001</b>	<b>585,890</b>	<b>280,922</b>

### Current liabilities

Creditors (due in under 1 year)	10	44,213			44,213	47,513
Grants payable						
<b>Total current liabilities</b>		<b>44,213</b>			<b>44,213</b>	<b>47,513</b>
<b>Net current assets/liabilities</b>		<b>90,978</b>	<b>447,698</b>	<b>3,001</b>	<b>541,677</b>	<b>233,409</b>

<b>Total assets less current liabilities</b>		<b>2,680,978</b>	<b>447,698</b>	<b>3,001</b>	<b>3,131,677</b>	<b>2,128,409</b>
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<b>Long term liabilities (due after more than one year)</b>						
Grants payable					0	0
Loans to the Circuit					0	0
<b>Net assets</b>		<b>2,680,978</b>	<b>447,698</b>	<b>3,001</b>	<b>3,131,677</b>	<b>2,128,409</b>

### Funds of the Circuit

General Fund (Unrestricted)		2,680,978			2,680,978	1,990,562
Circuit Model Trust Fund (Unrestricted)			447,698		447,698	137,847
Designated Funds (Unrestricted)						
<b>Total Unrestricted Funds</b>					<b>3,128,676</b>	<b>2,128,409</b>
Restricted Funds				3,001	3,001	
Endowment Funds						
<b>Total Funds</b>	11	<b>2,680,978</b>	<b>447,698</b>	<b>3,001</b>	<b>3,131,677</b>	<b>2,128,409</b>

**Blackpool and South Fylde Methodist Circuit**  
**Cash Flow Statement**  
**for the Year Ended 31 August 2023**

<b>Statement of cash flows</b>	<b>2023 £</b>
<b>Cash from operating activities</b>	
Net cash used in operating activities	<b>(45,338)</b>
<b>Cash flows from investing activities</b>	
Dividends and interest from investments	12,890
Proceeds from the sale of tangible fixed assets	339,042
<b>Net cash provided by investing activities</b>	<b>351,932</b>
<b>Change in cash and cash equivalents in the year</b>	<b>306,594</b>
Cash and cash equivalents at the beginning of the year	253,529
<b>Cash and cash equivalents at the end of the year</b>	<b>560,123</b>

<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2023 £</b>
Net income for the period (as per Statement of Financial Activities)	309,968
<b>Adjustments for:</b>	
Dividends and interests from investments	(12,890)
Capital receipts	(339,042)
Decrease/(increase) in debtors	1,626
(Decrease)/increase in creditors	(5,000)
<b>Total cash generated from operating activities</b>	<b>(45,338)</b>

<b>Analysis of cash and cash equivalent</b>	<b>2023 £</b>
Cash at bank	21,170
Central Finance Board Deposits	91,255
Trustees for Methodist Church Purposes deposits	447,698
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>560,123</b>

## **Blackpool and South Fylde Methodist Circuit**

### **Notes to the Accounts**

#### **for the Year Ended 31 August 2023**

## **1 Basis of accounting policies**

### **i Accounting standard**

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) - (Charities SORP (FRS 102)).

### **ii Public benefit entity**

The Blackpool and South Fylde Methodist Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical costs or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

### **iii Basis**

These accounts have been prepared on the basis of historical cost except that investments and fixed asset properties are shown at their market value at the end of the year. The accruals basis has been used and trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

### **iv 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.

### **v FRS102 SORP2015**

The accounts have been prepared in accordance with applicable charity law in England this being the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 SI 2008/629 and Accounting and Reporting by charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS 102.

### **vi Going concern**

Based on the monetary assets and human resources available at 31 August 2023, the trustees believe that the Circuit is a going concern.

### **vii Consolidation**

The Circuit has denominational regulatory oversight in respect of the work of 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.

### **viii Income recognition**

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from Churches and payment over of their contributions to various funds controlled and administered by The Methodist Church - "Connexional Funds"
- the administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion. In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or Churches as appropriate. Instead, the transactions are disclosed in the Notes to the Accounts as required by SORP (FRS102), module 19.12n.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. If goods are donated, a value will be shown in the SOFA or Notes where the value is considered material.

