

# SHEFFIELD METHODIST CIRCUIT

England & Wales · Charity number 1134151

## Details

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**Other names** SHEFFIELD PILGRIM METHODIST CIRCUIT

**Status** Registered

**Legal form** Previously excepted

**Registered** 2010-02-05

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Furnival  
199 Verdon Street  
Sheffield  
S3 9QQ

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**Email** [admin@sheffieldcircuit.org.uk](mailto:admin@sheffieldcircuit.org.uk)

**Website** [www.sheffieldcircuit.org.uk](http://www.sheffieldcircuit.org.uk)

## Activities

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**Objects:** 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 the 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.

**Activities:** Regular public acts of worship open to all Clubs & meetings for all age groups Luncheon clubs etc.with Christian ethos Teaching Christianity through sermons, courses & small groups Religious assemblies in schools Visiting the sick & bereaved Promote Christianity with events & services & whole mission of church with all age groups activities and other specific need groups Supporting other charities

## Classification

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- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

## Geography

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- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Barnsley
- Derbyshire
- Rotherham
- Sheffield City

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-08-31	£1,262,751	£1,579,063	£10,081,783	23
2023-08-31	£1,450,903	£1,683,138	£10,042,185	30
2022-08-31	£1,551,666	£1,768,843	£10,118,230	14
2021-08-31	£1,017,063	£1,514,159	£10,440,337	28
2020-08-31	£1,119,888	£1,664,208	£10,274,904	27

## Trustees

Name	Role	Appointed
ANN LYONS		2017-09-01
ANNE HUMPHREYS		2015-09-01
ARTHUR LYONS		2013-09-01
AUDREY MANN		
Aileen Wendy Treloar		2013-09-01
Alan Bettison		2013-09-01
Alexander Cartwright HND		2013-09-01
Andy Schofield		2025-06-23
Ann Croft		2023-09-01
Beverley Dale		2013-09-01
Brenda Frances Harrison		2018-09-01
Bridget Kellett		2014-09-01
Carol Jean Wignell		2018-12-01
Christine Buckley		2022-09-01
Christine Margaret Jackson		2014-09-01
DAVID BLACKBURN OBE		2013-09-01
DAVID BURTON		2013-09-01
DR Anne Hollows BA PhD		2015-09-01
Deacon Annabel Lorna Terry		2021-09-01
Deacon Carole Irene Smith		2024-09-01
Donald Anthony King		2014-09-01
Dr Jenny Bywaters		2017-09-01
ELIZABETH ANN TAYLOR		2013-09-01
ELIZABETH BROOK		2013-09-27
Elizabeth Long		2023-09-01
Emmanuel Kwaku Gyening		2024-06-01
Erica Margaret Louise Dunmow		2019-09-01

Name	Role	Appointed
Evelyn Windle		2022-03-22
Gillian Baumeister-Walker		2025-09-01
Glyn William Jones		2018-03-01
Graham David Hill		2022-09-01
Gregory Unwin		2018-09-01
IAIN FREDERICK CLOKE		2020-12-01
Ian Geoffrey Wright BA Hons		2017-09-01
JACQUELINE ANN BAILEY		2021-06-01
JOHN DALE		2024-03-01
JOYCE WILES		
JULIE TALBOT		2014-09-01
Jane Offord		2013-09-01
Janett N Malbon		2018-09-01
Jeffrey Dawson Hough		2023-09-01
Jennifer Mary Carpenter		2022-09-01
Joan Margaret Sharp		2017-09-01
Joanne Webster		2019-06-01
John Bailey		2024-09-01
Jonathan Charles Dilks		2013-09-01
Jonathan Trezise		2025-09-01
Judith Jessop		2013-09-01
KATRIN HACKETT		2013-11-01
Kate Ann Ibbeson		2025-09-01
Kathryn Ann Milner		2021-09-01
Louise Ann Etherington CN Dip		2018-09-01
Lung Pun Common Chan		2025-09-01
MATTHEW JAMES IRONS		2013-09-27
MRS Jean Cookson		2016-06-16

Name	Role	Appointed
Mark Sharples		2017-09-01
Mary Parker		2017-09-01
Maryke Elisabeth Turvey		2018-12-01
Mr Chris Jones		2016-09-01
NIGEL LESLIE WILES		
Neil Offord		2021-09-01
Nicholas Charles Whitworth		2019-09-01
Pamela Gwendoline Meek RSCN SRN		2013-09-01
Pamela Hazel Harrison		2018-09-01
Paul Rotherham		2022-01-01
Peter Lockwood		2022-03-22
Peter Richard Brand		2024-03-01
Philip John Rowland		2015-09-01
Professor John Howard Harding		2021-09-01
REV Gill Tutt		2013-09-01
RITA BLACKWELL		
Rev Carla Saraid Hall Quenet		2017-09-01
Rev Claude Mwansa Kimpinde		2021-09-01
Rev Debora Karen Marschner		2013-09-01
Rev Ian Gilchrist Lucraft BA MBA		2013-09-01
Rev Inderjit Singh Bhogal OBE		2018-09-01
Rev Jacqueline Wright		2021-09-01
Rev James Barrie Morley		2018-09-01
Rev John L Simms		2021-09-01
Rev Jonathan Haigh		2013-09-01
Rev Maurice Edward Stafford		2020-09-01
Rev Michelle Antoinette Deans		2021-09-01
Rev Naomi Cooke		2022-09-01

Name	Role	Appointed
Rev Philip Neil Peacock		2022-09-01
Rev Phillip George Borkett		2024-09-01
Rev Romeo Regardo Pedro		2022-09-01
Rev Sean Colin Charles Adair		2024-09-01
SIMON DIGBY ETTY		2014-09-01
Sheila June Mappin		2013-09-01
Stephen Gerald Dixon		2018-09-01
Susan Ann Dilks		2013-09-01
Susan Bagshaw BEd		2017-09-01
Susan Griffiths		2023-03-28
Thomas Rattigan		2025-10-13
WENDY LYNNE CAPEWELL		2023-03-28
William David Bingham		2013-09-01
Yvonne Ogden		2023-09-01

**SHEFFIELD METHODIST CIRCUIT**

England & Wales - Charity number 1134151

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# Accounts

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Charity registration number: 1134151

# Sheffield Methodist Circuit

Trustee's Report and Financial Statements

for the Year Ended 31 August 2024



## Sheffield Methodist Circuit

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## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024

#### Reference and Administrative Details

<b>Name of the charity:</b>	Sheffield Methodist Circuit - also known as The Methodist Church in Sheffield
<b>Charity Registration Number:</b>	1134151, registered in England and Wales
<b>Principal Office:</b>	The Furnival 199 Verdon Street Sheffield S3 9QQ
<b>Supt. Minister of the Circuit:</b>	Revd Romeo Pedro
<b>Circuit Treasurer:</b>	Mr Arthur Lyons - resigned 26 November 2024 Mr Matt Irons - appointed 26 November 2024
<b>Names of Trustees:</b>	The Trustees are members of the Circuit Meeting. At 31 August 2024 there were 118 Trustees (see Appendix 1) No trustee claims exemption from disclosure of his or her name on Appendix 1.
<b>Bankers:</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ  Central Finance Board of the Methodist Church 9 Bonhill Street London EC2A 4PE
<b>Investment managers:</b>	Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
<b>Auditors:</b>	Hawsons Chartered Accountants Pegasus House 463a Glossop Road Sheffield S10 2QD

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

#### 1 Introduction

The Trustees of the Charity present their Annual Report and the audited financial statements for the year ended 31 August 2024.

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 5 February 2010.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the standing orders of the Methodist Church.

The Circuit appoints ministers to be Superintendent Minister of the Circuit, whose duties are set out in the Standing Orders of the Methodist Church. Following a review of the Superintendency in November 2021, Revd Romeo Pedro was appointed to be Superintendent Minister from 1 September 2022.

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements.

#### 1.1 Purpose of the Circuit

The Circuit is an expression, over a wider geographical area than any Church, of the Connexional character of the 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 the discipline of the Methodist Church;
- b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

The primary purpose of this Circuit is to advance the mission of the Methodist Church in Sheffield, the south of Barnsley and North East Derbyshire;

1. By providing opportunities for Churches to work together and support each other; and
2. By offering to Churches resources of finance, personnel and expertise.

The Circuit serves the Local Churches and the District and Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

#### 2 Objectives and activities

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit Meeting retains responsibility for setting the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the oversight of the Circuit's finances, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry. The Circuit Meeting is assisted in the task of financial oversight by the Circuit Finance and Grants Group.

The Circuit Leadership Team (CLT) and the Circuit Mission Vision Team (MVT), appointed by the Circuit Meeting, are responsible for acting on behalf of the Circuit Meeting at other times. The CLT meets monthly and the MVT meets at least 4 times a year to consider grant applications and church projects for both property and employment, including meeting with applicants, and considering whether the application fulfils the Circuit's Mission Criteria. The Circuit Finance and Grants Group (FGG) meets four times a year to plan the budget, keep up-to-date with the financial position, and consider the recommendations for grant funding from the MVT to be able to make recommendations to the Circuit Meeting about the amount of funding to be granted.

The Circuit's mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the churches in the Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the church family.

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus:

"The calling of the Methodist Church is to respond to the Gospel of God's love in Christ and to live out its discipleship and

1. To increase awareness of God's presence and to celebrate God's love;
2. To help people to grow and learn as Christians through mutual support and care;
3. To be a good neighbour to people in need and to challenge injustice; and
4. To make more followers of Jesus Christ."

The Circuit encourages and supports the Churches within it in the provision of regular public acts of worship open to members of the Methodist Church and non-members alike; the provision of sacred space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work, including visiting the sick and bereaved; the promotion of Christianity through the staging of events and services; the provision of youth clubs, seniors clubs, various support groups with a Christian ethos; promoting the whole mission of the Church (and aiding social cohesion) through activities for all sectors in the community and other specific needs groups; and supporting other charities in the UK and overseas financially and with prayer.

#### 2.1 Public benefit

When reviewing the aims and objectives of the charity and in planning future activities, the Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and, in particular, the specific guidance on charities for the advancement of religion.

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

#### 3 Achievements and performance

The principal purpose of the Circuit is to act as a supporting body between Churches and the District and Connexion. The Circuit does not seek and, in large measure, does not attain direct contact with the public. The direct contact is by Churches and it is these that the Circuit supports in their desire to provide benefit to the public.

The money collected, or available for dissipation, was used as grants to support individuals, Churches and Projects throughout the Circuit with their work in their local communities and to subsidise the administrative costs of the Circuit. During the year the Circuit approved new grants out of the General Fund and the MTF that totalled £113,400.

The policy of the trustees on grant making is to ensure that all applications can demonstrate public benefit, fit Circuit mission priorities, pass a test of sustainability, show that there is commitment from the applicant organisation, and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

The grants were of several kinds, including:

1. Grants for the adaptation of buildings so that they could more easily meet the modern needs of Churches and help Churches provide services to the community;
2. Grants which supported the salaries of lay workers attached to Churches;
3. Small grants for young people to attend conferences such as 3Generate National Methodist Conference for children and young people;
4. Small grants for learning and development of lay employees and volunteers.

Churches that have received grants from the Circuit will show in their own Trustees' Annual Reports details of the outcome of the activities undertaken as a result of receiving the grant. In addition, the Circuit requires a grant evaluation form to be completed to demonstrate the impact of the grant on the Churches and their activities.

A discussion document "Casting the net on the other side" has been considered by all the churches, and asks people to consider how the Circuit may be structured and organised in the future. Recommendations were made to the March 2024 Circuit Meeting with implementation from September 2024 onwards.

The Safeguarding Training course, Creating Safer Space Foundation Module, has been delivered in many churches across the Circuit during the year. The Advanced Module has been delivered online on a District basis for those in leadership roles. Compulsory Equalities, Diversity and Inclusion and Unconscious Bias Training has been undertaken by ministers, most employees and certain office holders. This has been delivered online and in face-to-face sessions in various churches across the Circuit, and nearly everyone has been trained who needs to be.

The Circuit Children's Work Co-ordinator went on Maternity Leave in October 2023 and Youth Work Co-ordinator left in January 2024 so the work has been carried at a reduced scale by one of the Circuit Deacons and one of the church youth workers, so groups of young people have attended residential camp and the Connexional youth conference 3-Generate. The Children's Work Co-ordinator returned to work in September 2024 working less hours and a new job description has been drawn up to reflect the changes to the role covering youth and children.

The Circuit Mental Health Co-ordinator has delivered Mental Health First Aid training to 118 people from the Circuit, other Circuits and denominations, as well as providing signposting for mental health support to people within the Circuit as and when necessary. He has also taken part in services to introduce mental health and what churches might do to support people with mental health concerns. He is organising a Christianity and Mental Health Conference in March 2025. Grants have been received to support the costs for most of this three year project, so funding will be sought for the shortfall in year 3.

A Lay Employment Group has been set up to ensure compliance and give guidance on employment issues across the Circuit and churches. In August 2024, two ministers moved out of the Circuit but were not replaced.

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

#### 4 Financial review

During the year the Circuit received total income of £1,262,751 (2023: £1,450,903) with expenditure of £1,579,063 (2023: £1,683,138). The resulting net expenditure for the year after gains on investment revaluation of £15,042 was £301,270.

The Circuit's main sources of funding were the assessments obtained from each Church within the Circuit based on the membership, attendance and giving levels of the Churches which totalled £1,012,801 (2023: £950,991). The Circuit also benefitted from the receipt of rental income, which included rent received from shorthold tenancies from manses not occupied by ministers. Total rental income was £81,365 (2023: £78,617). Investment income for the year totalled £35,178 (2023: £20,541).

The Circuit continued to incur expenditure to ensure that manses were maintained to a good and consistent standard. Stipends and employment costs were similar to the previous year and in line with budget. One manse was sold during the year, after the replacement manse was purchased the previous year.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern because of the ongoing level of assessment income and it has reserves which are sufficient to cover any short term reductions in total income. There are no subsidiary undertakings.

#### 4.1 Investment policy and performance

The Circuit trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and the Trustees for Methodist Church Purposes (TMCP) because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church. TMCP act as custodian trustee for all real estate held by the Circuit, and monies for long term investment are lodged with them in various investments. Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment - both by way of dividend and capital appreciation - is obtained at least as good as market rate considering the Circuit's low appetite for risk.

#### 4.2 Pension schemes

All the ministers are enrolled in the Methodist Ministers' Pension Scheme with employer contributions for the year of 26.9%. Two lay workers are enrolled in pension schemes with the Pensions Trust and one lay worker with Co-operative Investments. All other eligible lay workers are auto-enrolled in the NEST pension scheme. The employer contribution for all lay employees in a pension scheme is 6%.

#### 5 Plans for future years

The CLT have identified the following plans for future years.

1. Encourage initiatives for mission in Churches within the Circuit;
2. To not apply to replace one minister leaving in August 2025.
3. Encourage work with children and young people throughout the Circuit;
4. There are some Churches that have asked to "cease to meet" and will come into Circuit Trusteeship during 2024/25 and there are more that the Circuit anticipates closing in the next few years. Each property will be considered to determine its value for mission, community and financial viability. Decisions made to develop the future use and mission of each place.

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

5. To continue to implement the proposals agreed by the Circuit Meeting about "Casting the net on the other side", including developing local teams of ministers, lay staff and churches to encourage better working together; creating new groups/committees to enable the work of the Circuit, i.e. Property Development Group, Safeguarding Group, Grants Group, and Communications Group, to work alongside the existing Property Consents and Manses and Maintenance Group, Finance Group, Invitations Committee and Lay Employment Group. These will all report to the CLT and the Circuit Meeting.

#### 6 Structure, governance and management

##### 6.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the quarterly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference;
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District;
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation;
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters; and
5. The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

##### 6.2 Governance

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Tavistock Place, London WC1H 9SF to provide guidance on changes that could affect the Circuit.

The Mission Vision Team meet at least quarterly to discuss the mission of the Circuit and to evaluate and make recommendations to the Circuit Meeting about grant applications. The CLT, consisting of the Superintendent Minister, all the Circuit Stewards and all the other Ministers meet bi-monthly to discuss the policy and administration of the Circuit and have delegated authority from the Trustees to act in between Circuit Meetings should the need arise.

##### 6.3 Responsibilities of the Circuit meeting

The Circuit Trustees are members of the quarterly Circuit Meeting, and their responsibilities are:

1. To formulate and promote policies which will advance the mission of the Church in the Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches having exceptional problems;
2. To encourage inter-Church and ecumenical co-operation;
3. To keep within its scope all Circuit concerns not dealt with elsewhere;
4. To contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind;
5. To be aware that the stipends of the ministers in the Circuit is set - currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index - using a formula that was agreed by the Methodist Conference for all ministers within the Connexion; and
6. Constantly to be aware of the public benefit guidance issued by the Charity Commission.

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

#### 7 Risk management

The Circuit is largely risk averse but, especially in making grants to entities embarking on new and imaginative initiatives, the Circuit is prepared to underwrite considered risks.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

#### 8 Safeguarding

The Circuit abides by the safeguarding principles, guidance, rules of the Methodist Conference and ensures they are implemented in the churches. This includes safe recruitment for both paid staff and volunteers, obtaining DBS disclosures for all workers working with children and vulnerable adults, providing safeguarding training for all workers and office holders, and keeping records of any safeguarding incidents.

#### 9 Reserves level and policy

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from assessments from churches, income from lettings, investment income, and grants and donations.

The Circuit has a reserves policy covering all its unrestricted funds which is reviewed annually. In order to meet its ongoing financial obligations - including the monthly payment of stipends and salaries, District and Connexional assessments quarterly in advance, and to meet unforeseen circumstances, the Circuit needs to maintain sufficient unrestricted reserves.

The Circuit Meeting has determined that unrestricted reserves should be equivalent to 6 months of normal revenue operating costs, which include the Circuit Model Trust Fund balances.

The unrestricted reserves readily available total £762,196 of which £208,745 is held in the Circuit Model Trust Fund.

These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, third party grants were to be withdrawn or individual churches encounter difficulties in paying their assessments. Unrestricted reserves are defined as unrestricted funds less the investment in tangible fixed assets, loans to local churches, designated funds, and grant commitments.

Although grants are made annually out of the Circuit Model Trust Fund, it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. Provision is made for grants committed but not paid during the year. The trustees seek to ensure that there is sufficient in the Circuit Model Trust Fund to meet these anticipated requests and the trustees recognise future grants as liabilities on the Balance Sheet.

It is expected that the total in the Circuit Model Trust Fund will have varied amounts, year on year, as some churches are closed and sold with the proceeds being paid into the Circuit Model Trust Fund. The level of unrestricted reserves are consistent with the reserves policy. If in future years property disposals generate surplus funds, these will be used will be used for mission projects and grants to churches to enable them to fulfil their mission and the aims and objectives of the Circuit.

The net proceeds of sale of any Circuit property are required to be credited to the Circuit Model Trust Fund which are unrestricted in their nature, being available for all Methodist purposes. The net proceeds of sale are subject to a Connexional Levy and there is an annual levy by the District on the total value of the Circuit Model Trust Fund at the beginning of the year. Both levies are made available by way of grants in respect of new initiatives in mission and ministry throughout the Connexion and District. The Circuit Model Trust Fund is used by the Circuit for a variety of mission, ministry and property projects both for the Circuit and churches.