**Blackpool and South Fylde Methodist Circuit**  
**Notes to the Accounts**  
**for the Year Ended 31 August 2023**

**ix Expenditure**

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

**x 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.

**xi VAT**

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

**xii Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The trustees have made judgements and estimates in respect of: the fair value of tangible assets, and investment properties shown at fair value. The trustees have determined that any differences arising between actual amounts realised upon sale and fair value estimates will have no impact on the Circuit's ability to continue as a going concern.

**xiii Tangible fixed assets**

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

The freehold and/or long leasehold residential property is shown in the accounts at fair value determined by the trustees based on market value research. The land component is not recognised in these figures. No depreciation is provided on the residential properties 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 not be material. The residential properties have been reviewed for impairment.

**xiv (a) Investment Properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. When the intention is to hold the property for capital appreciation or its rental income, the property is classified as investment property and carried at fair value.

Churches which are closed are transferred into the care of the Circuit from the Methodist Church and are valued at a deemed cost based on the

**xiv (b) Investments**

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments are shown in the SOFA.

**xv Debtors and Prepayments**

Debtors are stated at the amounts owed to the Circuit or prepaid.

**Blackpool and South Fylde Methodist Circuit**  
**Notes to the Accounts**  
**for the Year Ended 31 August 2023**

**xvi Creditors and Accruals**

Creditors are initially recognised at settlement amount after any trade discounts, or the amount advanced to the Circuit. Creditors include both sundry expenses and specifically the 1st quarter assessment received in August.

**xvii Ministers' manse costs**

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits-in-kind for ministers as HMRC does not seek to tax these receipts in the hands of ministers.

**2. Merger details**

As at 1<sup>st</sup> September 2022, the Blackpool Methodist Circuit transferred its assets and liabilities to South Fylde Methodist Circuit (Registered Charity No. 1134142), establishing the newly named Blackpool and South Fylde Methodist Circuit. Blackpool Methodist Circuit ceased to exist at the end of 2021-22 (31<sup>st</sup> August 2022).

Both Blackpool Circuit and South Fylde Circuit previously prepared their 2021-22 accounts using the receipts and payments method, and therefore these 2021-22 figures have been restated using the accruals basis.

**Analysis of previous SoFA and Balance Sheet components for the previous reporting period (year ending 31 August 2022)**

	<b>Blackpool (receipts &amp; payments)</b>	<b>South Fylde (receipts &amp; payments)</b>	<b>Blackpool Adjustment for transition to accruals basis</b>	<b>South Fylde adjustment for transition to accruals basis</b>	<b>Combined total</b>
	£	£	£	£	£
Total income	63,929	182,753	(5,000)	(27,663)	214,019
Total expenditure	146,649	237,686	-	(12,543)	(371,792)
Net income/(expenditure)	(82,720)	(54,933)	(5,000)	(15,120)	(157,773)
Transfers	(696)	-	-	-	(696)
Net movement in funds	(83,416)	(54,933)	(5,000)	(15,120)	(158,469)
Total funds brought forward	220,830	171,048			391,878
<b>Total funds carried forward</b>	<b>137,414</b>	<b>116,115</b>	<b>(5,000)</b>	<b>(15,120)</b>	<b>233,409</b>
Tangible fixed assets	760,000	1,135,000	-	-	1,895,000
Current assets	137,414	116,115		27,393	280,922
Current liabilities	-	-	(5,000)	(42,513)	(47,513)
<b>Net current assets</b>	<b>137,414</b>	<b>116,115</b>	<b>-</b>	<b>-</b>	<b>233,409</b>
<b>Net Assets</b>	<b>897,414</b>	<b>1,251,115</b>	<b>(5,000)</b>	<b>(15,120)</b>	<b>2,128,409</b>
<b>Total unrestricted funds</b>	<b>897,414</b>	<b>1,251,115</b>	<b>(5,000)</b>	<b>(15,120)</b>	<b>2,128,409</b>



## **Blackpool and South Fylde Methodist Circuit**

### **Notes to the Accounts** **for the Year Ended 31 August 2023**

#### **3. Capital Receipts**

Two properties were sold during 2022-23. Capital receipts relate to the sale of the closed Lindale Methodist church (net £168,839), and closed Marton Methodist Church (net £170,203). All sales of Methodist property are subject to a levy by the Connexion calculated on a sliding scale based on the gross sale price. The figure is shown net of this CPF Levy.