## Sheffield Methodist Circuit

### Trustees' Report for the year ended 31 August 2024 (continued)

#### Statement of disclosure to auditors

The Trustees of the charity at the date of approval of this Annual Report each confirm:

- as far as they are aware, there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved and authorised by the Circuit Meeting on 26 March 2025 and signed on its behalf by:



Revd Romeo Pedro  
Superintendent Minister

## Sheffield Methodist Circuit

### Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Members of Sheffield Methodist Circuit

#### Opinion

We have audited the financial statements of Sheffield Methodist Circuit (the 'charity') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Members of Sheffield Methodist Circuit (continued)

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor Responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charity is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charity and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the charity's result for the period, and management bias in key accounting estimates.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Members of Sheffield Methodist Circuit (continued)

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charity to obtain an understanding of the legal and regulatory framework applicable to the charity and how the charity complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for](http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hawsons Chartered Accountants

Statutory Auditor  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

Date: 11/4/2025

Hawsons Chartered Accountants is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## Sheffield Methodist Circuit

### Statement of Financial Activities for the Year Ended 31 August 2024

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2024 £	Total 2023 £
<b>Income</b>						
Assessment or share		1,012,801	-	-	1,012,801	950,991
Rental income		81,365	-	-	81,365	78,617
Properties introduced		-	-	-	-	370,000
Investment income	2	12,921	22,257	-	35,178	20,541
Other income	3	37,557	-	95,850	133,407	30,754
<b>Total</b>		<u>1,144,644</u>	<u>22,257</u>	<u>95,850</u>	<u>1,262,751</u>	<u>1,450,903</u>
<b>Expenditure</b>						
Stipends, salaries, NIC and pension	5	843,636	-	21,275	864,911	832,376
District assessment		249,824	-	-	249,824	242,462
Motor and travel		24,565	-	123	24,688	31,570
Insurance, telephone and utilities		113,088	-	375	113,463	97,991
Maintenance on manses		41,377	-	-	41,377	100,601
Administration	6	48,383	388	-	48,771	100,358
Expenditure on other Circuit Property		37,958	-	-	37,958	23,460
Other expenditure	6	26,815	-	6,144	32,959	23,144
Grants and donations		(4,050)	98,400	66,452	160,802	39,224
Contributions to the District Advance Fund		-	4,310	-	4,310	44,162
Methodist Church Fund levy		-	-	-	-	147,790
<b>Total</b>		<u>1,381,596</u>	<u>103,098</u>	<u>94,369</u>	<u>1,579,063</u>	<u>1,683,138</u>
Net Gains/(Losses) on investments		<u>2,506</u>	<u>12,536</u>	<u>-</u>	<u>15,042</u>	<u>(7,310)</u>
Net (expenditure) / income		(234,446)	(68,305)	1,481	(301,270)	(239,545)
Transfer between funds		171,460	(171,460)	-	-	-
<b>Other recognised gains / (losses)</b>						
Gain on property disposal		98,368	-	-	98,368	18,500
Gains on revaluation of fixed assets		<u>242,500</u>	<u>-</u>	<u>-</u>	<u>242,500</u>	<u>145,000</u>
Net movement in funds		<u>277,882</u>	<u>(239,765)</u>	<u>1,481</u>	<u>39,598</u>	<u>(76,045)</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>9,577,455</u>	<u>448,510</u>	<u>16,220</u>	<u>10,042,185</u>	<u>10,118,230</u>
Total funds carried forward	11	<u>9,855,337</u>	<u>208,745</u>	<u>17,701</u>	<u>10,081,783</u>	<u>10,042,185</u>

The notes on pages 16 to 24 form an integral part of these financial statements.

**Sheffield Methodist Circuit**

(Registration number: 1134151)

**Balance Sheet as at 31 August 2024**

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Total 2024 £	Total 2023 £
<b>Fixed assets</b>						
Tangible fixed assets	7	6,416,886	-	-	6,416,886	7,078,670
Investment properties	8	2,885,000	-	-	2,885,000	2,410,000
Investments	8	14,211	135,240	-	149,451	61,681
		<u>9,316,097</u>	<u>135,240</u>	<u>-</u>	<u>9,451,337</u>	<u>9,550,351</u>
<b>Current assets</b>						
Debtors and prepayments	9	97,156	57,300	-	154,456	142,206
Cash at bank and in hand		579,001	107,136	17,701	703,838	548,983
		676,157	164,436	17,701	858,294	691,189
<b>Creditors: Amounts falling due within one year</b>	10	<u>(136,917)</u>	<u>(90,931)</u>	<u>-</u>	<u>(227,848)</u>	<u>(199,355)</u>
<b>Net current assets</b>		<u>539,240</u>	<u>73,505</u>	<u>17,701</u>	<u>630,446</u>	<u>491,834</u>
<b>Net assets</b>		<u>9,855,337</u>	<u>208,745</u>	<u>17,701</u>	<u>10,081,783</u>	<u>10,042,185</u>
<b>Funds of the Circuit:</b>						
General Fund		9,855,337	-	-	9,855,337	9,577,455
Circuit Model Trust Fund		-	208,745	-	208,745	448,510
Other Funds		-	-	17,701	17,701	16,220
<b>Total funds</b>	11	<u>9,855,337</u>	<u>208,745</u>	<u>17,701</u>	<u>10,081,783</u>	<u>10,042,185</u>

The financial statements on pages 13 to 24 were approved by the trustees, and authorised for issue on 26 March 2025 and signed on their behalf by:



.....  
Mr Matt Irons  
Treasurer



.....  
Revd Romeo Pedro  
Superintendent Minister

## Sheffield Methodist Circuit

### Cash Flow Statement for the Year Ended 31 August 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(301,270)	(239,545)
<b>Adjustments to cash flows from non-cash items</b>			
Interest received		(35,178)	(20,541)
Properties introduced		-	(370,000)
Depreciation of tangible fixed assets		1,284	1,284
(Gains) / losses on investment revaluation		(15,042)	7,310
		<u>(350,206)</u>	<u>(621,492)</u>
<b>Working capital adjustments</b>			
(Increase) in debtors	9	(12,250)	(18,384)
Increase in creditors	10	<u>28,493</u>	<u>966</u>
Net cash flows from operating activities		<u>(333,963)</u>	<u>(638,910)</u>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible fixed assets	7	-	(625,000)
Receipts from sale of tangible fixed assets	7	526,368	513,500
Payments to acquire fixed asset investments	8	(300,001)	-
Proceeds from sale of investments	8	227,273	479,998
Interest received		<u>35,178</u>	<u>20,541</u>
Net cash flows from investing activities		<u>488,818</u>	<u>389,039</u>
Net increase/(decrease) in cash and cash equivalents		154,855	(249,871)
Cash and cash equivalents at 1 September		<u>548,983</u>	<u>798,854</u>
Cash and cash equivalents at 31 August		<u><u>703,838</u></u>	<u><u>548,983</u></u>

The notes on pages 16 to 24 form an integral part of these financial statements.

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024

#### 1 Accounting policies

##### General information and basis of preparation

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees report.

The charity constitutes a public entity as defined by FRS 102. The financial statements 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 (FRS 102), the Charities Act 2011 and United Kingdom Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

##### Funds

The funds held constitute:

- General Funds held for any purpose of the Circuit which are unrestricted.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted.
- Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised for specific purposes.

##### Methodist Church Fund

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, it becomes probable they will receive the resources and the monetary value can be measured with sufficient reliability.

##### Expenditure

Expenditure 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.

##### Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

##### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

##### 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 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.

##### Tangible fixed assets for use by the circuit

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

It is the Circuit's policy to maintain the freehold and long leasehold residential properties in good repair ensuring high residual values. The Trustees consider the life of the properties to be so long and any diminution in value is minimal that consequently there is no significant annual depreciation.

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 1 Accounting policies (continued)

##### Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

##### Investments

Investments are valued in the balance sheet at market value at the year end.

Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

##### Taxation

The Circuit's activities are not subject to taxation.

##### Pension

The Circuit contributes to the Methodist Ministers Pension Scheme which is a defined benefit scheme. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Circuit. The scheme is accounted for as a defined contribution scheme.

The Circuit also operates a defined contribution pension scheme for administrative staff and lay workers. Contributions are recognised in the SOFA in the period in which they become payable in accordance with the rules of the scheme.

##### Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees believe that the expected level of income is sufficient especially considering the level of reserves held by the charity to enable it to continue as a going concern.

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 2 Interest and investment income

Interest and dividends on CFB investments

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
General	12,921	-	12,921	15,349
Circuit Model Trust Fund	22,257	-	22,257	5,192
	35,178	-	35,178	20,541

#### 3 Other Income

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Grants and donations	8,000	379	8,379	13
Project income	5,110	29,119	34,229	26,938
Other	24,447	66,352	90,799	3,803
	37,557	95,850	133,407	30,754

#### 4 Fees for the audit of the accounts

	2024 £	2023 £
Audit of the financial statements	14,000	13,400

#### 5 Stipends and salaries

The aggregate payroll costs were as follows:

	2024 £	2023 £
Stipends and salaries	675,164	655,329
National Insurance contributions	61,159	57,631
Pension costs	128,588	119,416
	864,911	832,376

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 5 Stipends and salaries (continued)

The average number of Ministers in receipt of stipends was 16. The average monthly number of employees during the year was 12 (2023: 13) including 8 lay workers. No employee earned over £60,000 during the year (2023: None).

The members of the Circuit Meeting are the trustees of the Circuit. The Circuit Superintendent Minister, all Circuit Stewards, all ministers and 6 lay workers who are members of the Circuit Leadership Team have additional management responsibilities and are considered as key management personnel. None of the Circuit Stewards receive any remuneration or expenses. The total of stipends paid to the Superintendent Minister and other presbyters was £447,329 (2023: £422,554).

15 ministers who are also Trustees live in properties owned by the Circuit.

#### 6 Administrative and Other Expenditure

##### Administration

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Legal and professional	31,213	-	31,213	78,211
Printing and stationery	8,806	-	8,806	7,975
Other office costs	7,900	-	7,900	11,701
TMCP administration charge	852	-	852	2,471
	<u>48,771</u>	<u>-</u>	<u>48,771</u>	<u>100,358</u>

##### Other Expenditure

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2024 £	Total Funds 2023 £
Ministry resources	7,476	-	7,476	7,488
Project expenditure	13,531	6,144	19,675	11,842
Other	5,808	-	5,808	3,814
	<u>26,815</u>	<u>6,144</u>	<u>32,959</u>	<u>23,144</u>

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 7 Tangible fixed assets

	Manses and other property £	Office Equipment £	Total £
<b>Cost / Valuation</b>			
At 1 September 2023	7,075,833	6,422	7,082,255
Transfer to investment properties	(232,500)	-	(232,500)
Disposals	(428,000)	-	(428,000)
At 31 August 2024	6,415,333	6,422	6,421,755
<b>Depreciation</b>			
At 1 September 2023	-	3,585	3,585
Charge for the year	-	1,284	1,284
At 31 August 2024	-	4,869	4,869
<b>Net book value</b>			
At 31 August 2024	6,415,333	1,553	6,416,886
At 31 August 2023	7,075,833	2,837	7,078,670

#### 8 Investments

##### Investment properties

	Investment properties £
<b>Cost or Valuation</b>	
At 1 September 2023	2,410,000
Transfer from fixed assets	232,500
Revaluation	242,500
At 31 August 2024	2,885,000

The revaluation of investment properties is based on professional valuations undertaken post year-end.

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 8 Investments (continued)

##### Fixed asset investments

	<b>Total £</b>
<b>Cost</b>	
At 1 September 2023	61,681
Additions	300,001
Disposal proceeds	(227,273)
Gain on disposal	14,380
Gain on revaluation	662
At 31 August 2024	149,451

#### 9 Debtors

	<b>Unrestricted Funds 2024 £</b>	<b>Restricted Funds 2024 £</b>	<b>Total Funds 2024 £</b>	<b>Total Funds 2023 £</b>
Stipends paid in advance	33,864	-	33,864	35,761
Prepayments and sundry debtors	120,592	-	120,592	106,445
	154,456	-	154,456	142,206

Debtors includes £54,000 (2023: £47,500) recoverable after more than one year.

#### 10 Creditors: amounts falling due within one year

	<b>Unrestricted Funds 2024 £</b>	<b>Restricted Funds 2024 £</b>	<b>Total Funds 2024 £</b>	<b>Total Funds 2024 £</b>	<b>Total Funds 2023 £</b>
<b>General Fund (unrestricted)</b>					
Deferred income - assessments	116,325	-	116,325	116,325	138,689
Accruals and sundry creditors	20,592	-	20,592	20,592	17,842
	136,917	-	136,917	136,917	156,531
<b>Circuit Model Trust Fund (unrestricted)</b>					
Provisions re grant commitments	90,931	-	90,931	90,931	42,824
<b>Total</b>	<b>227,848</b>	<b>-</b>	<b>227,848</b>	<b>227,848</b>	<b>199,355</b>

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 11 Funds

2024

	Brought Forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	9,577,455	1,144,644	(1,381,596)	171,460	343,374	9,855,337
Circuit Model Trust Fund	<u>448,510</u>	<u>22,257</u>	<u>(103,098)</u>	<u>(171,460)</u>	<u>12,536</u>	<u>208,745</u>
<b>Total unrestricted funds</b>	10,025,965	1,166,901	(1,484,694)	-	355,910	10,064,082
<b>Restricted funds</b>	<u>16,220</u>	<u>95,850</u>	<u>(94,369)</u>	<u>-</u>	<u>-</u>	<u>17,701</u>
<b>Total funds</b>	<u><u>10,042,185</u></u>	<u><u>1,262,751</u></u>	<u><u>(1,579,063)</u></u>	<u><u>-</u></u>	<u><u>355,910</u></u>	<u><u>10,081,783</u></u>

2023

	Brought Forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	9,393,792	1,412,208	(1,602,980)	213,120	161,315	9,577,455
Circuit Model Trust Fund	<u>723,350</u>	<u>11,757</u>	<u>(68,352)</u>	<u>(213,120)</u>	<u>(5,125)</u>	<u>448,510</u>
<b>Total unrestricted funds</b>	10,117,142	1,423,965	(1,671,332)	-	156,190	10,025,965
<b>Restricted funds</b>	<u>1,088</u>	<u>26,938</u>	<u>(11,806)</u>	<u>-</u>	<u>-</u>	<u>16,220</u>
<b>Total funds</b>	<u><u>10,118,230</u></u>	<u><u>1,450,903</u></u>	<u><u>(1,683,138)</u></u>	<u><u>-</u></u>	<u><u>156,190</u></u>	<u><u>10,042,185</u></u>

The transfers between unrestricted funds relate to the movement of funds arising from the sale of properties and the release of grant income to further the charitable activities of the Circuit.

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 12 Analysis of net assets between funds

##### 2024

	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Total Funds £
Fixed assets	9,316,097	135,240	-	9,451,337
Cash and current investments	579,001	107,136	17,701	703,838
Other current assets/(liabilities)	<u>(39,761)</u>	<u>(33,631)</u>	<u>-</u>	<u>(73,392)</u>
Total net assets	<u>9,855,337</u>	<u>208,745</u>	<u>17,701</u>	<u>10,081,783</u>

##### 2023

	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Total Funds £
Fixed assets	9,527,645	22,706	-	9,550,351
Cash and current investments	126,995	405,768	16,220	548,983
Other current assets/(liabilities)	<u>(77,185)</u>	<u>20,036</u>	<u>-</u>	<u>(57,149)</u>
Total net assets	<u>9,577,455</u>	<u>448,510</u>	<u>16,220</u>	<u>10,042,185</u>

#### 13 Pension costs

##### Defined benefit pension scheme

The Circuit contributes to the Methodist Ministers Pension Scheme, a group pension scheme, for each minister receiving a stipend who is in an appointment under the control of Conference.

The pension charge for the year represents contributions payable to the Scheme of £115,223 (2023: £106,845). No contributions were outstanding at the year-end.

##### Defined contribution scheme

The pension charge for the year represents contributions payable to the Scheme of £13,365 (2023: £12,571). No contributions were outstanding at the year end.

#### 14 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Falling due within one year	2,606	2,606
Falling due after more than one year	<u>6,487</u>	<u>7,658</u>
	<u>9,093</u>	<u>10,264</u>

## Sheffield Methodist Circuit

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 15 Related party transactions

There were no related party transactions in the year (2023: £Nil).

## Sheffield Methodist Circuit

### Appendix 1 - Trustees of the Sheffield Methodist Circuit as at 31 August 2024

Mr John Almond  
Ms Sue Bagshaw  
Mrs Jackie Bailey  
Mrs Carole Baker  
Rev'd Kate Barclay  
Mr Alan Bettison  
Rev'd Inderjit Bhogal  
Mr David Bingham  
Mr David Blackburn  
Mrs Rita Blackwell  
Rev'd Phillip Borkett  
Mr Peter Brand  
Ms Liz Brook  
Ms Christine Buckley  
Mr David Burton  
Dr Jenny Bywaters  
Mrs Lynne Capewell  
Mrs Jenny Carpenter  
Mr Alec Cartwright  
Mr Iain Cloke  
Rev'd Naomi Cooke  
Mrs Jean Cookson  
Mrs Ann Croft  
Mrs Bev Dale  
Mr John Dale  
Rev'd Michelle Deans  
Mr Jon Dilks  
Mrs Sue Dilks  
Mr Steve Dixon  
Mrs Helen Dunford  
Ms Erica Dunmow  
Mrs Pam Eaton  
Miss Louise Etherington  
Mr Simon Etty  
Mrs Jan Fly  
Mr Neil Grant  
Mrs Sue Griffiths  
Mr David Grimley  
Mr Emmanuel Gyening  
Mrs Katrin Hackett  
Rev'd Jonathan Haigh  
Prof John Harding  
Mrs Brenda Harrison  
Mrs Hazel Harrison  
Mrs Judith Hartley  
Mr Graham Hill  
Dr Anne Hollows  
Mr Jeff Hough  
Mrs Anne Humphreys  
Ms Kate Ibbeson  
Mr Matt Irons  
Mrs Christine Jackson  
Mr Timon Jansen  
Rev'd Judith Jessop  
Mr Chris Jones

## Sheffield Methodist Circuit

### Appendix 1 - Trustees of the Sheffield Methodist Circuit as at 31 August 2024 (continued)

Mr Glyn Jones  
Rev'd Mike Jones  
Mrs Bridget Kellett  
Rev'd Claude Kimpinde  
Mr Donald King  
Mrs Janet Lawless  
Mr Peter Lockwood  
Mrs Libby Long  
Rev'd Ian Lucraft  
Mrs Ann Lyons  
Mr Arthur Lyons  
Ms Janet Malbon  
Ms Bridget Manley  
Mrs Audrey Mann  
Mrs Sheila Mappin  
Rev'd Debora Marschner  
Rev'd Kim Mason  
Mrs Pam Meek  
Rev'd Paul Mellars  
Mrs Kath Milner  
Mrs Sue Monaghan  
Rev'd James Morley  
Ms Heather Morris  
Rev'd Tracey Morris  
Mrs Sue Nuttall  
Mrs Jane Offord  
Mr Neil Offord  
Mrs Yvonne Ogden  
Mrs Mary Parker  
Rev'd Philip Peacock  
Rev'd Romeo Pedro  
Rev'd Jill Pullan  
Rev'd Lisa Quarmby  
Rev'd Carla Quenet  
Mrs Melissa Quinn  
Mrs Heather Rotherham  
Mr Paul Rotherham  
Mr Philip Rowland  
Ms Joan Sharp  
Mr Mark Sharples  
Rev'd John Simms  
Mrs Val Smith  
Mrs Janet Southgate  
Rev'd Maurice Stafford  
Mrs Sue Stanworth  
Mrs Julie Talbot  
Ms Ann Taylor  
Deacon Annabel Terry  
Miss Aileen Treloar  
Ms Maryke Turvey  
Rev'd Gill Tutt  
Mr Greg Unwin  
Ms Jo Webster  
Mr Nick Whitworth  
Mrs Carol Wignell

This page does not form part of the statutory financial statements.

## Sheffield Methodist Circuit

### Appendix 1 - Trustees of the Sheffield Methodist Circuit as at 31 August 2024 (continued)

Mrs Joyce Wiles  
Mr Nigel Wiles  
Mr John Wilkins  
Mrs Evelyn Windle  
Mrs Eileen Woodthorpe  
Mr Ian Wright  
Deacon Jackie Wright  
Mr StJohn Wright



**SHEFFIELD METHODIST CIRCUIT**

England & Wales - Charity number 1134151

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# Accounts

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# The Methodist Church in Sheffield

... growing followers of Jesus

**SHEFFIELD METHODIST CIRCUIT  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

Charity registration number 1134151

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

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## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### Reference and Administrative Details

##### Name of the charity

Sheffield Methodist Circuit – also known as The Methodist Church in Sheffield

##### Charity registration number

1134151, registered in England and Wales

##### Principal Office

The Furnival  
199 Verdon Street  
Sheffield  
S3 9QQ

##### Superintendent Ministers of the Circuit

Revd Gill Newton (resigned 31 August 2022)  
Revd Romeo Pedro (appointed 1 September 2022)

##### Circuit Treasurer

Mr Arthur Lyons

##### Names of Trustees

The Trustees are the members of the Circuit Meeting.

At 31 August 2023 there were 122 Trustees (see Appendix 1)

No trustee claims exemption from disclosure of his or her name on Appendix 1.

##### Bankers

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling, Kent  
ME19 4JQ

Central Finance Board of the Methodist Church  
9 Bonhill Street  
London  
EC2A 4PE

##### Investment managers and custodian trustees

Trustees for Methodist Church Purposes  
Central Buildings  
Oldham Street  
Manchester  
M1 1JQ

##### Auditors

Hawsons Chartered Accountants  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 1 Introduction

The Trustees of the Charity present their Annual Report and the audited financial statements for the year ended 31 August 2023.

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 5 February 2010.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the standing orders of the Methodist Church.

The Circuit appoints ministers to be Superintendent Minister of the Circuit, whose duties are set out in the Standing Orders of the Methodist Church. Following a review of the Superintendency in November 2021, Revd Romeo Pedro was appointed to be Superintendent Minister from 1 September 2022 and Revd Gill Newton stepped down.

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements.

##### 1.1 Purpose of the Circuit

The Circuit is an expression, over a wider geographical area than any Church, of the Connexional character of the 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 the discipline of the Methodist Church;
- b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

The primary purpose of this Circuit is to advance the mission of the Methodist Church in Sheffield, the south of Barnsley and North East Derbyshire

1. By providing opportunities for Churches to work together and support each other; and
2. By offering to Churches resources of finance, personnel and expertise.

The Circuit serves the Local Churches and the District and Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

## 2 Objectives and activities

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit Meeting retains responsibility for setting the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the oversight of the Circuit's finances, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry. The Circuit Meeting is assisted in the task of financial oversight by the Circuit Finance and Grants Group.

The Circuit Leadership Team (CLT) and the Circuit Mission Vision Team (MVT), appointed by the Circuit Meeting, are responsible for acting on behalf of the Circuit Meeting at other times. The CLT meets monthly and the MVT meets at least 4 times a year to consider grant applications and church projects for both property and employment, including meeting with applicants, and considering whether the application fulfils the Circuit's Mission Criteria. The Circuit Finance and Grants Group (FGG) meets four times a year to plan the budget, keep up-to-date with the financial position, and consider the recommendations for grant funding from the MVT to be able to make recommendations to the Circuit Meeting about the amount of funding to be granted.

The Circuit's mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the churches in the Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the church family.

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus: "The calling of the Methodist Church is to respond to the Gospel of God's love in Christ and to live out its discipleship and

1. To increase awareness of God's presence and to celebrate God's love;
2. To help people to grow and learn as Christians through mutual support and care;
3. To be a good neighbour to people in need and to challenge injustice; and
4. To make more followers of Jesus Christ."

The Circuit encourages and supports the Churches within it in the provision of regular public acts of worship open to members of the Methodist Church and non-members alike; the provision of sacred space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work, including visiting the sick and bereaved; the promotion of Christianity through the staging of events and services; the provision of youth clubs, seniors clubs, various support groups with a Christian ethos; promoting the whole mission of the Church (and aiding social cohesion) through activities for all sectors in the community and other specific needs groups; and supporting other charities in the UK and overseas financially and with prayer.

### 2.1 Public Benefit

When reviewing the aims and objectives of the charity and in planning future activities, the Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and, in particular, the specific guidance on charities for the advancement of religion.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 3 Achievements and performance

The principal purpose of the Circuit is to act as a supporting body between Churches and the District and Connexion. The Circuit does not seek and, in large measure, does not attain direct contact with the public. The direct contact is by Churches and it is these that the Circuit supports in their desire to provide benefit to the public.

The money collected, or available for dissipation, was used as grants to support individuals, Churches and Projects throughout the Circuit with their work in their local communities and to subsidise the administrative costs of the Circuit. During the year the Circuit approved new grants out of the General Fund and the MTF that totalled £39,224.

The policy of the trustees on grant making is to ensure that all applications can demonstrate public benefit, fit Circuit mission priorities, pass a test of sustainability, show that there is commitment from the applicant organisation, and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

The grants were of several kinds, including:

1. Grants for the adaptation of buildings so that they could more easily meet the modern needs of Churches and help Churches provide services to the community;
2. Grants which supported the salaries of lay workers attached to Churches;
3. Small grants for young people to attend conferences such as 3Generate National Methodist Conference for children and young people;
4. Small grants for learning and development of lay employees and volunteers; and
5. Grants to support churches to cope with the effects of the Covid-19 pandemic.

Churches that have received grants from the Circuit will show in their own Trustees' Annual Reports details of the outcome of the activities undertaken as a result of receiving the grant. In addition, the Circuit requires a grant evaluation form to be completed to demonstrate the impact of the grant on the Churches and their activities.

A discussion document "Casting the net on the other side" is being considered by all the churches, and asks people to consider how the Circuit may be structured and organised in the future. Recommendations will be made to the March 2024 Circuit Meeting with implementation from September 2024 onwards.

Most of the churches have held discussions about "God In Love Unites Us" – the decision of Methodist Conference to allow same sex marriage in Methodist Church if the church councils and ministers agree, while recognising that some churches and ministers will not agree as their theology is against same sex marriage, and either viewpoint is within Methodist doctrine. Some of the churches have agreed to allow same sex marriage and applications have been made to the General Register Office to allow this to happen, along with applications for those ministers who wish to be approved to be the authorised person for both types of marriage.

The Safeguarding Training course, Creating Safer Space Foundation Module, has been delivered in many churches across the Circuit during the year and the backlog of people who needed training, which was delayed by the pandemic, has been cleared. The Advanced Module has been delivered online on a District basis for those in leadership roles, and because of demand, face-to-face training sessions have also been held, which has meant that nearly all who need training will have been trained by the end of 2023. Compulsory Equalities, Diversity and Inclusion and Unconscious Bias Training has been introduced for ministers, most employees and certain office holders. This has been delivered online and in face-to-face sessions in various churches across the Circuit.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

The Circuit Youth and Children's Work Co-ordinators have continued to grow networks to support paid and voluntary youth and children's workers across the Circuit, organised Circuit camps and weekends away and involvement in local conferences, first aid and mental health training, encouraged working together and churches to form new groups, and has successfully applied for grants for youth activities. However, the Youth Work Co-ordinator decided to leave in January 2024 and the Children's Project Co-ordinator has been on maternity leave since October 2023. Decisions about the role of employees for Youth and Children's work in the Circuit in the future may depend on the recommendations resulting from the "Casting the Net" discussion document.

The challenges of the Coronavirus 19 Pandemic have mainly abated, with all churches returning to services and activities in their buildings, while some have continued to stream services to accommodate those who joined them online during the pandemic and wish to continue attending online for various reasons. This has also meant that their lettings income has increased to pre-pandemic levels.

Grants have been received to support the employment of a mental health specialist who was appointed in August. The specialist has been arranging to deliver Mental Health First Aid Courses to ministers and members of the Circuit and to members of other denominations, as well as providing signposting for mental health support to people within the Circuit as and when necessary.

In August 2023, unusually, no ministers moved in or out of the Circuit.

#### 4 Financial review

During the year the Circuit received total income of £1,450,903 (2022: £1,551,666) with expenditure of £1,683,138 (2022: £1,768,843). The resulting net expenditure for the year after losses on investments of £7,310 was £239,545. The circuit made a gain of £18,500 on the disposal of a property and made gains of £145,000 on the revaluation of investment properties. This resulted in a net reduction in funds of £76,045.

The Circuit's main sources of funding were the assessments obtained from each Church within the Circuit based on the membership, attendance and giving levels of the Churches which totalled £950,991 (2022: £914,872). The Circuit also benefitted from the receipt of rental income, which included rent received from shorthold tenancies from manses not occupied by ministers. Total rental income was £78,617 (2022: £90,127) and Investment income for the year totalled £20,541 (2022: £21,705).

The Circuit has continued to spend funds on upgrading the Circuit properties to a good and consistent standard. Stipends and employment costs were similar to the previous year and in line with budget. A lower amount of grants were given due to cash flow reasons, with a new manse being purchased before two existing manses were sold.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because churches, in the main, continue to meet their assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 4.1 Investment Policy and Performance

The Circuit trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and the Trustees for Methodist Church Purposes (TMCP) because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church. TMCP act as custodian trustee for all real estate held by the Circuit, and monies for long term investment are lodged with them in various investments. Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

#### 4.2 Pension Schemes

All the ministers are enrolled in the Methodist Ministers' Pension Scheme with employer contributions currently at 26.9%. Three lay workers are enrolled in pension schemes with the Pensions Trust and one lay worker with Co-operative Investments. All other eligible lay workers are auto-enrolled in the NEST pension scheme. The employer contribution for all lay employees in a pension scheme is 6%.

### 5 Plans for future years

The CLT have identified the following plans for future years.

1. Encourage initiatives for mission in Churches within the Circuit;
2. To not apply for any new ministers to replace the ministers leaving in August 2024.
3. Encourage work with children and young people throughout the Circuit;
4. There are some Churches that the Circuit anticipates closing in the next few years and this will affect the amount received in assessments, but this will be offset by the sale of the buildings which will increase the Circuit Model Trust Fund to support further projects; and
5. Develop a strategic plan to maximise the mission potential of the churches and encourage and enable churches and ministers to work together for the benefit of the churches and their communities.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

## 6 Structure, governance and management

### 6.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the quarterly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference;
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District;
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation;
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters; and
5. The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

### 6.2 Governance

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Tavistock Place, London WC1H 9SF to provide guidance on changes that could affect the Circuit.

The Mission Vision Team meet at least quarterly to discuss the mission of the Circuit and to evaluate and make recommendations to the Circuit Meeting about grant applications. The CLT, consisting of the Superintendent Minister, all the Circuit Stewards and all the other Ministers meet bi-monthly to discuss the policy and administration of the Circuit and have delegated authority from the Trustees to act in between Circuit Meetings should the need arise.

### 6.3 Responsibilities of the Circuit Meeting

The Circuit Trustees are members of the quarterly Circuit Meeting, and their responsibilities are:

1. To formulate and promote policies which will advance the mission of the Church in the Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches having exceptional problems;
2. To encourage inter-Church and ecumenical co-operation;
3. To keep within its scope all Circuit concerns not dealt with elsewhere;
4. To contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind;
5. To be aware that the stipends of the ministers in the Circuit is set – currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index – using a formula that was agreed by the Methodist Conference for all ministers within the Connexion; and
6. Constantly to be aware of the public benefit guidance issued by the Charity Commission.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **7 Risk Management**

The Circuit is largely risk averse but, especially in making grants to entities embarking on new and imaginative initiatives, the Circuit is prepared to underwrite considered risks.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

#### **8 Safeguarding**

The Circuit abides by the safeguarding principles, guidance, rules of the Methodist Conference and ensures they are implemented in the churches. This includes safe recruitment for both paid staff and volunteers, obtaining DBS disclosures for all workers working with children and vulnerable adults, providing safeguarding training for all workers and office holders, and keeping records of any safeguarding incidents.

#### **9 Reserves level and policy**

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from assessments from churches, income from lettings, investment income, and grants and donations.

The Circuit has a reserves policy covering all its unrestricted funds which is reviewed annually. In order to meet its ongoing financial obligations - including the monthly payment of stipends and salaries, District and Connexional assessments quarterly in advance, and to meet unforeseen circumstances, the Circuit needs to maintain sufficient unrestricted reserves.

The Circuit Meeting has determined that unrestricted reserves should be equivalent to 6 months of normal revenue operating costs, which include the Circuit Model Trust Fund balances which is in the region of £750,000.

The unrestricted reserves readily available total £537,295 of which £448,510 is held in the Circuit Model Trust Fund.

Shortly after the year end unrestricted reserves increased by £526,000 following the sale of a manse which was no longer required by the Circuit.

These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, third party grants were to be withdrawn or individual churches encounter difficulties in paying their assessments. Unrestricted reserves are defined as unrestricted funds less the investment in tangible fixed assets, loans to local churches, designated funds, and grant commitments.

Although grants are made annually out of the Circuit Model Trust Fund, it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. Provision is made for grants committed but not paid during the year. The trustees seek to ensure that there is sufficient in the Circuit Model Trust Fund to meet these anticipated requests and the trustees recognise future grants as liabilities on the Balance Sheet.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

It is expected that the total in the Circuit Model Trust Fund will have varied amounts, year on year, as some churches are closed and sold with the proceeds being paid into the Circuit Model Trust Fund. The trustees are aware of the level of unrestricted reserves and are actively seeking to utilise surplus funds to bring reserves in line with the reserves policy. The surplus funds will be used for mission projects by the Circuit and grants to churches to enable them to fulfil their mission and the aims and objectives of the Circuit.

The net proceeds of sale of any Circuit property are required to be credited to the Circuit Model Trust Fund which are unrestricted in their nature, being available for all Methodist purposes. The net proceeds of sale are subject to a Connexional Levy and there is an annual levy by the District on the total value of the Circuit Model Trust Fund at the beginning of the year. Both levies are made available by way of grants in respect of new initiatives in mission and ministry throughout the Connexion and District. The Circuit Model Trust Fund is used by the Circuit for a variety of mission, ministry and property projects both for the Circuit and churches.

### 10 Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Report and Financial Statements were approved by the Circuit Meeting on 19 March 2024

Signed on behalf of the Circuit Meeting, as authorised:



Revd Romeo Pedro Superintendent Minister

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit

#### Opinion

We have audited the financial statements of Sheffield Methodist Circuit (the 'charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023, and of the charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charity is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charity and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the charity's result for the period, and management bias in key accounting estimates.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charity to obtain an understanding of the legal and regulatory framework applicable to the charity and how the charity complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for](http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hawsons Chartered Accountants, Statutory Auditor  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

2 April 2024

*Hawsons Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

Sheffield Methodist Circuit

Statement of Financial Activities

For the Year ended 31 August 2023

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2023 £	Total 2022 £
<b>Income</b>						
Charitable activities						
Assessment or share		950,991	-	-	950,991	914,872
Rental income		78,617	-	-	78,617	90,127
Properties introduced		370,000	-	-	370,000	483,159
Investment income	2	8,784	11,757	-	20,541	21,705
Other income	3	3,816	-	26,938	30,754	12,855
Funds introduced		-	-	-	-	28,948
<b>Total</b>		<b>1,412,208</b>	<b>11,757</b>	<b>26,938</b>	<b>1,450,903</b>	<b>1,551,666</b>
<b>Expenditure</b>						
Stipends, salaries, NIC and pension	6	832,376	-	-	832,376	801,400
District assessment		242,462	-	-	242,462	242,462
Motor and travel		31,570	-	-	31,570	54,189
Insurance, telephone and utilities		97,991	-	-	97,991	94,383
Maintenance on manses		100,601	-	-	100,601	144,094
Administration	7	98,347	2,011	-	100,358	72,861
Expenditure on other Circuit property		23,460	-	-	23,460	19,028
Other expenditure	7	11,338	-	11,806	23,144	25,191
Grants and donations		17,045	22,179	-	39,224	127,287
Contributions to District Advance Fund		-	44,162	-	44,162	68,685
Methodist Church Fund levy		147,790	-	-	147,790	119,263
<b>Total</b>		<b>1,602,980</b>	<b>68,352</b>	<b>11,806</b>	<b>1,683,138</b>	<b>1,768,843</b>
Net (Losses) on investments		(2,185)	(5,125)	-	(7,310)	(42,930)
<b>Net (expenditure) income</b>		<b>(192,957)</b>	<b>(61,720)</b>	<b>15,132</b>	<b>(239,545)</b>	<b>(260,107)</b>
Transfers between funds		213,120	(213,120)	-	-	-
<b>Other recognised gains / (losses)</b>						
Gain on property disposal		18,500	-	-	18,500	-
Gains/(Losses) on revaluation of fixed assets		145,000	-	-	145,000	(62,000)
<b>Net movement in funds</b>		<b>183,663</b>	<b>(274,840)</b>	<b>15,132</b>	<b>(76,045)</b>	<b>(322,107)</b>
Total funds brought forward		9,393,792	723,350	1,088	10,118,230	10,440,337
<b>Total funds carried forward</b>		<b>9,577,455</b>	<b>448,510</b>	<b>16,220</b>	<b>10,042,185</b>	<b>10,118,230</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

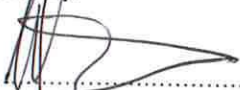
Sheffield Methodist Circuit

Balance Sheet

As at 31 August 2023

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2023 £	Total 2022 £
<b>Fixed assets</b>						
Tangible fixed assets	8	7,078,670	-	-	7,078,670	6,579,954
Investment properties	9	2,410,000	-	-	2,410,000	2,265,000
Investments	10	38,975	22,706	-	61,681	548,989
<b>Total fixed assets</b>		<u>9,527,645</u>	<u>22,706</u>	<u>-</u>	<u>9,550,351</u>	<u>9,393,943</u>
<b>Current assets</b>						
Debtors and prepayments	11	79,346	62,860	-	142,206	123,822
Cash at bank and in hand		126,995	405,768	16,220	548,983	798,854
<b>Total current assets</b>		<u>206,341</u>	<u>468,628</u>	<u>16,220</u>	<u>691,189</u>	<u>922,676</u>
<b>Creditors: amounts falling due in less than one year</b>	12	156,531	42,824	-	199,355	198,389
<b>Net current assets</b>		49,810	425,804	16,220	491,834	724,287
<b>Net assets</b>		<u>9,577,455</u>	<u>448,510</u>	<u>16,220</u>	<u>10,042,185</u>	<u>10,118,230</u>
<b>Funds of the Circuit</b>						
General Fund		9,577,455	-	-	9,577,455	9,393,792
Circuit Model Trust Fund		-	448,510	-	448,510	723,350
Other Funds		-	-	16,220	16,220	1,088
<b>Total funds</b>	13	<u>9,577,455</u>	<u>448,510</u>	<u>16,220</u>	<u>10,042,185</u>	<u>10,118,230</u>

The financial statements were approved and authorised for issue by the Trustees on 19 March 2024 and are signed on their behalf by:

  
 .....  
 Mr A Lyons - Treasurer

  
 .....  
 Revd R Pedro - Superintendent Minister

Sheffield Methodist Circuit

Statement of Cash Flows

For the Year ended 31 August 2023

	Note	2023	2022
		£	£
Net Cash flow from operating activities	15	<u>(638,910)</u>	<u>(666,411)</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(625,000)	-
Receipts from sale of tangible fixed assets		513,500	358,159
Proceeds from sale of investments		479,998	204,004
Interest received		20,541	21,705
Net cash flow from investing activities		<u>389,039</u>	<u>583,868</u>
Net (decrease) in cash and cash equivalents		(249,871)	(82,543)
Cash and cash equivalents brought forward		798,854	881,397
Cash and cash equivalents carried forward		<u>548,983</u>	<u>798,854</u>

# Sheffield Methodist Circuit

## Notes to the financial statements

Year ended 31 August 2023

### 1. Accounting Policies

#### 1.1 General information and basis of preparation

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees report. The charity constitutes a public entity as defined by FRS 102. The financial statements 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 (FRS 102), the Charities Act 2011 and United Kingdom Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

#### 1.2 Funds

The funds held constitute:

- General Funds held for any purpose of the Circuit which are unrestricted.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted.
- Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised for specific purposes.

#### 1.3 Methodist Church Fund

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, it becomes probable they will receive the resources and the monetary value can be measured with sufficient reliability.

#### 1.4 Expenditure

Expenditure 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.

#### 1.5 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 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.

## Sheffield Methodist Circuit

### Notes to the financial statements

#### Year ended 31 August 2023

#### 1. Accounting Policies

##### 1.6 Tangible fixed assets for use by the Circuit.

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

The carrying values of tangible fixed assets have been retained at their book amount as deemed cost on transition to SORP FRS102.

It is the Circuit's policy to maintain the freehold and long leasehold residential properties in good repair ensuring high residual values. The Trustees consider the life of the properties to be so long that consequently there is no significant annual depreciation.

##### 1.7 Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

##### 1.8 Investments

Investments are valued in the balance sheet at market value at the year end.

Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

##### 1.9 Taxation

The Circuit's activities are not subject to taxation.

##### 1.10 Pension

The Circuit contributes to the Methodist Ministers Pension Scheme which is a defined benefit scheme. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Circuit. The scheme is accounted for as a defined contribution scheme. The Circuit also operates a defined contribution pension scheme for administrative staff and lay workers. Contributions are recognised in the SOFA in the period in which they become payable in accordance with the rules of the scheme.

##### 1.11 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees believe that the expected level of income is sufficient especially considering the level of reserves held by the charity to enable it to continue as a going concern.