	<b>General Fund (Unrestricted)</b>	<b>Circuit Model Trust (Unrestricted)</b>	<b>Designated Funds (unrestricted)</b>	<b>Restricted Funds</b>	<b>Total 2022-23</b>
	£	£	£	£	£
Gross sale (Lindale Church)		241,371			241,371
CPF Levy on Lindale Church sale		(72,532)			(72,532)
Gross sale (Marton Church)		243,672			243,672
CPF Levy on Marton Church sale		(73,469)			(73,469)
<b>Total</b>		<b>339,042</b>			<b>339,042</b>

#### **4. Staff Costs**

Staff Costs paid during the year were:

	<b>Ministers (trustees)</b>	<b>Lay staff</b>	<b>2022/23</b>	<b>2021/22</b>
£	£	£	£	£
Stipends, salaries and benefits in kind	114,475	23,465	<b>137,940</b>	<b>135,808</b>
Social security costs	10,835	746	<b>11,581</b>	<b>32,245</b>
Pension costs	28,975		<b>28,975</b>	<b>11,754</b>
Apprenticeship levy	526	122	<b>648</b>	<b>679</b>
Total staff costs	154,811	24,333	<b>179,144</b>	<b>180,486</b>
Expenses (Travel, accommodation and other expenses incurred in the normal course of employment)	10,298	2,893	<b>13,191</b>	<b>10,751</b>
Average number of full-time equivalent employees in the year were:	4	2	<b>6</b>	<b>6</b>

No employee received remuneration amounting to more than £60,000 in either year.

Wages and salary costs includes £nil in respect of redundancy payments in 2023 (2022: £nil).

#### **5. Trustees' remuneration and expenses**

	<b>2022/23 £</b>	<b>2021/22 £</b>
Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting	0	0
Number of trustees who were paid expenses relating to trustee duties	0	0
Total amount paid	0	0
There were no trustees' remuneration or other benefits for the year ended 31 August 2023 or the year ended 31 August 2022 other than that paid to ministers and lay staff in the normal course of their duties and disclosed above.		

**Blackpool and South Fylde Methodist Circuit**

**Notes to the Accounts**  
**for the Year Ended 31 August 2023**

**6. Fees for examination or audit of the accounts**

	<b>2022/23</b> <b>£</b>	<b>2021/22</b> <b>£</b>
Independent examiner's or auditors' fees for reporting on the accounts	1,700	-
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	-	-
<b>Total</b>	<b>1,700</b>	<b>-</b>

**7. Property Disposals/Revaluations**

The net gains or losses are detailed below. During the year and in accordance with note 1.xiii (Tangible fixed assets) the residential properties and closed churches have been revalued to fair value determined by the trustees.

<b><u>Details</u></b>	<b>2021-22</b> <b>Carrying</b> <b>Value</b>	<b>Sale</b>	<b>2022-23 Carrying</b> <b>Value/Revaluation</b>	<b>Gain/(loss)</b>
	£	£	£	£
Mereside church	100,000		100,000	-
Kirkham – unrealised	300,000		489,000	189,000
Bromley – unrealised	270,000		367,000	97,000
Knowles – unrealised	230,000		315,000	85,000
The Serentine – unrealised	335,000		507,000	172,000
Holgate – unrealised	330,000		358,000	28,000
Heron's Way - unrealised	330,000		454,000	124,000
<b>Total</b>	<b>1,895,000</b>	<b>-</b>	<b>2,590,000</b>	<b>695,000</b>

**Blackpool and South Fylde Methodist Circuit**

**Notes to the Accounts**  
**for the Year Ended 31 August 2023**

**8. Fixed Assets (and Investment Properties)**

<b>Manses occupied by ministers</b>	<b>Manses (held as investment properties)</b>	<b>Closed Churches (held as investment properties)</b>	<b>Total</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>