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2023

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>2. Interest and investment income</b>				
Interest and dividends on CFB investments				
- General	15,349	-	15,349	2,250
- Circuit Model Trust Fund	5,192	-	5,192	19,455
	<u>20,541</u>	<u>-</u>	<u>20,541</u>	<u>21,705</u>
<b>3. Other income</b>				
Grants and donations	13	-	13	2,350
Project Income	-	26,938	26,938	10,401
Other	3,803	-	3,803	104
	<u>3,816</u>	<u>26,938</u>	<u>30,754</u>	<u>12,855</u>

#### 4. Collections for and payments to external organisations

There were no collections for or payments to External Organisations in the year (2022: Nil).

#### 5. Fees for audit of the accounts

	2023 £	2022 £
Audit	<u>13,400</u>	<u>10,000</u>

#### 6. Stipends and salaries

Stipends and salaries	655,329	624,801
National Insurance contributions	57,631	56,312
Pension costs	<u>119,416</u>	<u>120,287</u>
	<u>832,376</u>	<u>801,400</u>

The average number of Ministers in receipt of stipends was 17. The average monthly number of employees during the year was 13 (2022: 14) including 9 lay workers. No employee earned over £60,000 during the year (2022: None).

The members of the Circuit Meeting are the trustees of the Circuit. The Circuit Superintendent Minister, all Circuit Stewards, all ministers and 6 lay workers who are members of the Circuit Leadership Team have additional management responsibilities and are considered as key management personnel. None of the Circuit Stewards receive any remuneration or expenses. The total of stipends paid to the Superintendent Minister and other presbyters was £422,554 (2022: £408,173).

16 ministers who are also Trustees live in properties owned by the Circuit.

Sheffield Methodist Circuit

Notes to the financial statements

Year ended 31 August 2023

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>7. Administration</b>				
Legal and professional	78,211	-	78,211	47,013
Printing and stationery	7,975	-	7,975	7,733
Other office costs	11,701	-	11,701	14,740
TMCP Administration charge	2,471	-	2,471	3,375
	<u>100,358</u>	<u>-</u>	<u>100,358</u>	<u>72,861</u>
<b>Other Expenditure</b>				
Ministry resources	7,488	-	7,488	7,061
Project expenditure	36	11,806	11,842	15,990
Other	3,814	-	3,814	2,140
	<u>11,338</u>	<u>11,806</u>	<u>23,144</u>	<u>25,191</u>
<b>8. Tangible fixed assets</b>				
<b>Cost / Valuation</b>		<b>Manses and other property £</b>	<b>Office Equipment £</b>	<b>Total £</b>
1 September 2022		6,575,833	6,422	6,582,255
Additions		995,000	-	995,000
Disposals		(495,000)	-	(495,000)
31 August 2023		<u>7,075,833</u>	<u>6,422</u>	<u>7,082,255</u>
<b>Depreciation</b>				
1 September 2022		-	2,301	2,301
Depreciation charge for year		-	1,284	1,284
31 August 2023		<u>-</u>	<u>3,585</u>	<u>3,585</u>
<b>Net Book Value</b>				
31 August 2023		<u>7,075,833</u>	<u>2,837</u>	<u>7,078,670</u>
31 August 2022		<u>6,575,833</u>	<u>4,121</u>	<u>6,579,954</u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2023

#### 9. Investment properties

Fair Value	£
1 September 2022	2,265,000
Revaluation	145,000
31 August 2023	<u>2,410,000</u>

The revaluation of investment properties is based on professional valuations undertaken during the year.

#### 10. Fixed asset investments

Valuation	Listed investments /managed funds £
1 September 2022	548,989
Disposal proceeds	(479,998)
Loss on disposal	(4,118)
Loss on revaluation	(3,192)
31 August 2023	<u>61,681</u>

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>11. Debtors</b>				
Stipends paid in advance	35,761	-	35,761	33,323
Prepayments and sundry debtors	106,445	-	106,445	90,499
	<u>142,206</u>	<u>-</u>	<u>142,206</u>	<u>123,822</u>

Debtors includes £47,500 (2022: £48,440) recoverable after more than one year.

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>12. Creditors: amounts falling due within one year</b>				
<b>General Fund (unrestricted)</b>				
Deferred income - assessments	138,689	-	138,689	139,727
Accruals and Sundry creditors	17,842	-	17,842	13,639
	<u>156,531</u>	<u>-</u>	<u>156,531</u>	<u>153,366</u>
<b>Circuit Model Trust Fund (unrestricted)</b>				
Provisions re Grant Commitments	42,824	-	42,824	45,023
	<u>42,824</u>	<u>-</u>	<u>42,824</u>	<u>45,023</u>
<b>Total</b>	<u>199,355</u>	<u>-</u>	<u>199,355</u>	<u>198,389</u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2023

#### 13. Funds

2023	Brought Forward £	Income £	Expenditure £	Transfer £	Gains/ (losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	9,393,792	1,412,208	(1,602,980)	213,120	161,315	9,577,455
Circuit Model Trust Fund	723,350	11,757	(68,352)	(213,120)	(5,125)	448,510
	<u>10,117,142</u>	<u>1,423,965</u>	<u>(1,671,332)</u>	<u>-</u>	<u>156,190</u>	<u>10,025,965</u>
<b>Restricted</b>						
Other	1,088	26,938	(11,806)	-	-	16,220
<b>Total</b>	<u><u>10,118,230</u></u>	<u><u>1,450,903</u></u>	<u><u>(1,683,138)</u></u>	<u><u>-</u></u>	<u><u>156,190</u></u>	<u><u>10,042,185</u></u>
2022	Brought Forward £	Income £	Expenditure £	Transfer £	Gains/ (losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	9,342,284	1,522,522	(1,603,748)	237,664	(104,930)	9,393,792
Circuit Model Trust Fund	1,097,789	19,455	(156,230)	(237,664)	-	723,350
	<u>10,440,073</u>	<u>1,541,977</u>	<u>(1,759,978)</u>	<u>-</u>	<u>(104,930)</u>	<u>10,117,142</u>
<b>Restricted</b>						
Other	264	9,689	(8,865)	-	-	1,088
<b>Total</b>	<u><u>10,440,337</u></u>	<u><u>1,551,666</u></u>	<u><u>(1,768,843)</u></u>	<u><u>-</u></u>	<u><u>(104,930)</u></u>	<u><u>10,118,230</u></u>

The transfers between unrestricted funds relate to the movement of funds arising from the sale of properties, the funds required to purchase properties, and the release of grant income to further the charitable activities of the Circuit.

Sheffield Methodist Circuit

Notes to the financial statements

Year ended 31 August 2023

14. Analysis of net assets between funds

	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
<b>2023</b>				
Fixed assets	9,527,645	22,706	-	9,550,351
Cash and current investments	126,995	405,768	16,220	548,983
Other current assets/(liabilities)	(77,185)	20,036	-	(57,149)
<b>Total</b>	<b>9,577,455</b>	<b>448,510</b>	<b>16,220</b>	<b>10,042,185</b>
	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
<b>2022</b>				
Fixed assets	8,886,114	507,829	-	9,393,943
Cash and current investments	600,102	197,664	1,088	798,854
Other current assets/(liabilities)	(92,424)	17,857	-	(74,567)
<b>Total</b>	<b>9,393,792</b>	<b>723,350</b>	<b>1,088</b>	<b>10,118,230</b>

15. Reconciliation of net (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net expenditure	(239,545)	(260,107)
Interest received	(20,541)	(21,705)
Properties introduced	(370,000)	(483,159)
Depreciation of tangible fixed assets	1,284	1,284
Losses on investment revaluation	7,310	42,930
(Increase)/Decrease in debtors	(18,384)	52,543
Increase/(Decrease) in creditors	966	1,803
<b>Net cash flow from operating activities</b>	<b>(638,910)</b>	<b>(666,411)</b>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2023

#### 16. Pension costs

##### Defined benefit pension scheme

The Circuit contributes to the Methodist Ministers Pension Scheme, a group pension scheme, for each minister receiving a stipend who is in an appointment under the control of Conference.

The pension charge for the year represents contributions payable to the Scheme of £106,845 (2022: £107,674). No contributions were outstanding at the year end.

##### Defined contribution scheme

The pension charge for the year represents contributions payable to the Scheme of £12,571 (2022: £12,613). No contributions were outstanding at the year end.

17	Operating Lease commitments	2023 £	2022 £
	Total minimum commitments under non-cancellable operating leases were as follows:		
	Falling due within one year	2,606	1,507
	Falling due after more than one year	7,658	3,807
		<u>10,264</u>	<u>5,314</u>

#### 18. Related party transactions

There were no related party transactions during the year (2022: £nil).

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### Appendix 1

#### Trustees of Sheffield Methodist Circuit as at 31 August 2023

Mr	John	Almond
Ms	Sue	Bagshaw
Mrs	Jackie	Bailey
Mrs	Carole	Baker
Mr	Alan	Bettison
Rev'd	Inderjit	Bhogal
Mr	David	Bingham
Mr	David	Blackburn
Mrs	Rita	Blackwell
Ms	Liz	Brook
Ms	Christine	Buckley
Mr	Jonathan	Buckley
Mr	David	Burton
Dr	Jenny	Bywaters
Mrs	Lynne	Capewell
Mrs	Jenny	Carpenter
Mr	Alec	Cartwright
Mr	Brian	Chapman
Miss	Anne	Clark
Mr	Iain	Cloke
Rev'd	Naomi	Cooke
Mrs	Jean	Cookson
Mr	Stephen	Cowley
Mrs	Ann	Croft
Mrs	Elsie	Cundy
Mrs	Bev	Dale
Rev'd	Michelle	Deans
Mr	Jon	Dilks
Mrs	Sue	Dilks
Mr	Steve	Dixon
Ms	Erica	Dunmow
Mr	John	Eaton
Mrs	Pam	Eaton
Miss	Louise	Etherington
Mr	Simon	Etty
Mrs	Jan	Fly
Mrs	Kay	Gilbert
Mr	Neil	Grant
Mrs	Sue	Griffiths
Ms	Mary	Grimes
Mrs	Katrin	Hackett
Rev'd	Jonathan	Haigh
Prof	John	Harding
Mrs	Brenda	Harrison
Mrs	Hazel	Harrison
Mrs	Judith	Hartley
Mr	Graham	Hill

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Dr	Anne	Hollows
Mr	Jeff	Hough
Mrs	Anne	Humphreys
Ms	Kate	Ibbeson
Mr	Matt	Irons
Mrs	Christine	Jackson
Rev'd	Judith	Jessop
Mr	Chris	Jones
Mr	Glyn	Jones
Rev'd	Mike	Jones
Mrs	Bridget	Kellett
Rev'd Dr	Claude	Kimpinde
Mr	Donald	King
Mr	Roger	Kite
Mr	Paul	Krzok
Mrs	Janet	Lawless
Mr	Peter	Lockwood
Mrs	Libby	Long
Rev'd	Ian	Lucraft
Mrs	Ann	Lyons
Mr	Arthur	Lyons
Ms	Janet	Malbon
Mrs	Bridget	Manley
Mrs	Audrey	Mann
Mrs	Sheila	Mappin
Rev'd	Debora	Marschner
Rev'd	Kim	Mason
Mr	Andrew	Maxfield
Mrs	Pam	Meek
Rev'd	Paul	Mellars
Mrs	Kath	Milner
Mrs	Sue	Monaghan
Rev'd	James	Morley
Ms	Heather	Morris
Rev'd	Tracey	Morris
Ms	Sue	Nuttall
Mrs	Jane	Offord
Mr	Neil	Offord
Mrs	Yvonne	Ogden
Mrs	Mary	Parker
Rev'd	Philip	Peacock
Rev'd	Romeo	Pedro
Rev'd	Jill	Pullan
Rev'd	Lisa	Quarmby
Rev'd	Carla	Quenet
Mrs	Melissa	Quinn
Mrs	Heather	Rotherham
Mr	Paul	Rotherham
Mr	Philip	Rowland
Ms	Joan	Sharp
Mr	Mark	Sharples
Rev'd	John	Simms
Mrs	Val	Smith
Ms	Janet	Southgate

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Rev'd	Maurice	Stafford
Mrs	Sue	Stanworth
Mrs	Julie	Talbot
Ms	Ann	Taylor
Deacon	Annabel	Terry
Mr	Nigel	Thomas
Miss	Aileen	Treloar
Ms	Maryke	Turvey
Rev'd	Gill	Tutt
Mr	Greg	Unwin
Ms	Jo	Webster
Mr	Nick	Whitworth
Mrs	Carol	Wignell
Mrs	Joyce	Wiles
Mr	Nigel	Wiles
Mr	John	Wilkins
Mr	Richard	Wilshaw
Mrs	Evelyn	Windle
Mrs	Eileen	Woodthorpe
Mr	Ian	Wright
Deacon	Jackie	Wright

**SHEFFIELD METHODIST CIRCUIT**

England & Wales - Charity number 1134151

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# Accounts

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# The Methodist Church in Sheffield

... growing followers of Jesus

**SHEFFIELD METHODIST CIRCUIT  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**Charity registration number 1134151**

**Sheffield Methodist Circuit**

**Trustees' Report and Financial Statements**

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## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **Reference and Administrative Details**

##### **Name of the charity**

Sheffield Methodist Circuit – also known as The Methodist Church in Sheffield

##### **Charity registration number**

1134151, registered in England and Wales

##### **Principal Office**

The Furnival  
199 Verdon Street  
Sheffield  
S3 9QQ

##### **Superintendent Ministers of the Circuit**

Revd Sally Coleman (resigned 14 September 2021)

Revd James Morley (resigned 14 September 2021)

Revd Gill Newton (appointed 14 September 2021, resigned 31 August 2022)

Revd Romeo Pedro (appointed 1 September 2022)

##### **Circuit Treasurer**

Mr Arthur Lyons

##### **Names of Trustees**

The Trustees are the members of the Circuit Meeting.

At 31 August 2022 there were 125 Trustees (see Appendix 1)

No trustee claims exemption from disclosure of his or her name on Appendix 1.

##### **Bankers**

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling, Kent  
ME19 4JQ

Central Finance Board of the Methodist Church  
9 Bonhill Street  
London  
EC2A 4PE

##### **Investment managers and custodian trustees**

Trustees for Methodist Church Purposes

Central Buildings  
Oldham Street  
Manchester  
M1 1JQ

##### **Auditors**

Hawsons Chartered Accountants  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **1 Introduction**

The Trustees of the Charity present their Annual Report and the audited financial statements for the year ended 31 August 2022.

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 5 February 2010.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the standing orders of the Methodist Church.

The Circuit appoints ministers to be Co-Superintendent Ministers of the Circuit, whose duties are set out in the Standing Orders of the Methodist Church. The Circuit has established a Co-Superintendency Team to provide leadership and cohesion within the Circuit. At the Circuit Meeting on 14 September 2021 Revd Gill Newton, Chair of Sheffield Methodist District, became titular Superintendent Minister pending a review of the Co-Superintendency and any actions taken as a result. Revd Sally Coleman and Revd James Morley stepped down as Co-Superintendent Ministers for the period of the review. Following a review of the Superintendency in November 2021, in March 2022 Revd Romeo Pedro was appointed to be sole Superintendent Minister from 1 September 2022 and Revd Gill Newton stepped down.

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements.

#### **1.1 Purpose of the Circuit**

The Circuit is an expression, over a wider geographical area than any Church, of the Connexional character of the 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 the discipline of the Methodist Church;
- b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

The primary purpose of this Circuit is to advance the mission of the Methodist Church in Sheffield, the south of Barnsley and North East Derbyshire

1. By providing opportunities for Churches to work together and support each other; and
2. By offering to Churches resources of finance, personnel and expertise.

The Circuit serves the Local Churches and the District and Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **2 Objectives and activities**

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit Meeting retains responsibility for setting the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the oversight of the Circuit's finances, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry. The Circuit Meeting is assisted in the task of financial oversight by the Circuit Finance and Grants Group.

The Circuit Leadership Team (CLT) and the Circuit Mission Vision Team (MVT), appointed by the Circuit Meeting, are responsible for acting on behalf of the Circuit Meeting at other times. The CLT meets monthly and the MVT meets at least 4 times a year to consider grant applications, including meeting with applicants, and considering whether the application fulfils the Circuit's Mission Criteria. The Circuit Finance and Grants Group (FGG) meets four times a year to plan the budget, keep up-to-date with the financial position, and consider the recommendations for grant funding from the MVT to be able to make recommendations to the Circuit Meeting about the amount of funding to be granted.

The Circuit's mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the churches in the Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the church family.

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus: "The calling of the Methodist Church is to respond to the Gospel of God's love in Christ and to live out its discipleship and

1. To increase awareness of God's presence and to celebrate God's love;
2. To help people to grow and learn as Christians through mutual support and care;
3. To be a good neighbour to people in need and to challenge injustice; and
4. To make more followers of Jesus Christ."

The Circuit encourages and supports the Churches within it in the provision of regular public acts of worship open to members of the Methodist Church and non-members alike; the provision of sacred space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work, including visiting the sick and bereaved; the promotion of Christianity through the staging of events and services; the provision of youth clubs, seniors clubs, various support groups with a Christian ethos; promoting the whole mission of the Church (and aiding social cohesion) through activities for all sectors in the community and other specific needs groups; and supporting other charities in the UK and overseas financially and with prayer.

#### **2.1 Public Benefit**

When reviewing the aims and objectives of the charity and in planning future activities, the Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and, in particular, the specific guidance on charities for the advancement of religion.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **3 Achievements and performance**

The principal purpose of the Circuit is to act as a supporting body between Churches and the District and Connexion. The Circuit does not seek and, in large measure, does not attain direct contact with the public. The direct contact is by Churches and it is these that the Circuit supports in their desire to provide benefit to the public.

The money collected, or available for dissipation, was used as grants to support individuals, Churches and Projects throughout the Circuit with their work in their local communities and to subsidise the administrative costs of the Circuit. During the year the Circuit approved new grants out of the General Fund and the MTF that totalled £127,287.

The policy of the trustees on grant making is to ensure that all applications can demonstrate public benefit, fit Circuit mission priorities, pass a test of sustainability, show that there is commitment from the applicant organisation, and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

The grants were of several kinds, including:

1. Grants for the adaptation of buildings so that they could more easily meet the modern needs of Churches and help Churches provide services to the community;
2. Grants which supported the salaries of lay workers attached to Churches;
3. Small grants for young people to attend conferences such as 3Generate National Methodist Conference for children and young people;
4. Small grants for learning and development of lay employees and volunteers; and
5. Grants to support churches to cope with the effects of the Covid-19 pandemic.

Churches that have received grants from the Circuit will show in their own Trustees' Annual Reports details of the outcome of the activities undertaken as a result of receiving the grant. In addition, the Circuit requires a grant evaluation form to be completed to demonstrate the impact of the grant on the Churches and their activities.

The Safeguarding Training course, Creating Safer Space Foundation Module, has been delivered in many churches across the Circuit during the year and the backlog of people who needed training has been cleared. The Advanced Module has been delivered online on a District basis for those in leadership roles, and because of demand face-to-face training sessions have been put on, which has meant that nearly all who need training will have been trained by the end of 2023.

The Circuit Youth and Children's Project Co-ordinator (CYCPC) has continued to grow networks to support paid and voluntary youth and children's workers across the Circuit, organised Circuit camps and weekends away and involvement in local conferences, first aid and mental health training, encouraged working together and churches to form new groups, and has successfully applied for grants for youth activities. The Children's Work Co-ordinator is making an impact across the Circuit, initially for activities to be resumed safely, and latterly encouraging new activities.

The challenges of the Coronavirus 19 Pandemic have continued through most of the year, as churches work out how to re-open their buildings safely, what activities they are able to resume and how workers who were furloughed or working from home have returned to their work places. However, it has also been a time for church congregations to re-think what it means to be church, and how services can be provided online as well as in buildings. As churches have started to meet again physically, many churches have looked at how they can maintain an online presence, either with streamed or zoomed services, or some other way of adapting services so those who are vulnerable are still catered for.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

After successfully using the services of a mental health specialist during the Pandemic it was decided to employ a mental health specialist and grants are being applied for to pay for the salary and other costs. In August 2022 four new ministers moved into the Circuit – all presbyters, one who will be Superintendent Minister and three others who will be working in different parts of the Circuit.

#### **4 Financial review**

During the year the Circuit received total income of £1,551,666 (2021: £1,017,063) with expenditure of £1,768,843 (2021: £1,514,159). The resulting net expenditure for the year after losses on investment revaluation of £42,930 was £260,107.

The Circuit's main sources of funding were the assessments obtained from each Church within the Circuit based on the membership, attendance and giving levels of the Churches which totalled £914,872 (2021: £861,620). The Circuit also benefitted from the receipt of rental income, which included rent received from shorthold tenancies from 6 manses not occupied by ministers. Total rental income was £90,127 (2021: £109,126). Investment income for the year totalled £21,705 (2021: £16,598).

During the year Knowle Top, Stannington and Eckington with St Luke's were brought under Circuit trusteeship and introduced at a combined value of £483,159. Trust funds with a value of £28,948 were also introduced into the Circuit following the closure of Knowle Top church. Knowle Top church was sold for a value of £358,159 and a Methodist Church Fund levy paid of £119,263.

More funds have been spent on upgrading the Circuit properties to a good and consistent standard. Stipends and employment costs were higher than the previous year and in line with budget. The Circuit has also awarded additional grants at the start of the year to churches struggling to survive the effects of the pandemic, along with the usual grants, which is consistent with the plan to reduce the level of its unrestricted reserves to be in line with the reserves policy.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because churches continue to meet their assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. Whether some churches survive the effects of the pandemic remains to be seen. There are no subsidiary undertakings.

#### **4.1 Investment Policy and Performance**

The Circuit trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and the Trustees for Methodist Church Purposes (TMCP) because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church. TMCP act as custodian trustee for all real estate held by the Circuit, and monies for long term investment are lodged with them in various investments. Short term deposits are lodged directly with the CFB and attract good rates of interest. There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **4.2 Pension Schemes**

All the ministers are enrolled in the Methodist Ministers' Pension Scheme with employer contributions currently at 26.9%. The actuarial report stated that there should be a pension reserve fund for the potential deficit, and churches and Circuits were asked to make contributions to the fund. The Circuit made a contribution of £18,500. Three lay workers are enrolled in pension schemes with the Pensions Trust and one lay worker with Co-operative Investments. All other eligible lay workers are auto-enrolled in the NEST pension scheme. The employer contribution for all lay employees in a pension scheme is 6%.

#### **5 Plans for future years**

The CLT have identified the following plans for future years.

1. Encourage initiatives for mission in Churches within the Circuit;
2. To not apply for any new ministers as we will not have any leaving in August 2023.
3. Encourage work with children and young people throughout the Circuit;
4. There are some Churches that the Circuit anticipates closing in the next few years and this will affect the amount received in assessments, but this will be offset by the sale of the buildings which will increase the Circuit Model Trust Fund to support further projects; and
5. Develop a strategic plan to maximise the mission potential of the churches and encourage and enable churches and ministers to work together for the benefit of the churches and their communities. This strategy has been put on hold pending the arrival of the new Superintendent Minister.

#### **6 Structure, governance and management**

##### **6.1 Structure**

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the quarterly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference;
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in Individual Circuits within the District;
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation;
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters; and
5. The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **6.2 Governance**

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the Circuit.

The Mission Vision Team meet at least quarterly to discuss the mission of the Circuit and to evaluate and make recommendations to the Circuit Meeting about grant applications. The CLT, consisting of the Co-Superintendent Ministers, all the Circuit Stewards and two other Ministers meet monthly to discuss the policy and administration of the Circuit and have delegated authority from the Trustees to act in between Circuit Meetings should the need arise.

#### **6.3 Responsibilities of the Circuit Meeting**

The Circuit Trustees are members of the quarterly Circuit Meeting, and their responsibilities are:

1. To formulate and promote policies which will advance the mission of the Church in the Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches having exceptional problems;
2. To encourage inter-Church and ecumenical co-operation;
3. To keep within its scope all Circuit concerns not dealt with elsewhere;
4. To contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind;
5. To be aware that the stipends of the ministers in the Circuit is set – currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index – using a formula that was agreed by the Methodist Conference for all ministers within the Connexion; and
6. Constantly to be aware of the public benefit guidance issued by the Charity Commission.

#### **7 Risk Management**

The Circuit is largely risk averse but, especially in making grants to entities embarking on new and imaginative initiatives, the Circuit is prepared to underwrite considered risks.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

#### **8 Safeguarding**

The Circuit abides by the safeguarding principles, guidance, rules of the Methodist Conference and ensures they are implemented in the churches. This includes safe recruitment for both paid staff and volunteers, obtaining DBS disclosures for all workers working with children and vulnerable adults, providing safeguarding training for all workers and office holders, and keeping records of any safeguarding incidents.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **9 Reserves level and policy**

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from assessments from churches, income from lettings, investment income, and grants and donations.

The Circuit has a reserves policy covering all its unrestricted funds which is reviewed annually. In order to meet its ongoing financial obligations - including the monthly payment of stipends and salaries, District and Connexional assessments quarterly in advance, and to meet unforeseen circumstances, the Circuit needs to maintain sufficient unrestricted reserves.

The Circuit Meeting has determined that unrestricted reserves should be equivalent to 6 months of normal revenue operating costs, which is in the region of £800,000.

The unrestricted reserves readily available total £1,272,188.

These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, third party grants were to be withdrawn or individual churches encounter difficulties in paying their assessments. Unrestricted reserves are defined as unrestricted funds less the investment in tangible fixed assets, loans to local churches, designated funds, and grant commitments.

Although grants are made annually out of the Circuit Model Trust Fund, it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. Provision is made for grants committed but not paid during the year. The trustees seek to ensure that there is sufficient in the Circuit Model Trust Fund to meet these anticipated requests and the trustees recognise future grants as liabilities on the Balance Sheet.

It is expected that the total in the Circuit Model Trust Fund will have varied amounts, year on year, as some churches are closed and sold with the proceeds being paid into the Circuit Model Trust Fund. The trustees are aware of the level of unrestricted reserves and are actively seeking to utilise surplus funds to bring reserves in line with the reserves policy. The surplus funds will be used for mission projects by the Circuit and grants to churches to enable them to fulfil their mission and the aims and objectives of the Circuit.

The net proceeds of sale of any Circuit property are required to be credited to the Circuit Model Trust Fund which are unrestricted in their nature, being available for all Methodist purposes. The net proceeds of sale are subject to a Connexional Levy and there is an annual levy by the District on the total value of the Circuit Model Trust Fund at the beginning of the year. Both levies are made available by way of grants in respect of new initiatives in mission and ministry throughout the Connexion and District. The Circuit Model Trust Fund is used by the Circuit for a variety of mission, ministry and property projects both for the Circuit and churches.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **10 Trustees' Responsibilities Statement**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Report and Financial Statements were approved by the Circuit Meeting on 28 March 2023.

Signed on behalf of the Circuit Meeting, as authorised:



Revd Romeo Pedro Superintendent Minister

## **Sheffield Methodist Circuit**

### **Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit**

#### **Opinion**

We have audited the financial statements of Sheffield Methodist Circuit (the 'charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022, and of the charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are Independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other Information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Sheffield Methodist Circuit**

### **Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charity is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charity and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the charity's result for the period, and management bias in key accounting estimates.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charity to obtain an understanding of the legal and regulatory framework applicable to the charity and how the charity complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for](http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hawsons Chartered Accountants, Statutory Auditor  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

31 March 2023

*Hawsons Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**Sheffield Methodist Circuit**

**Statement of Financial Activities**

**For the Year ended 31 August 2022**

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2022 £	Total 2021 £
<b>Income</b>						
<b>Charitable activities</b>						
Assessment or share		914,872	-	-	914,872	861,620
Rental income		90,127	-	-	90,127	109,126
Properties introduced		483,159	-	-	483,159	-
Investment income	2	2,250	19,455	-	21,705	16,598
Other income	3	3,166	-	9,689	12,855	29,719
Funds introduced		28,948	-	-	28,948	-
<b>Total</b>		<b>1,522,522</b>	<b>19,455</b>	<b>9,689</b>	<b>1,551,666</b>	<b>1,017,063</b>
<b>Expenditure</b>						
Stipends, salaries, NIC and pension	6	801,400	-	-	801,400	721,479
District assessment		242,462	-	-	242,462	244,076
Motor and travel		54,189	-	-	54,189	13,684
Insurance, telephone and utilities		94,383	-	-	94,383	70,703
Maintenance on manses		144,094	-	-	144,094	102,220
Administration	7	69,918	2,943	-	72,861	76,100
Expenditure on other Circuit property		19,028	-	-	19,028	24,617
Other expenditure	7	16,326	-	8,865	25,191	28,918
Grants and donations		42,685	84,602	-	127,287	129,878
Contributions to District Advance Fund		-	68,685	-	68,685	102,484
Methodist Church Fund levy		119,263	-	-	119,263	-
<b>Total</b>		<b>1,603,748</b>	<b>156,230</b>	<b>8,865</b>	<b>1,768,843</b>	<b>1,514,159</b>
Net (Losses) / Gains on investments		(42,930)	-	-	(42,930)	120,451
<b>Net (expenditure) income</b>		<b>(124,156)</b>	<b>(136,775)</b>	<b>824</b>	<b>(260,107)</b>	<b>(376,645)</b>
Transfers between funds		237,664	(237,664)	-	-	-
<b>Other recognised gains / (losses)</b>						
(Losses) on property disposal		-	-	-	-	(90,922)
(Losses)/Gains on revaluation of fixed assets		(62,000)	-	-	(62,000)	383,000
<b>Net movement in funds</b>		<b>51,508</b>	<b>(374,439)</b>	<b>824</b>	<b>(322,107)</b>	<b>(84,567)</b>
Total funds brought forward		9,342,284	1,097,789	264	10,440,337	10,524,904
<b>Total funds carried forward</b>		<b>9,393,792</b>	<b>723,350</b>	<b>1,088</b>	<b>10,118,230</b>	<b>10,440,337</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

**Sheffield Methodist Circuit**

**Balance Sheet**

**As at 31 August 2022**

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2022 £	Total 2021 £
<b>Fixed assets</b>						
Tangible fixed assets	8	6,579,954	-	-	6,579,954	5,325,238
Investment properties	9	2,265,000	-	-	2,265,000	3,458,000
Investments	10	41,160	507,829	-	548,989	795,923
<b>Total fixed assets</b>		<b>8,886,114</b>	<b>507,829</b>	<b>-</b>	<b>9,393,943</b>	<b>9,579,161</b>
<b>Current assets</b>						
Debtors and prepayments	11	80,942	62,880	-	123,822	176,365
Central Finance Board and Trustees for Methodist Church Purposes deposits		499,829	197,664	-	697,493	737,542
Cash at bank and in hand		100,273	-	1,088	101,361	143,855
<b>Total current assets</b>		<b>661,044</b>	<b>260,544</b>	<b>1,088</b>	<b>922,676</b>	<b>1,057,762</b>
<b>Creditors: amounts falling due in less than one year</b>	12	<b>153,366</b>	<b>45,023</b>	<b>-</b>	<b>198,389</b>	<b>196,586</b>
<b>Net current assets</b>		<b>507,678</b>	<b>215,521</b>	<b>1,088</b>	<b>724,287</b>	<b>861,176</b>
<b>Net assets</b>		<b>9,393,792</b>	<b>723,350</b>	<b>1,088</b>	<b>10,118,230</b>	<b>10,440,337</b>
<b>Funds of the Circuit</b>						
General Fund		9,393,792	-	-	9,393,792	9,342,284
Circuit Model Trust Fund		-	723,350	-	723,350	1,097,789
Other Funds		-	-	1,088	1,088	264
<b>Total funds</b>	13	<b>9,393,792</b>	<b>723,350</b>	<b>1,088</b>	<b>10,118,230</b>	<b>10,440,337</b>

The financial statements were approved and authorised for issue by the Trustees on 28 March 2023 and are signed on their behalf by:

.....  
Mr A Lyons - Treasurer

.....  
Revd R Pedro - Superintendent Minister

**Sheffield Methodist Circuit**

**Statement of Cash Flows**

**For the Year ended 31 August 2022**

	Note	2022	2021
		£	£
<b>Net Cash flow from operating activities</b>	15	<u>(666,411)</u>	<u>(597,594)</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		-	(6,422)
Receipts from sale of tangible fixed assets		358,159	133,078
Proceeds from sale of investments		204,004	-
Interest received		21,705	16,598
<b>Net cash flow from Investing activities</b>		<u>583,868</u>	<u>143,254</u>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(82,543)</b>	<b>(454,340)</b>
<b>Cash and cash equivalents brought forward</b>		<b>881,397</b>	<b>1,335,737</b>
<b>Cash and cash equivalents carried forward</b>		<u><b>798,854</b></u>	<u><b>881,397</b></u>

## **Sheffield Methodist Circuit**

### **Notes to the financial statements**

**Year ended 31 August 2021**

#### **1. Accounting Policies**

##### **1.1 General information and basis of preparation**

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees report. The charity constitutes a public entity as defined by FRS 102. The financial statements 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 (FRS 102), the Charities Act 2011 and United Kingdom Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

##### **1.2 Funds**

The funds held constitute:

- General Funds held for any purpose of the Circuit which are unrestricted.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted.
- Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised for specific purposes.

##### **1.3 Methodist church fund**

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, it becomes probable they will receive the resources and the monetary value can be measured with sufficient reliability.

##### **1.4 Expenditure**

Expenditure 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.

##### **1.5 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 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.

## **Sheffield Methodist Circuit**

### **Notes to the financial statements**

**Year ended 31 August 2021**

#### **1. Accounting Policies**

##### **1.6 Tangible fixed assets for use by the Circuit.**

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

The carrying values of tangible fixed assets have been retained at their book amount as deemed cost on transition to SORP FRS102.

It is the Circuit's policy to maintain the freehold and long leasehold residential properties in good repair ensuring high residual values. The Trustees consider the life of the properties to be so long that consequently there is no significant annual depreciation.

##### **1.7 Investment properties**

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

##### **1.8 Investments**

Investments are valued in the balance sheet at market value at the year end.

Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

##### **1.9 Taxation**

The Circuit's activities are not subject to taxation.

##### **1.10 Pension**

The Circuit contributes to the Methodist Ministers Pension Scheme which is a defined benefit scheme. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Circuit. The scheme is accounted for as a defined contribution scheme. The Circuit also operates a defined contribution pension scheme for administrative staff and lay workers. Contributions are recognised in the SOFA in the period in which they become payable in accordance with the rules of the scheme.

##### **1.11 Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The trustees believe that the expected level of income is sufficient especially considering the level of reserves held by the charity to enable it to continue as a going concern.

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2022

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>2. Interest and investment income</b>				
Interest and dividends on CFB investments				
- General	2,250	-	2,250	1,111
- Circuit Model Trust Fund	19,455	-	19,455	15,487
	<u>21,705</u>	<u>-</u>	<u>21,705</u>	<u>16,598</u>
<b>3. Other income</b>				
Grants and donations	2,350	-	2,350	6,904
Project Income	712	9,689	10,401	7,579
Other	104	-	104	15,236
	<u>3,166</u>	<u>9,689</u>	<u>12,855</u>	<u>29,719</u>
<b>4. Collections for and payments to external organisations</b>				
There were no collections for or payments to External Organisations in the year (2021: Nil).				
<b>5. Fees for audit of the accounts</b>			<b>2022</b>	<b>2021</b>
			£	£
Audit			<u>10,000</u>	<u>9,500</u>
<b>6. Stipends and salaries</b>				
Stipends and salaries			624,801	571,079
National Insurance contributions			56,312	47,608
Pension costs			120,287	102,792
			<u>801,400</u>	<u>721,479</u>

The average number of Ministers in receipt of stipends was 16. The average monthly number of employees during the year was 14 (2021: 13) including 8 lay workers. No employee earned over £60,000 during the year (2021: None).

The members of the Circuit Meeting are the trustees of the Circuit. The Circuit Superintendent Minister, all eight Circuit Stewards and four other ministers who are members of the Circuit Leadership Team have additional management responsibilities and are considered as key management personnel. None of the Circuit Stewards receive any remuneration or expenses. The total of stipends paid to the Co-Superintendent Ministers and other presbyters was £408,173 (2021: £375,806).

15 ministers who are also Trustees live in properties owned by the Circuit.

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2022

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>7. Administration</b>				
Legal and professional	37,013	-	37,013	48,675
Printing and stationery	7,733	-	7,733	5,378
Other office costs	14,740	-	14,740	18,822
TMCP Administration charge	3,375	-	3,375	3,225
	<u>62,861</u>	<u>-</u>	<u>62,861</u>	<u>76,100</u>
<b>Other Expenditure</b>				
Ministry resources	7,061	-	7,061	6,795
Project expenditure	7,125	8,865	15,990	15,886
Training	-	-	-	14
Other	2,140	-	2,140	6,222
	<u>16,326</u>	<u>8,865</u>	<u>25,191</u>	<u>28,917</u>
<b>8. Tangible fixed assets</b>				
<b>Cost / Valuation</b>		<b>Manses and other property £</b>	<b>Office Equipment £</b>	<b>Total £</b>
1 September 2021		5,319,833	6,422	5,326,255
Additions		483,159	-	483,159
Transfer from Investment properties		1,131,000	-	1,131,000
Disposals		(358,159)	-	(358,159)
31 August 2022		<u>6,575,833</u>	<u>6,422</u>	<u>6,582,255</u>
<b>Depreciation</b>				
1 September 2021		-	1,017	1,017
Depreciation charge for year		-	1,284	1,284
31 August 2022		<u>-</u>	<u>2,301</u>	<u>2,301</u>
<b>Net Book Value</b>				
31 August 2022		<u>6,575,833</u>	<u>4,121</u>	<u>6,579,954</u>
31 August 2021		<u>5,319,833</u>	<u>5,405</u>	<u>5,325,238</u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2022

#### 9. Investment properties

Fair Value	£
1 September 2021	3,458,000
Transfer to fixed assets	(1,131,000)
Revaluation	(62,000)
31 August 2021	<u>2,265,000</u>

The revaluation of investment properties is based on professional valuations undertaken during the year.

#### 10. Fixed asset investments

Valuation	Listed Investments /managed funds £
1 September 2021	795,923
Disposal proceeds	(204,004)
Loss on disposal	(4,551)
Losses on revaluation	(38,379)
31 August 2022	<u>548,989</u>

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>11. Debtors</b>				
Stipends paid in advance	33,323	-	33,323	33,786
Prepayments and sundry debtors	90,499	-	90,499	142,579
	<u>123,822</u>	<u>-</u>	<u>123,822</u>	<u>176,365</u>

Debtors includes £48,440 (2021: £48,000) recoverable after more than one year.

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>12. Creditors: amounts falling due within one year</b>				
<b>General Fund (unrestricted)</b>				
Deferred income - assessments	139,727	-	139,727	139,833
Accruals and Sundry creditors	13,639	-	13,639	15,372
	<u>153,366</u>	<u>-</u>	<u>153,366</u>	<u>155,205</u>
<b>Circuit Model Trust Fund (unrestricted)</b>				
Provisions re Grant Commitments	45,023	-	45,023	41,380
	<u>45,023</u>	<u>-</u>	<u>45,023</u>	<u>41,380</u>
<b>Total</b>	<u>198,389</u>	<u>-</u>	<u>198,389</u>	<u>196,585</u>

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2022**

**13. Funds**

<b>2022</b>	<b>Brought Forward</b> £	<b>Income</b> £	<b>Expenditure</b> £	<b>Transfer</b> £	<b>Gains/ (losses)</b> £	<b>Carried Forward</b> £
<b>Unrestricted funds</b>						
General Fund	9,342,284	1,522,522	(1,603,748)	237,664	(104,930)	9,393,792
Circuit Model Trust Fund	1,097,789	19,455	(156,230)	(237,664)	-	723,350
	<u>10,440,073</u>	<u>1,541,977</u>	<u>(1,759,978)</u>	<u>-</u>	<u>(104,930)</u>	<u>10,117,142</u>
<b>Restricted</b>						
Other	264	9,689	(8,865)	-	-	1,088
<b>Total</b>	<u>10,440,337</u>	<u>1,551,666</u>	<u>(1,768,843)</u>	<u>-</u>	<u>(104,930)</u>	<u>10,118,230</u>
<b>2021</b>	<b>Brought Forward</b> £	<b>Income</b> £	<b>Expenditure</b> £	<b>Transfer</b> £	<b>Gains/ (losses)</b> £	<b>Carried Forward</b> £
<b>Unrestricted funds</b>						
General Fund	9,034,825	993,997	(1,312,599)	329,920	296,141	9,342,284
Circuit Model Trust Fund	1,481,508	15,487	(185,674)	(329,920)	116,388	1,097,789
	<u>10,516,333</u>	<u>1,009,484</u>	<u>(1,498,273)</u>	<u>-</u>	<u>412,529</u>	<u>10,440,073</u>
<b>Restricted</b>						
Other	8,571	7,579	(15,886)	-	-	264
<b>Total</b>	<u>10,524,904</u>	<u>1,017,063</u>	<u>(1,514,159)</u>	<u>-</u>	<u>412,529</u>	<u>10,440,337</u>

The transfers between unrestricted funds relate to the movement of funds arising from the sale of properties, the funds required to purchase properties, and the release of grant income to further the charitable activities of the Circuit.