**Fair value**

Balance brought forward	860,000	935,000	100,000	1,895,000
Additions				
Revaluations (+/-)	398,000	297,000	-	695,000
Disposals (-)				
Transfers * (+/-)				
Balance carried forward	1,258,000	1,232,000	100,000	2,590,000

**Accumulated depreciation**

Balance brought forward	0	0	0	0
Depreciation charge for year (-)				0
Revaluations (+/-)				0
Disposals (-)				0
Transfers* (+/-)				0
Balance carried forward	0	0	0	0

Brought forward	860,000	935,000	100,000	1,895,000
Carried forward	1,258,000	1,232,000	100,000	2,590,000

The fair value of the manses includes the land on which they are built, and their internal contents.

**9. Analysis of debtors**

<b><u>Due within one year</u></b>	<b>2022/23 £</b>	<b>2021/22 £</b>
Trade debtors	14,989	14,850
Prepayments	10,778	12,543
<b>Total</b>	<b>25,767</b>	<b>27,393</b>

## **Blackpool and South Fylde Methodist Circuit**

### **Notes to the Accounts** **for the Year Ended 31 August 2023**

#### **10. Analysis of creditors**

<b><u>Amounts falling due within one year</u></b>	<b>2022/23 £</b>	<b>2021/22 £</b>
Other creditors	1,700	-
Prepaid Assessments	42,513	47,513
<b>Total</b>	<b>44,213</b>	<b>47,513</b>

#### **11. Detailed analysis of individual fund movements**

##### **Unrestricted Funds**

<b>Unrestricted Fund Name</b>	<b>Opening Balance</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers &amp; Reclassification</b>	<b>Gain/(losses)</b>	<b>Closing Balance</b>	<b>Purpose of the fund</b>
General	1,990,562	287,696	(293,280)	1,000	695,000	2,680,978	The general purposes of the Circuit
Model Trust Fund	137,847	348,817	(38,966)	-	-	447,698	Support for the mission of the Circuit
Totals	2,128,409	636,513	(332,246)	1,000	695,000	3,128,676	

##### **Restricted Funds**

<b>Restricted Fund Name</b>	<b>Opening Balance</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers</b>	<b>Closing Balance</b>	<b>Purpose of the fund</b>
Wesley Grant	0	15,955	(11,954)	(1,000)	3,001	Grant given for the Wesley's café outreach
Totals	0	15,955	(11,954)	(1,000)	3,001	

#### **12. Analysis of net assets between funds**

Fund balances at 31 August 2023 are represented by:

	<b>General Fund (Unrestricted)</b>	<b>Circuit Model Trust (Unrestricted)</b>	<b>Designated Funds (unrestricted)</b>	<b>Restricted Funds</b>	<b>Total 2022-23</b>
	£	£	£	£	£
Tangible fixed assets	2,590,000				<b>2,590,000</b>
Current assets	135,191	447,698		3,001	<b>585,890</b>
Current liabilities	(44,213)				<b>(44,213)</b>
<b>Total</b>	<b>2,680,978</b>	<b>447,698</b>		<b>3,001</b>	<b>3,131,677</b>

#### **13. Related party transactions**

During the year the Circuit received assessment income totalling £229,914 (2022: £169,353) from the various churches within the Circuit.

The Circuit also incurred assessment costs of £40,178 (2022: £48,417) payable to the District.

**Blackpool and South Fylde Methodist Circuit**

**Notes to the Accounts**

**for the Year Ended 31 August 2023**

The Circuit received salary reimbursements from the District totalling £24,718 (2022: £13,620).

The Circuit paid salary charges to the District totalling £24,333 (2022: £12,493).

**Report of the Independent Examiners**  
**To the Trustees of**  
**Blackpool and South Fylde Methodist Circuit**

I report to the charity trustees on my examination of the accounts of Blackpool and South Fylde Methodist Circuit for the year ended 31<sup>st</sup> August 2023 which are set out on pages 7 – 19.

**Responsibilities and basis of report**

As the Charity'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 charity'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.

**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 which gives me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Leanne Nield ACA  
Arc Accountancy Solutions Limited  
51 Laverton Road  
Lytham St. Annes  
Lancashire  
FY8 1EN

Date: .....