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2022**

**14. Analysis of net assets between funds**

	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
<b>2022</b>				
Fixed assets	8,886,114	507,829		9,393,943
Cash and current investments	600,102	197,664	1,088	798,854
Other current assets/(liabilities)	(92,424)	17,857	-	(74,567)
<b>Total</b>	<b>9,393,792</b>	<b>723,350</b>	<b>1,088</b>	<b>10,118,230</b>
	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
<b>2021</b>				
Fixed assets	8,828,735	750,426	-	9,579,161
Cash and current investments	599,099	282,034	264	881,397
Other current assets/(liabilities)	(85,550)	65,329	-	(20,221)
<b>Total</b>	<b>9,342,284</b>	<b>1,097,789</b>	<b>264</b>	<b>10,440,337</b>

**15. Reconciliation of net (expenditure) to net cash flow from operating activities**

	2022 £	2021 £
Net expenditure	(260,107)	(376,645)
Interest received	(21,705)	(16,598)
Properties introduced	(483,159)	-
Depreciation of tangible fixed assets	1,284	1,017
Losses/(Gains) on investment revaluation	42,930	(120,451)
Decrease/(Increase) in debtors	52,543	(34,250)
Increase/(Decrease) in creditors	1,803	(50,667)
<b>Net cash flow from operating activities</b>	<b>(666,411)</b>	<b>(597,594)</b>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2021

#### 16. Pension costs

##### Defined benefit pension scheme

The Circuit contributes to the Methodist Ministers Pension Scheme, a group pension scheme, for each minister receiving a stipend who is in an appointment under the control of Conference.

The pension charge for the year represents contributions payable to the Scheme of £107,674 (2021: £92,347). No contributions were outstanding at the year end.

##### Defined contribution scheme

The pension charge for the year represents contributions payable to the Scheme of £12,613 (2021: £10,445). No contributions were outstanding at the year end.

#### 17 Operating Lease commitments

Total minimum commitments under non-cancellable operating leases were as follows:

	2022	2021
	£	£
Falling due within one year	1,507	672
Falling due after more than one year	3,807	336
	<u>5,314</u>	<u>1,008</u>

#### 18. Related party transactions

There were no related party transactions during the year (2021: £nil).

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### Appendix 1

#### Trustees of Sheffield Methodist Circuit as at 31 August 2022

Mrs	Gill	Adams
Mr	John	Almond
Mr	Sean	Ashton
Ms	Sue	Bagshaw
Mrs	Jackie	Bailey
Mrs	Carole	Baker
Mr	Alan	Bettison
Rev'd	Inderjit	Bhogal
Mr	David	Bingham
Mr	David	Blackburn
Mrs	Rita	Blackwell
Mrs	Pat	Bolland
Ms	Liz	Brook
Mr	Jonathan	Buckley
Mr	David	Burton
Dr	Jenny	Bywaters
Mr	Alec	Cartwright
Mr	Brian	Chapman
Miss	Anne	Clark
Mr	Iain	Cloke
Rev'd	Sally	Coleman
Mrs	Jean	Cookson
Mr	Stephen	Cowley
Rev'd	Tim	Crome
Mrs	Elsie	Cundy
Mrs	Bev	Dale
Rev'd	Michelle	Deans
Mr	Jon	Dilks
Mrs	Sue	Dilks
Mr	Nigel	Disbury
Mr	Steve	Dixon
Dr	Tony	Drury-Smith
Ms	Erica	Dunmow
Mr	John	Eaton
Mrs	Pam	Eaton
Miss	Louise	Etherington
Mr	Simon	Etty
Mrs	Jan	Fly
Mrs	Kay	Gilbert
Rev'd	Drummond	Gillespie
Rev'd	Mark	Goodhand
Mr	Neil	Grant
Rev'd Prof	James	Grayson
Mrs	Kath	Grierson
Ms	Mary	Grimes
Mrs	Katrin	Hackett
Rev'd	Jonathan	Haigh
Prof	John	Harding

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Mrs	Brenda	Harrison
Mrs	Judith	Hartley
Dr	Anne	Hollows
Mrs	Anne	Humphreys
Rev'd	Gail	Hunt
Ms	Kate	Ibbeson
Mr	Matt	Irons
Mrs	Christine	Jackson
Rev'd	Judith	Jessop
Mr	Chris	Jones
Rev'd	Gareth	Jones
Mr	Glyn	Jones
Ms	Paula	Jones
Mrs	Bridget	Kellett
Rev'd Dr	Claude	Kimpinde
Mr	Donald	King
Mr	Roger	Kite
Mr	Paul	Krzok
Mrs	Janet	Lawless
Mr	Peter	Lockwood
Rev'd	Ian	Lucraft
Mrs	Ann	Lyons
Mr	Arthur	Lyons
Mr	Jack	Magowan
Ms	Janet	Malbon
Mrs	Audrey	Mann
Mrs	Sheila	Mappin
Rev'd	Debora	Marschner
Mrs	Stella	Mate
Mr	Andrew	Maxfield
Mrs	Pam	MEEK
Rev'd	Paul	Mellars
Mrs	Kath	Milner
Rev'd	James	Morley
Ms	Heather	Morris
Rev'd	Gill	Newton
Mrs	Jane	Offord
Mr	Neil	Offord
Miss	Josephine	Pain
Mrs	Mary	Parker
Rev'd	Jill	Pullan
Rev'd	Lisa	Quarmby
Rev'd	Carla	Quenet
Mrs	Melissa	Quinn
Dr	John	Revill
Mrs	Heather	Rotherham
Mr	Paul	Rotherham
Mr	Philip	Rowland
Ms	Joan	Sharp
Mr	Mark	Sharples
Rev'd	John	Simms
Mrs	Val	Smith
Ms	Janet	Southgate
Rev'd	Maurice	Stafford

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

Mrs	Sue	Stanworth
Mrs	Julie	Talbot
Ms	Ann	Taylor
Deacon	Annabel	Terry
Mr	Nigel	Thomas
Miss	Aileen	Treloar
Ms	Maryke	Turvey
Rev'd	Gill	Tutt
Mr	Greg	Unwin
Ms	Jo	Webster
Mrs	Rachael	White
Mr	Nick	Whitworth
Mrs	Carol	Wignell
Mrs	Joyce	Wiles
Mr	Nigel	Wiles
Mr	John	Wilkins
Mr	Graham	Wilkinson
Mrs	Janet	Williamson
Mr	Trevor	Williamson
Mrs	Evelyn	Windle
Mrs	Eileen	Woodthorpe
Mr	Ian	Wright
Deacon	Jackie	Wright

**SHEFFIELD METHODIST CIRCUIT**

England & Wales - Charity number 1134151

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# Accounts

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# The Methodist Church in Sheffield

... growing followers of Jesus

**SHEFFIELD METHODIST CIRCUIT  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

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## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **Reference and Administrative Details**

##### **Name of the charity**

Sheffield Methodist Circuit – also known as The Methodist Church in Sheffield

##### **Charity registration number**

1134151, registered in England and Wales

##### **Principal Office**

The Furnival  
199 Verdon Street  
Sheffield  
S3 9QQ

##### **Co-Superintendent Ministers of the Circuit**

Revd Gill Newton (appointed 14 September 2021)  
Revd Sally Coleman (resigned 14 September 2021)  
Revd James Morley (resigned 14 September 2021)  
Revd Lisa Quarmby (appointed 1 September 2020, resigned 31 August 2021)

##### **Circuit Treasurer**

Mr Arthur Lyons

##### **Names of Trustees**

The Trustees are the members of the Circuit Meeting.  
At 31 August 2021 there were 130 Trustees (see Appendix 1)  
No trustee claims exemption from disclosure of his or her name on Appendix 1.

##### **Bankers**

CAF Bank Limited	Central Finance Board of the Methodist Church
25 Kings Hill Avenue	9 Bonhill Street
Kings Hill	London
West Malling, Kent	EC2A 4PE
ME19 4JQ	

##### **Investment managers and custodian trustees**

Trustees for Methodist Church Purposes  
Central Buildings  
Oldham Street  
Manchester  
M1 1JQ

##### **Auditors**

Hawsons Chartered Accountants  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **1 Introduction**

The Trustees of the Charity present their Annual Report and the audited financial statements for the year ended 31 August 2021.

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 5 February 2010.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the standing orders of the Methodist Church.

The Circuit appoints ministers to be Co-Superintendent Ministers of the Circuit, whose duties are set out in the Standing Orders of the Methodist Church. The Circuit has established a Co-Superintendency Team to provide leadership and cohesion within the Circuit. On 1 September 2020 Revd Lisa Quarmby was appointed as a Co-Superintendent Minister and on 31 August 2021 she resigned as a Co-Superintendent Minister. For much of the year Revd Sally Coleman was on long term sick leave. At the Circuit Meeting on 14 September 2021 Revd Gill Newton, Chair of Sheffield Methodist District, became titular Superintendent Minister pending a review of the Co-Superintendency and any actions taken as a result. Revd Sally Coleman and Revd James Morley stepped down as Co-Superintendent Ministers. The review team made several recommendations which were approved by the trustees, including appointing one Superintendent Minister who would not have any pastoral charge of churches. It is hoped that a suitable person can be appointed to start in September 2022.

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements.

#### **1.1 Purpose of the Circuit**

The Circuit is an expression, over a wider geographical area than any Church, of the Connexional character of the 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 the discipline of the Methodist Church;
- b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

The primary purpose of this Circuit is to advance the mission of the Methodist Church in Sheffield, the south of Barnsley and North East Derbyshire

1. By providing opportunities for Churches to work together and support each other; and
2. By offering to Churches resources of finance, personnel and expertise.

The Circuit serves the Local Churches and the District and Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **2 Objectives and activities**

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit Meeting retains responsibility for setting the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the oversight of the Circuit's finances, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry. The Circuit Meeting is assisted in the task of financial oversight by the Circuit Finance Team.

The Circuit Leadership Team (CLT) and the Circuit Mission Vision Team (MVT), appointed by the Circuit Meeting, are responsible for acting on behalf of the Circuit Meeting at other times. The CLT meets monthly and the MVT meets at least 4 times a year to consider grant applications, including meeting with applicants, and considering whether the application fulfils the Circuit's Mission Criteria. The Circuit Finance and Grants Group (FGG) meets four times a year to plan the budget, keep up-to-date with the financial position, and consider the recommendations for grant funding from the MVT to be able to make recommendations to the Circuit Meeting about the amount of funding to be granted.

The Circuit's mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the churches in the Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the church family.

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus:  
"The calling of the Methodist Church is to respond to the Gospel of God's love in Christ and to live out its discipleship and

1. To increase awareness of God's presence and to celebrate God's love;
2. To help people to grow and learn as Christians through mutual support and care;
3. To be a good neighbour to people in need and to challenge injustice; and
4. To make more followers of Jesus Christ."

The Circuit encourages and supports the Churches within it in the provision of regular public acts of worship open to members of the Methodist Church and non-members alike; the provision of sacred space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work, including visiting the sick and bereaved; the promotion of Christianity through the staging of events and services; the provision of youth clubs, seniors clubs, various support groups with a Christian ethos; promoting the whole mission of the Church (and aiding social cohesion) through activities for all sectors in the community and other specific needs groups; and supporting other charities in the UK and overseas financially and with prayer.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **2.1 Public Benefit**

When reviewing the aims and objectives of the charity and in planning future activities, the Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and, in particular, the specific guidance on charities for the advancement of religion.

#### **3 Achievements and performance**

The principal purpose of the Circuit is to act as a supporting body between Churches and the District and Connexion. The Circuit does not seek and, in large measure, does not attain direct contact with the public. The direct contact is by Churches and it is these that the Circuit supports in their desire to provide benefit to the public.

The money collected, or available for dissipation, was used as grants to support individuals, Churches and Projects throughout the Circuit with their work in their local communities and to subsidise the administrative costs of the Circuit. During the year the Circuit approved new grants out of the General Fund and the MTF that totalled £80,224.

The policy of the trustees on grant making is to ensure that all applications can demonstrate public benefit, fit Circuit mission priorities, pass a test of sustainability, show that there is commitment from the applicant organisation, and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

The grants were of several kinds, including:

1. Grants for the adaptation of buildings so that they could more easily meet the modern needs of Churches and help Churches provide services to the community;
2. Grants which supported the salaries of lay workers attached to Churches;
3. Small grants for young people to attend conferences such as 3Generate National Methodist Conference for children and young people;
4. Small grants for learning and development of lay employees and volunteers; and
5. Grants to support churches to cope with the effects of the Covid-19 pandemic.

Churches that have received grants from the Circuit will show in their own Trustees' Annual Reports details of the outcome of the activities undertaken as a result of receiving the grant. In addition, the Circuit requires a grant evaluation form to be completed to demonstrate the impact of the grant on the Churches and their activities.

The delivery of Safeguarding Training courses, the Creating Safer Space Foundation and Refresher Modules paused due to the pandemic, but during 2021/22 training has recommenced and it is hoped by the end of 2022 there will no longer be a backlog of people to be trained. The updated Advanced Module has been delivered online on a District basis for those in leadership but not everyone has welcomed online training so there are still a number of people to be trained.

The Circuit Youth and Children's Project Co-ordinator (CYCPC) has continued to grow networks to support paid and voluntary youth and children's workers across the Circuit, organised Circuit camps and weekends away and involvement in local conferences, first aid and mental health training, encouraged working together and churches to form new groups, and has successfully applied for grants for youth activities. Because of the success of this role, it was decided to appoint a Children's Work Co-ordinator to carry out work with workers with younger children and families, and a person

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

was appointed in June 2021. The impact of this role is being seen across the Circuit, particularly encouraging activities to re-commence safely.

The challenges of the Covid-19 Pandemic have continued through most of the year, with churches forced to close their buildings, and workers furloughed or working from home. However, it has also been a time for church congregations to re-think what it means to be a church, and how services can be provided online as well as in buildings. As churches have started to meet again physically, many churches have looked at how they can maintain an online presence, either with streamed or zoomed services, or some other way of adapting services so those who are vulnerable are still catered for. Ministers have had more opportunities to use their skills and talents in providing worship opportunities to a wider audience, and grants of up to £500 have been made available to ministers to improve their IT equipment which may not have been suitable for online services.

The Circuit Admin Team have continued to work hard and successfully to support the work of the Circuit staff and churches, while working from home during the Pandemic, ensuring ministers and church officers are kept informed about the changes in the law, and guiding them through risk assessments and the Job Retention Scheme. The Trustees agreed to give grants to churches who use the Circuit Payroll to ensure lay employees were paid their full salaries.

The services of a mental health specialist to provide training to ministers and church leaders and other support has continued and been extended until the end of 2021. This has proved to be invaluable during the Pandemic as well as providing what has become necessary training as more people struggle with mental health issues.

In August 2021 four new ministers moved into the Circuit – one presbyter, one probationary presbyter and two deacons, who will be working in different parts of the Circuit.

#### **4 Financial review**

During the year the Circuit received total income of £1,017,063 (2020: £1,119,888) with expenditure of £1,514,159 (2020: £1,664,208). The resulting net expenditure for the year after gains on investment revaluation of £120,451 was £376,645.

The Circuit's main sources of funding were the assessments obtained from each Church within the Circuit based on the membership, attendance and giving levels of the Churches which totalled £861,620 (2020: £945,855). The Circuit also benefitted from the receipt of rental income, which included rent received from shorthold tenancies from 7 manses not occupied by ministers. Total rental income was £109,126 (2020: £105,115). Investment income for the year totalled £16,598 (2020: £25,881). The sale of 268 Granville Road was completed during the year and the Circuit's investment properties were revalued producing a gain of £433,000.

The Circuit continued to spend funds on upgrading the Circuit properties to a good and consistent standard. Stipends and employment costs were broadly similar to the previous year and in line with budget. The Circuit has also awarded additional grants during the year to churches struggling to survive the effects of the pandemic, along with the usual grants, which is consistent with the plan to reduce the level of its unrestricted reserves to be in line with the reserves policy.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because churches continue to contribute to their assessments and the Circuit has adequate reserves to cover any shortfall in anticipated income. Whether some churches survive the effects of the pandemic remains to be seen.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **4.1 Investment Policy and Performance**

The Circuit trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and the Trustees for Methodist Church Purposes (TMCP) because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church. TMCP act as custodian trustee for all real estate held by the Circuit, and monies for long term investment are lodged with them in various investments. Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

#### **4.2 Pension Schemes**

All the ministers are enrolled in the Methodist Ministers' Pension Scheme with employer contributions currently at 26.9%. Three lay workers are enrolled in pension schemes with the Pensions Trust and one lay worker with Co-operative Investments. All other eligible lay workers are auto-enrolled in the NEST pension scheme. The employer contribution for all lay employees in a pension scheme is 6%.

#### **5 Plans for future years**

The CLT have identified the following plans for future years.

1. Encourage initiatives for mission in Churches within the Circuit;
2. To apply for four presbyters to replace four who will be leaving in August 2022, but realising that realistically it might only be possible to have two ministers because of both a national shortage of ministers and financial constraints.
3. Ensure that all those within the Circuit who are required to attend the Creating Safer Space Foundation, Foundation Refresher and Advanced Modules are able to do so by organising and publicising training sessions;
4. Encourage work with children and young people throughout the Circuit;
5. There are some Churches that the Circuit anticipates closing in the next few years and this will affect the amount received in assessments, but this will be offset by the sale of the buildings which will increase the Circuit Model Trust Fund to support further projects; and
6. Develop a strategic plan to maximise the mission potential of the churches and encourage and enable churches and ministers to work together for the benefit of the churches and their communities. This strategy has been put on hold pending the outcome of the review of the Co-Superintendency.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 6 Structure, governance and management

##### 6.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the quarterly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference;
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District;
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation;
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters; and
5. The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

##### 6.2 Governance

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the Circuit.

The Mission Vision Team meet at least quarterly to discuss the mission of the Circuit and to evaluate and make recommendations to the Circuit Meeting about grant applications. The CLT, consisting of the Co-Superintendent Ministers, all the Circuit Stewards, three Ministers and a lay Pastor meet monthly to discuss the policy and administration of the Circuit and have delegated authority from the Trustees to act in between Circuit Meetings should the need arise.

##### 6.3 Responsibilities of the Circuit Meeting

The Circuit Trustees are members of the quarterly Circuit Meeting, and their responsibilities are:

1. To formulate and promote policies which will advance the mission of the Church in the Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches having exceptional problems;
2. To encourage inter-Church and ecumenical co-operation;
3. To keep within its scope all Circuit concerns not dealt with elsewhere;
4. To contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind;
5. To be aware that the stipends of the ministers in the Circuit is set – currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index – using a formula that was agreed by the Methodist Conference for all ministers within the Connexion; and
6. Constantly to be aware of the public benefit guidance issued by the Charity Commission.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **7 Risk Management**

The Circuit is largely risk averse but, especially in making grants to entities embarking on new and imaginative initiatives, the Circuit is prepared to underwrite considered risks.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

#### **8 Safeguarding**

The Circuit abides by the safeguarding principles, guidance, rules of the Methodist Conference and ensures they are implemented in the churches. This includes safe recruitment for both paid staff and volunteers, obtaining DBS disclosures for all workers working with children and vulnerable adults, providing safeguarding training for all workers and office holders, and keeping records of any safeguarding incidents.

#### **9 Reserves level and policy**

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from assessments from churches, income from lettings, investment income, and grants and donations.

The Circuit has a reserves policy covering all its unrestricted funds which is reviewed annually. In order to meet its ongoing financial obligations - including the monthly payment of stipends and salaries, District and Connexional assessments quarterly in advance, and to meet unforeseen circumstances, the Circuit needs to maintain sufficient unrestricted reserves.

The Circuit Meeting has determined that unrestricted reserves should be equivalent to 6 months of normal revenue operating costs, which include the Circuit Model Trust Fund balances.

The level of readily available unrestricted reserves, which is considered to be total unrestricted reserves after the deduction of the value of tangible fixed assets and investment properties, total £1,656,835 of which £1,097,789 is held in the Circuit Model Trust Fund.

These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, or individual churches encounter difficulties in paying their assessments. Unrestricted reserves are defined as unrestricted funds less the investment in tangible fixed assets, loans to local churches, designated funds, and grant commitments.

Although grants are made annually out of the Circuit Model Trust Fund, it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. Provision is made for grants committed but not paid during the year. The trustees seek to ensure that there is sufficient in the Circuit Model Trust Fund to meet these anticipated requests and the trustees recognise future grants as liabilities on the Balance Sheet.

It is expected that the total in the Circuit Model Trust Fund will have varied amounts, year on year, as some churches are closed and sold with the proceeds being paid into the Circuit Model Trust Fund. The trustees are aware of the level of unrestricted reserves and are actively seeking to utilise

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

surplus funds to bring reserves in line with the reserves policy. The surplus funds will be used for mission projects by the Circuit and grants to churches to enable them to fulfil their mission and the aims and objectives of the Circuit.

The net proceeds of sale of any Circuit property are required to be credited to the Circuit Model Trust Fund which are unrestricted in their nature, being available for all Methodist purposes. The net proceeds of sale are subject to a Connexional Levy and there is an annual levy by the District on the total value of the Circuit Model Trust Fund at the beginning of the year. Both levies are made available by way of grants in respect of new initiatives in mission and ministry throughout the Connexion and District. The Circuit Model Trust Fund is used by the Circuit for a variety of mission, ministry and property projects both for the Circuit and churches.

### 10 Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Report and Financial Statements were approved by the Circuit Meeting on 22 March 2022.

Signed on behalf of the Circuit Meeting, as authorised:



Revd Gill Newton - Superintendent Minister

## **Sheffield Methodist Circuit**

### **Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit**

#### **Opinion**

We have audited the financial statements of Sheffield Methodist Circuit (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021, and of the charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Sheffield Methodist Circuit**

### **Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charity is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charity and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the charity's result for the period, and management bias in key accounting estimates.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charity to obtain an understanding of the legal and regulatory framework applicable to the charity and how the charity complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for](http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hawsons Chartered Accountants, Statutory Auditor  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

30 March 2022

*Hawsons Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

Sheffield Methodist Circuit

Statement of Financial Activities

For the Year ended 31 August 2021

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2021 £	(As restated) Total 2020 £
<b>Income</b>						
Charitable activities						
Assessment or share		861,620	-	-	861,620	945,855
Other trading activities						
Lettings		109,126	-	-	109,126	105,115
Investment income	2	1,111	15,487	-	16,598	25,881
Other income	3	22,140	-	7,579	29,719	43,037
<b>Total</b>		<b>993,997</b>	<b>15,487</b>	<b>7,579</b>	<b>1,017,063</b>	<b>1,119,888</b>
<b>Expenditure</b>						
Stipends, salaries, NIC and pension	6	721,479	-	-	721,479	687,887
District assessment		244,076	-	-	244,076	244,076
Motor and travel		13,684	-	-	13,684	24,448
Insurance, telephone and utilities		70,703	-	-	70,703	72,449
Maintenance on manses		102,220	-	-	102,220	113,510
Administration	7	73,134	2,966	-	76,100	45,454
Expenditure on other Circuit property		24,617	-	-	24,617	24,723
Other expenditure	7	13,032	-	15,886	28,918	31,241
Grants and donations		49,654	80,224	-	129,878	294,304
Contributions to District Advance Fund		-	102,484	-	102,484	126,116
<b>Total</b>		<b>1,312,599</b>	<b>185,674</b>	<b>15,886</b>	<b>1,514,159</b>	<b>1,664,208</b>
Net Gains on investments		4,063	116,388	-	120,451	203,747
<b>Net income / (expenditure)</b>		<b>(314,539)</b>	<b>(53,799)</b>	<b>(8,307)</b>	<b>(376,645)</b>	<b>(340,573)</b>
Transfers between funds		329,920	(329,920)	-	-	-
<b>Other recognised gains / (losses)</b>						
(Losses) on property disposal		(90,922)	-	-	(90,922)	(12,089)
Gains on revaluation of fixed assets		383,000	-	-	383,000	250,000
<b>Net movement in funds</b>		<b>307,459</b>	<b>(383,719)</b>	<b>(8,307)</b>	<b>(84,567)</b>	<b>(102,662)</b>
Total funds brought forward		9,034,825	1,481,508	8,571	10,524,904	10,627,566
<b>Total funds carried forward</b>		<b>9,342,284</b>	<b>1,097,789</b>	<b>264</b>	<b>10,440,337</b>	<b>10,524,904</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

Sheffield Methodist Circuit

Balance Sheet

As at 31 August 2021

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2021 £	(As restated) Total 2020 £
<b>Fixed assets</b>						
Tangible fixed assets	8	5,325,238	-	-	5,325,238	5,543,833
Investment properties	9	3,458,000	-	-	3,458,000	3,075,000
Investments	10	45,497	750,426	-	795,923	675,472
<b>Total fixed assets</b>		<u>8,828,735</u>	<u>750,426</u>	<u>-</u>	<u>9,579,161</u>	<u>9,294,305</u>
<b>Current assets</b>						
Debtors and prepayments	11	69,656	106,709	-	176,365	142,115
Central Finance Board and Trustees for Methodist Church Purposes deposits		455,508	282,034	-	737,542	1,243,217
Cash at bank and in hand		143,591	-	264	143,855	92,520
<b>Total current assets</b>		<u>668,755</u>	<u>388,743</u>	<u>264</u>	<u>1,057,762</u>	<u>1,477,852</u>
<b>Creditors: amounts falling due in less than one year</b>	12	155,206	41,380	-	196,586	247,253
<b>Net current assets</b>		<u>513,549</u>	<u>347,363</u>	<u>264</u>	<u>861,176</u>	<u>1,230,599</u>
<b>Net assets</b>		<u>9,342,284</u>	<u>1,097,789</u>	<u>264</u>	<u>10,440,337</u>	<u>10,524,904</u>

Funds of the Circuit

General Fund		9,342,284	-	-	9,342,284	9,034,825
Circuit Model Trust Fund		-	1,097,789	-	1,097,789	1,481,508
Other Funds		-	-	264	264	8,571
<b>Total funds</b>	13	<u>9,342,284</u>	<u>1,097,789</u>	<u>264</u>	<u>10,440,337</u>	<u>10,524,904</u>

The financial statements were approved and authorised for issue by the Trustees on 22/03/2022 and are signed on their behalf by:

.....  
Mr A Lyon - Treasurer

.....  
Revd G Newton - Superintendent Minister

**Sheffield Methodist Circuit**

**Statement of Cash Flows**

**For the Year ended 31 August 2021**

	Note	2021	2020
		£	£
<b>Net Cash flow from operating activities</b>	15	<u>(597,594)</u>	<u>(673,251)</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(6,422)	-
Receipts from sale of tangible fixed assets		133,078	311,212
Interest received		16,598	25,881
<b>Net cash flow from investing activities</b>		<u>143,254</u>	<u>337,093</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		(454,340)	(336,158)
<b>Cash and cash equivalents brought forward</b>		1,335,737	1,671,895
<b>Cash and cash equivalents carried forward</b>		<u>881,397</u>	<u>1,335,737</u>

# Sheffield Methodist Circuit

## Notes to the financial statements

Year ended 31 August 2021

### 1. Accounting Policies

#### 1.1 General information and basis of preparation

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees report. The charity constitutes a public entity as defined by FRS 102. The financial statements 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 (FRS 102), the Charities Act 2011 and United Kingdom Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

#### 1.2 Funds

The funds held constitute:

- General Funds held for any purpose of the Circuit which are unrestricted.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted.
- Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised for specific purposes.

#### 1.3 Income

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, it becomes probable they will receive the resources and the monetary value can be measured with sufficient reliability.

#### 1.4 Expenditure

Expenditure 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.

#### 1.5 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 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.

## Sheffield Methodist Circuit

### Notes to the financial statements

#### Year ended 31 August 2021

#### 1. Accounting Policies

##### 1.6 Tangible fixed assets for use by the Circuit.

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

Following the merger of the Sheffield Methodist Circuits, in the absence of records with regard to historical costs, Manses and other circuit property have been included at valuations provided by the Trustees based on their assessment of market values at 31 August 2016. The carrying values of tangible fixed assets have been retained at their book amount as a deemed cost on transition to SORP FRS102.

It is the Circuit's policy to maintain the freehold and long leasehold residential properties in good repair ensuring high residual values. The Trustees consider the life of the properties to be so long that consequently there is no significant annual depreciation.

##### 1.7 Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

##### 1.8 Investments

Investments are valued in the balance sheet at market value at the year end.

Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

##### 1.9 Taxation

The Circuit's activities are not subject to taxation.

##### 1.10 Pension

The Circuit contributes to the Methodist Ministers Pension Scheme which is a defined benefit scheme. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Circuit. The scheme is accounted for as a defined contribution scheme. The Circuit also operates a defined contribution pension scheme for administrative staff and lay workers. Contributions are recognised in the SOFA in the period in which they become payable in accordance with the rules of the scheme.

##### 1.11 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. Despite the current global impact of COVID-19 the trustees believe that the expected level of income is sufficient especially considering the level of reserves held by the charity to enable it to continue as a going concern.

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>2. Interest and investment income</b>				
Interest and dividends on CFB investments - General	16,598	-	16,598	25,881
<b>3. Other income</b>				
Grants and donations	6,904	-	6,904	15,350
Project Income	-	7,579	7,579	5,362
Other	15,236	-	15,236	22,325
	<u>22,140</u>	<u>7,579</u>	<u>29,719</u>	<u>43,037</u>

#### 4. Collections for and payments to external organisations

There were no collections for or payments to External Organisations in the year (2020: Nil).

#### 5. Fees for audit of the accounts

	2021 £	2020 £
Audit	9,500	9,500

#### 6. Stipends and salaries

Stipends and salaries	571,079	542,334
National Insurance contributions	47,608	44,456
Pension costs	102,792	101,097
	<u>721,479</u>	<u>687,887</u>

The average number of Ministers in receipt of stipends was 15. The average monthly number of employees during the year was 13 (2020: 13) including 9 lay workers. No employee earned over £60,000 during the year (2020: None).

The members of the Circuit Meeting are the trustees of the Circuit. The three Co- Superintendent Ministers, five Circuit Stewards and the two other ministers who are members of the Circuit Leadership Team together with the remaining Circuit Stewards have additional management responsibilities and are considered as key management personnel. None of the Circuit Stewards receive any remuneration or expenses. The total of stipends paid to the Co-Superintendent Ministers and other presbyters was £375,806 (2020: £370,402).

13 ministers who are also Trustees live in properties owned by the Circuit.

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2021**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>7. Administration</b>				
Legal and professional	48,675	-	48,675	23,586
Printing and stationery	5,378	-	5,378	7,005
Other office costs	18,822	-	18,822	10,956
TMCP Administration charge	3,225	-	3,225	3,907
	<u>76,100</u>	<u>-</u>	<u>76,100</u>	<u>45,454</u>
<b>Other Expenditure</b>				
Ministry resources	6,795	-	6,795	4,414
Project expenditure	-	15,886	15,886	22,110
Training	14	-	14	1,436
Other	6,222	-	6,222	3,281
	<u>13,031</u>	<u>15,886</u>	<u>28,917</u>	<u>31,241</u>
<b>8. Tangible fixed assets</b>				
	Manse and other property £	Office Equipment £	Total £	
Cost / Valuation				
1 September 2020	5,543,833	-	5,543,833	
Additions	-	6,422	6,422	
Disposals	(224,000)	-	(224,000)	
31 August 2021	<u>5,319,833</u>	<u>6,422</u>	<u>5,326,255</u>	
<b>Depreciation</b>				
1 September 2020	-	-	-	
Depreciation charge for year	-	1,017	1,017	
31 August 2021	<u>-</u>	<u>1,017</u>	<u>1,017</u>	
<b>Net Book Value</b>				
31 August 2021	<u>5,319,833</u>	<u>5,405</u>	<u>5,325,238</u>	
31 August 2020	<u>5,543,833</u>	<u>-</u>	<u>5,543,833</u>	

Sheffield Methodist Circuit

Notes to the financial statements

Year ended 31 August 2021

9. Investment properties

Fair Value

	£
1 September 2020 (As restated)	3,075,000
Revaluation	383,000
31 August 2021	<u>3,458,000</u>

The revaluation of investment properties is based on professional valuations undertaken during the year.

10. Fixed asset investments

Valuation

	Listed investments /managed funds £
1 September 2020	675,472
Gains on revaluation	120,451
31 August 2021	<u>795,923</u>

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
11. Debtors				
Stipends paid in advance	33,786	-	33,786	29,246
Prepayments and sundry debtors	142,579	-	142,579	112,869
	<u>176,365</u>	<u>-</u>	<u>176,365</u>	<u>142,115</u>

Debtors includes £48,000 (2020: £48,000) recoverable after more than one year.

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
12. Creditors: amounts falling due within one year				
<b>General Fund (unrestricted)</b>				
Deferred income - assessments	139,833	-	139,833	138,341
Accruals and Sundry creditors	15,372	-	15,372	10,592
	<u>155,205</u>	<u>-</u>	<u>155,205</u>	<u>148,933</u>
<b>Circuit Model Trust Fund (unrestricted)</b>				
Provisions re Grant Commitments	41,380	-	41,380	98,320
	<u>41,380</u>	<u>-</u>	<u>41,380</u>	<u>98,320</u>
Total	<u>196,585</u>	<u>-</u>	<u>196,585</u>	<u>247,253</u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2021

#### 13. Funds

2021	Brought Forward £	Income £	Expenditure £	Transfer £	Gains/ (losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	9,034,825	993,997	(1,312,599)	329,920	346,141	9,392,284
Circuit Model Trust Fund	1,481,508	15,487	(185,674)	(329,920)	116,388	1,097,789
	<u>10,516,333</u>	<u>1,009,484</u>	<u>(1,498,273)</u>	<u>-</u>	<u>462,529</u>	<u>10,490,073</u>
<b>Restricted</b>						
Other	8,571	7,579	(15,886)	-	-	264
<b>Total</b>	<u><u>10,524,904</u></u>	<u><u>1,017,063</u></u>	<u><u>(1,514,159)</u></u>	<u><u>-</u></u>	<u><u>462,529</u></u>	<u><u>10,490,337</u></u>

(As restated) 2020	Brought Forward £	Income £	Expenditure £	Transfer £	Gains/ (losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	8,954,173	1,089,054	(1,243,788)	(218,086)	453,472	9,034,825
Circuit Model Trust Fund	1,673,393	20,852	(419,009)	218,086	(11,814)	1,481,508
	<u>10,627,566</u>	<u>1,109,906</u>	<u>(1,662,797)</u>	<u>-</u>	<u>441,658</u>	<u>10,516,333</u>
<b>Restricted</b>						
Other	-	9,982	(1,411)	-	-	8,571
<b>Total</b>	<u><u>10,627,566</u></u>	<u><u>1,119,888</u></u>	<u><u>(1,664,208)</u></u>	<u><u>-</u></u>	<u><u>441,658</u></u>	<u><u>10,524,904</u></u>

The transfers between unrestricted funds relate to the movement of funds arising from the sale of properties, the funds required to purchase properties, and the release of grant income to further the charitable activities of the Circuit.

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2021**

**14. Analysis of net assets between funds**

2021	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
Fixed assets	8,828,735	750,426	-	9,579,161
Cash and current investments	599,099	282,034	264	881,397
Other current assets/(liabilities)	(85,550)	65,329	-	(20,221)
<b>Total</b>	<b><u>9,342,284</u></b>	<b><u>1,097,789</u></b>	<b><u>264</u></b>	<b><u>10,440,337</u></b>
(As restated) 2020	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
Fixed assets	8,660,266	634,039	-	9,294,305
Cash and current investments	478,090	849,076	8,571	1,335,737
Other current assets/(liabilities)	(103,531)	(1,607)	-	(105,138)
<b>Total</b>	<b><u>9,034,825</u></b>	<b><u>1,481,508</u></b>	<b><u>8,571</u></b>	<b><u>10,524,904</u></b>

**15. Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2021 £	2020 £
Net expenditure	(376,645)	(340,573)
Interest received	(16,598)	(25,881)
Depreciation of tangible fixed assets	1,017	-
Gains on investment revaluation	(120,451)	(203,747)
(Increase) in debtors	(34,250)	(46,739)
(Decrease) in creditors	(50,667)	(56,311)
<b>Net cash flow from operating activities</b>	<b><u>(597,594)</u></b>	<b><u>(673,251)</u></b>

## Sheffield Methodist Circuit

### Notes to the financial statements

#### Year ended 31 August 2021

#### 16. Pension costs

##### Defined benefit pension scheme

The Circuit contributes to the Methodist Ministers Pension Scheme, a group pension scheme, for each minister receiving a stipend who is in an appointment under the control of Conference.

The pension charge for the year represents contributions payable to the Scheme of £92,347 (2020: £90,495). No contributions were outstanding at the year end.

##### Defined contribution scheme

The pension charge for the year represents contributions payable to the Scheme of £10,445 (2020: £10,602). No contributions were outstanding at the year end.

#### 17. Related party transactions

There were no related party transactions during the year (2020: £nil).

#### 18. Prior year restatement

The prior year comparative figures have been restated to correct the presentation of investment properties at fair value. The balance sheet value of investment properties at 31 August 2020 has been increased by £250,000 which is shown as gains on revaluation of fixed assets in the statement of financial activities.

The restatement has increased the balance of general unrestricted funds carried forward at 31 August 2020 by £250,000

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### Appendix 1

#### Trustees of Sheffield Methodist Circuit as at 31 August 2021

Mrs	Gill	Adams
Mr	John	Almond
Mr	Sean	Ashton
Mrs	Wendy	Atkinson
Ms	Sue	Bagshaw
Mrs	Jackie	Bailey
Mrs	Carole	Baker
Ms	Bridget	Ball
Mr	Alan	Bettison
Revd	Inderjit	Bhogal
Mr	David	Bingham
Mr	David	Blackburn
Mrs	Rita	Blackwell
Mrs	Pat	Bolland
Mr	John	Booler
Ms	Liz	Brook
Mr	Jonathan	Buckley
Mr	Harry	Burroughes
Mr	David	Burton
Dr	Jenny	Bywaters
Mr	Alec	Cartwright
Mr	Brian	Chapman
Miss	Anne	Clark
Mr	Iain	Cloke
Revd	Sally	Coleman
Mrs	Jean	Cookson
Mr	Stephen	Cowley
Revd	Tim	Crome
Mrs	Elsie	Cundy
Mrs	Bev	Dale
Mr	Jon	Dilks
Mrs	Susan	Dilks
Mr	Nigel	Disbury
Mr	Steve	Dixon
Dr	Tony	Drury-Smith
Ms	Erica	Dunmow
Mr	John	Eaton
Mrs	Pam	Eaton
Mrs	Helen	Elliott
Miss	Louise	Etherington
Mr	Simon	Etty
Mrs	Christine	Freeman
Mrs	Pat	Garmory
Mrs	Kay	Gilbert
Revd	Drummond	Gillespie
Revd	Mark	Goodhand
Mrs	Val	Gordon
Revd Prof	James	Grayson
Mrs	Kath	Grierson

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Mrs	Mary	Grimes
Mrs	Katrin	Hackett
Revd	Jonathan	Haigh
Mrs	Brenda	Harrison
Mrs	Judith	Hartley
Mrs	Barbara	Harvey
Revd	Michael	Healey
Dr	Anne	Hollows
Mr	Jeff	Hough
Mrs	Anne	Humphreys
Revd	Gail	Hunt
Mr	David	Hurrell
Mr	Matt	Irons
Mrs	Christine	Jackson
Revd	Judith	Jessop
Mr	Chris	Jones
Revd	Gareth	Jones
Mr	Glyn	Jones
Ms	Paula	Jones
Mrs	Bridget	Kellett
Mr	Donald	King
Mr	Paul	Krzok
Mrs	Janet	Lawless
Revd	Katie	Leonowicz
Revd	Ian	Lucraft
Mrs	Ann	Lyons
Mr	Arthur	Lyons
Mr	Jack	Magowan
Ms	Janet	Malbon
Mrs	Audrey	Mann
Mrs	Sheila	Mappin
Revd	Debora	Marschner
Mrs	Stella	Mate
Mr	Andrew	Maxfield
Mrs	Pam	Meek
Revd	Paul	Mellars
Revd	James	Morley
Ms	Heather	Morris
Mrs	Jane	Offord
Revd	Henry C	Ohakah
Miss	Josephine	Pain
Mrs	Mary	Parker
Revd	Jill	Pullan
Revd	Lisa	Quarmby
Revd	Carla	Quenet
Mrs	Melissa	Quinn
Dr	John	Revill
Mrs	Heather	Rotherham
Mr	Philip	Rowland
Ms	Joan	Sharp
Mr	Mark	Sharples
Mrs	Kathy	Smith
Mr	Matt	Smith

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Mrs	Val	Smith
Revd	Maurice	Stafford
Mrs	Sue	Stanworth
Mrs	Julie	Talbot
Ms	Ann	Taylor
Mr	Mick	Thoday
Mr	Nigel	Thomas
Mr	Brian	Totty
Miss	Aileen	Treloar
Ms	Maryke	Turvey
Revd	Gill	Tutt
Ms	Joanne	Ulyatt
Mr	Greg	Unwin
Mr	Nick	Waterfield
Mr	Ted	Watterson
Ms	Jo	Webster
Mrs	Rachael	White
Mr	Nick	Whitworth
Mrs	Carol	Wignell
Mrs	Joyce	Wiles
Mr	Nigel	Wiles
Mr	John	Wilkins
Mr	Graham	Wilkinson
Mrs	Janet	Williamson
Mr	Trevor	Williamson
Mr	Richard	Wilshaw
Mrs	Eileen	Woodthorpe
Mr	Ian	Wright

**SHEFFIELD METHODIST CIRCUIT**

England & Wales - Charity number 1134151

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# Accounts

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# The Methodist Church in Sheffield

... growing followers of Jesus

**SHEFFIELD METHODIST CIRCUIT  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**Sheffield Methodist Circuit**  
**Trustees' Report and Financial Statements**

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Notes on Accounts	15 to 24
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## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **Reference and Administrative Details**

##### **Name of the charity**

Sheffield Methodist Circuit – also known as The Methodist Church in Sheffield

##### **Charity registration number**

1134151, registered in England and Wales

##### **Principal Office**

The Furnival  
199 Verdon Street  
Sheffield  
S3 9QQ

##### **Co-Superintendent Ministers of the Circuit**

Revd Sally Coleman  
Revd Timothy Crome (resigned 1 September 2020)  
Revd James Morley  
Revd Lisa Quarmby (appointed 1 September 2020)

##### **Circuit Treasurer**

Mr Arthur Lyons

##### **Names of Trustees**

The Trustees are the members of the Circuit Meeting.  
At 31 August 2020 there were 133 Trustees (see Appendix 1)  
No trustee claims exemption from disclosure of his or her name on Appendix 1.

##### **Bankers**

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling, Kent  
ME19 4JQ

Central Finance Board of the Methodist Church  
9 Bonhill Street  
London  
EC2A 4PE

##### **Investment managers and custodian trustees**

Trustees for Methodist Church Purposes  
Central Buildings  
Oldham Street  
Manchester  
M1 1JQ

##### **Auditors**

Hawsons Chartered Accountants  
Statutory Auditor  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

# **Sheffield Methodist Circuit**

## **Trustees' Report and Financial Statements**

### **1 Introduction**

The Trustees of the Charity present their Annual Report and the audited financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the standing orders of the Methodist Church.

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 5 February 2010.

The Circuit appoints ministers to be Co-Superintendent Ministers of the Circuit, whose duties are set out in the Standing Orders of the Methodist Church. The Circuit has established a Co-Superintendency Team to provide leadership and cohesion within the Circuit. On 1 September 2019 Mark Goodhand resigned as a Co-Superintendent Minister. On 1 September 2020 Tim Crome resigned as a Co-Superintendent Minister and Lisa Quarmby was appointed as a Co-Superintendent Minister.

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements.

#### **1.1 Purpose of the Circuit**

The Circuit is an expression, over a wider geographical area than any Church, of the Connexional character of the 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 the discipline of the Methodist Church;
- b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

The primary purpose of this Circuit is to advance the mission of the Methodist Church in Sheffield, the south of Barnsley and North East Derbyshire

1. By providing opportunities for Churches to work together and support each other; and
2. By offering to Churches resources of finance, personnel and expertise.

The Circuit serves the Local Churches and the District and Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 2 Objectives and activities

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit Meeting retains responsibility for setting the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the oversight of the Circuit's finances, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry. The Circuit Meeting is assisted in the task of financial oversight by the Circuit Finance Team.

The Circuit Leadership Team (CLT) and the Circuit Mission Vision Team (MVT), appointed by the Circuit Meeting, are responsible for acting on behalf of the Circuit Meeting at other times. The CLT and the MVT each meet at least 6 times a year. The MVT meeting considers grants four times a year, including meeting with applicants, and considering whether the application fulfils the Circuit's Mission Criteria. The Circuit Finance and Grants Group (FGG) meets four times a year to plan the budget, keep up-to-date with the financial position, and consider the recommendations for grant funding from the MVT to be able to make recommendations to the Circuit Meeting about the amount of funding to be granted.

The Circuit's mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the churches in the Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the church family.

The charitable objectives are the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus:  
"The calling of the Methodist Church is to respond to the Gospel of God's love in Christ and to live out its discipleship and

1. To increase awareness of God's presence and to celebrate God's love;
2. To help people to grow and learn as Christians through mutual support and care;
3. To be a good neighbour to people in need and to challenge injustice; and
4. To make more followers of Jesus Christ."

The Circuit encourages and supports the Churches within it in the provision of regular public acts of worship open to members of the Methodist Church and non-members alike; the provision of sacred space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work, including visiting the sick and bereaved; the promotion of Christianity through the staging of events and services; the provision of youth clubs, seniors clubs, various support groups with a Christian ethos; promoting the whole mission of the Church (and aiding social cohesion) through activities for all sectors in the community and other specific needs groups; and supporting other charities in the UK and overseas financially and with prayer.

#### 2.1 Public Benefit

When reviewing the aims and objectives of the charity and in planning future activities, the Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and, in particular, the specific guidance on charities for the advancement of religion.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 3 Achievements and performance

The principal purpose of the Circuit is to act as a supporting body between Churches and the District and Connexion. The Circuit does not seek and, in large measure, does not attain direct contact with the public. The direct contact is by Churches and it is these that the Circuit supports in their desire to provide benefit to the public.

The money collected, or available for dissipation, was used as grants to support Individuals, Churches and Projects throughout the Circuit with their work in their local communities and to subsidise the administrative costs of the Circuit. During the year the Circuit approved new grants out of the General Fund and the MTF that totalled £292,893.

The policy of the trustees on grant making is to ensure that all applications can demonstrate public benefit, fit Circuit mission priorities, pass a test of sustainability, show that there is commitment from the applicant organisation, and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

The grants were of several kinds, including:

1. Grants for the adaptation of buildings so that they could more easily meet the modern needs of Churches and help Churches provide services to the community;
2. Grants which supported the salaries of lay workers attached to Churches;
3. Small grants for young people to attend conferences such as 3Generate National Methodist Conference for children and young people; and
4. Small grants for learning and development of lay employees and volunteers.

Churches that have received grants from the Circuit will show in their own Trustees' Annual Reports details of the outcome of the activities undertaken as a result of receiving the grant. In addition, the Circuit requires a grant evaluation form to be completed to demonstrate the impact of the grant on the Churches and their activities.

Safeguarding Training courses, the Creating Safer Space Foundation and Refresher Modules continued to be delivered across the Circuit to office holders and volunteers. The updated Advanced Module has been delivered on a District basis for those in leadership but it will take some time before everyone is trained as the roles considered to be leadership has increased.

The Circuit Youth and Children's Project Co-ordinator (CYCPC) has continued to grow networks to support paid and voluntary youth and children's workers across the Circuit, organised Circuit camps and weekends away and involvement in local conferences, first aid and mental health training, encouraged working together and churches to form new groups, and has successfully applied for grants for youth activities.

It has been a challenging year because of the Covid-19 Pandemic, with churches forced to close their buildings, and workers furloughed or working from home. However, this time has also been a time to explore and embrace "hybrid church" where services are provided in various formats including written, phone, and online using various platforms. This has meant that people who have been unable to attend services previously due to work or family commitments or infirmity have been included because of the range of options available. People from around the country and world have engaged with church more than ever through Facebook live daily prayer slots and regular services. Ministers have had more opportunities to use their skills and talents in providing worship opportunities to a wider audience, for example a minister providing a service using heavy metal music.

Other initiatives have started including walking youth activities and meetings, and holding meetings and services on Zoom which may be continued in the future because of how well they have worked, and saved time in people travelling to and from church buildings.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

The Circuit Admin Team have continued to work hard and successfully to support the work of the Circuit staff and churches, while working from home during the Pandemic, ensuring ministers and church officers are kept informed about the changes in the law, and guiding them through risk assessments and the Coronavirus Job Retention Scheme. The Trustees agreed to give grants to churches who use the Circuit Payroll to ensure lay employees were paid their full salaries and one of the Admin Team administered the government grant for the Job Retention Scheme.

Before lockdown began the Trustees had agreed to engage the services of a mental health specialist to provide training to ministers and church leaders. This has proved to be invaluable during the Pandemic and they are working an average of 20 hours a week having their own caseload as well as providing training sessions and other support as required.

#### 4 Financial review

During the year the Circuit received total income of £1,119,888 (2019: £1,860,026) with expenditure of £1,664,208 (2019: £1,405,673). The resulting net expenditure for the year after losses on investment revaluation of £11,653 was £555,973.

The Circuit's main sources of funding were the assessments obtained from each Church within the Circuit based on the membership, attendance and giving levels of the Churches which totalled £945,855 (2019: £1,004,436). The Circuit also benefitted from the receipt of rental income, which included rent received from shorthold tenancies from 10 manses not occupied by ministers. Total rental income was £105,115 (2019: £68,832). Investment income for the year totalled £25,881 (2019: £29,912). The sales of redundant churches at Grenoside, Intake and Ridgeway were completed during the year.

More funds have been spent on upgrading the Circuit properties to a good and consistent standard. Additional expenditure has been incurred in ministry resources, youth project and legal costs relating to property transactions. Stipends and employment costs were lower than the previous year but in line with budget. The Circuit has also awarded additional grants during the year, and plans to give grants to churches struggling to survive the effects of the pandemic, which is consistent with the plan to reduce the level of its unrestricted reserves to be in line with the reserves policy. Some funds have been made available to give grants to ministers during 2020/2021 of up to £500 to upgrade their IT equipment as deemed necessary for streaming and online services, which have become a necessity.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because churches continue to meet their assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. Whether some churches survive the effects of the pandemic remains to be seen.

#### 4.1 Investment Policy and Performance

The Circuit trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and the Trustees for Methodist Church Purposes (TMCP) because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church. TMCP act as custodian trustee for all real estate held by the Circuit, and monies for long term investment are lodged with them in various investments. Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **4.2 Pension Schemes**

All the ministers are enrolled in the Methodist Ministers' Pension Scheme with employer contributions currently at 26.9%. Three lay workers are enrolled in pension schemes with the Pensions Trust and one lay worker with Co-operative Investments. All other eligible lay employees are auto-enrolled in the NEST pension scheme. The employer contribution for all lay employees in a pension scheme is 6%.

#### **5 Plans for future years**

The CLT have identified the following plans for future years.

1. Encourage initiatives for mission in Churches within the Circuit;
2. Recognising there is a national shortage of ministers to apply for one presbyter, one probationary presbyter and two deacons to start in September 2021 to replace ministers who have left previously who weren't able to be replaced at the time, and to better serve the mission and strategy of the Circuit;
3. Ensure that all those within the Circuit who are required to attend the Creating Safer Space Foundation, Foundation Refresher and Advanced Modules are able to do so by organising and publicising training sessions;
4. Encourage work with children and young people throughout the Circuit by appointing a Children's Work Co-ordinator to work alongside the existing Youth and Children's Work Co-ordinator; and
5. There are some Churches that the Circuit anticipates closing in the next few years and this will affect the amount received in assessments, but this will be offset by the sale of the buildings which will increase the Circuit Model Trust Fund to support further projects.
6. Develop a strategic plan to maximise the mission potential of the churches and encourage and enable churches and ministers to work together for the benefit of the churches and their communities.

#### **6 Structure, governance and management**

##### **6.1 Structure**

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the quarterly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference;
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District;
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation;
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters; and
5. The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

## **Sheffield Methodist Circuit**

### **Trustees' Report and Financial Statements**

#### **6.2 Governance**

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the Circuit.

The Mission Vision Team meet bi-monthly to discuss the mission of the Circuit and to evaluate and make recommendations to the Circuit Meeting about grant applications. The CLT, consisting of the Co-Superintendent Ministers, 3 Circuit Stewards (changed from 1 September 2019 to be all Circuit Stewards – currently 10) and two other Ministers meet monthly to discuss the policy and administration of the Circuit and have delegated authority from the Trustees to act in between Circuit Meetings should the need arise.

#### **6.3 Responsibilities of the Circuit Meeting**

The Circuit Trustees are members of the quarterly Circuit Meeting, and their responsibilities are:

1. To formulate and promote policies which will advance the mission of the Church in the Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches having exceptional problems;
2. To encourage inter-Church and ecumenical co-operation;
3. To keep within its scope all Circuit concerns not dealt with elsewhere;
4. To contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind;
5. To be aware that the stipends of the ministers in the Circuit is set – currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index – using a formula that was agreed by the Methodist Conference for all ministers within the Connexion; and
6. Constantly to be aware of the public benefit guidance issued by the Charity Commission.

#### **7 Risk Management**

The Circuit is largely risk averse but, especially in making grants to entities embarking on new and imaginative initiatives, the Circuit is prepared to underwrite considered risks.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

#### **8 Safeguarding**

The Circuit abides by the safeguarding principles, guidance, rules of the Methodist Conference and ensures they are implemented in the churches. This includes safe recruitment for both paid staff and volunteers, obtaining DBS disclosures for all workers working with children and vulnerable adults, providing safeguarding training for all workers and office holders, and keeping records of any safeguarding incidents.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 9 Reserves level and policy

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from assessments from churches, income from lettings, investment income, and grants and donations.

The Circuit has a reserves policy covering all its unrestricted funds which is reviewed annually. In order to meet its ongoing financial obligations - including the monthly payment of stipends and salaries, District and Connexional assessments quarterly in advance, and to meet unforeseen circumstances, the Circuit needs to maintain sufficient unrestricted reserves.

The Circuit Meeting has determined that unrestricted reserves should be equivalent to 6 months of normal revenue operating costs, which include the Circuit Model Trust Fund balances. The unrestricted reserves readily available total £1,897,500 of which £1,481,508 is held in the Circuit Model Trust Fund.

These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, third party grants were to be withdrawn or individual churches encounter difficulties in paying their assessments. Unrestricted reserves are defined as unrestricted funds less the investment in tangible fixed assets, loans to local churches, designated funds, and grant commitments.

Although grants are made annually out of the Circuit Model Trust Fund, it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. Provision is made for grants committed but not paid during the year. The trustees seek to ensure that there is sufficient in the Circuit Model Trust Fund to meet these anticipated requests and the trustees recognise future grants as liabilities on the Balance Sheet.

It is expected that the total in the Circuit Model Trust Fund will have varied amounts, year on year, as some churches are closed and sold with the proceeds being paid into the Circuit Model Trust Fund. The trustees are aware of the level of unrestricted reserves and are actively seeking to utilise surplus funds to bring reserves in line with the reserves policy. The surplus funds will be used for mission projects by the Circuit and grants to churches to enable them to fulfil their mission and the aims and objectives of the Circuit.

The net proceeds of sale of any Circuit property are required to be credited to the Circuit Model Trust Fund which are unrestricted in their nature, being available for all Methodist purposes. The net proceeds of sale are subject to a Connexional Levy and there is an annual levy by the District on the total value of the Circuit Model Trust Fund at the beginning of the year. Both levies are made available by way of grants in respect of new initiatives in mission and ministry throughout the Connexion and District. The Circuit Model Trust Fund is used by the Circuit for a variety of mission, ministry and property projects both for the Circuit and churches.

#### 10 Factors that are likely to affect future performance

It is too early to have an informed view of the long-term effect of the Covid-19 Pandemic on the churches in the Circuit. Some may decide not to return to their buildings, they may decide to hire space in community buildings and hold services and activities online, while others will return to how they were doing things before. If this results in any church buildings being sold this will result in an increase in the Circuit's reserves. All the churches will have had over a year without rental income and income from other activities, fundraising, etc. This may have an effect on the ability of churches to pay their assessment to the Circuit, although that has not been the case in the main up to February 2021. The Circuit has a good level of reserves which are reviewed by the Trustees on a regular basis.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### 11 Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

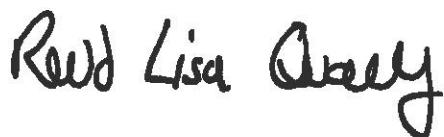
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP FRS 102;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Report and Financial Statements were approved by the Circuit Meeting on **23 March 2021**

Signed on behalf of the Circuit Meeting, as authorised:



Revd L Quarmby - Superintendent Minister

## **Sheffield Methodist Circuit**

### **Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit**

#### **Opinion**

We have audited the financial statements of Sheffield Methodist Circuit (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020, and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Sheffield Methodist Circuit**

### **Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Sheffield Methodist Circuit

### Independent Auditor's Report to the Trustees of Sheffield Methodist Circuit (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



HAWSONS  
Chartered Accountants, Statutory Auditor

Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

Date 18 May 2021

Hawsons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Sheffield Methodist Circuit**

**Statement of Financial Activities**

**For the Year ended 31 August 2020**

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2020 £	Total 2019 £
<b>Income</b>						
<b>Charitable activities</b>						
Assessment or share		945,855	-	-	945,855	1,004,436
<b>Other trading activities</b>						
Lettings		105,115	-	-	105,115	68,832
Investment income	2	5,029	20,852	-	25,881	29,912
Other income	3	33,055	-	9,982	43,037	14,732
Properties introduced	5	-	-	-	-	709,819
Funds introduced	6	-	-	-	-	32,175
Internal organisation		-	-	-	-	120
<b>Total</b>		<b>1,089,054</b>	<b>20,852</b>	<b>9,982</b>	<b>1,119,888</b>	<b>1,860,026</b>
<b>Expenditure</b>						
Stipends, salaries, NIC and pension	8	687,887	-	-	687,887	698,312
District assessment		244,076	-	-	244,076	244,076
Motor and travel		24,448	-	-	24,448	36,384
Insurance, telephone and utilities		72,449	-	-	72,449	61,554
Maintenance on manses		113,510	-	-	113,510	88,611
Administration	9	45,454	-	-	45,454	50,871
Expenditure on other Circuit property		24,723	-	-	24,723	17,119
Other expenditure	9	31,241	-	-	31,241	27,592
Grants and donations		-	292,893	1,411	294,304	98,000
Contributions to District Advance Fund		-	126,116	-	126,116	74,265
Internal organisation		-	-	-	-	8,889
<b>Total</b>		<b>1,243,788</b>	<b>419,009</b>	<b>1,411</b>	<b>1,664,208</b>	<b>1,405,673</b>
Gain/(loss) on investment revaluation		161	(11,814)	-	(11,653)	8,846
<b>Net Income / (expenditure)</b>		<b>(154,573)</b>	<b>(409,971)</b>	<b>8,571</b>	<b>(555,973)</b>	<b>463,199</b>
Transfers between funds		(218,086)	218,086	-	-	-
		(372,659)	(191,885)	8,571	(555,973)	463,199
<b>Other recognised gains</b>						
Gain/(loss) on property disposal		(12,089)	-	-	(12,089)	60,911
<b>Net movement in funds</b>		<b>(384,748)</b>	<b>(191,885)</b>	<b>8,571</b>	<b>(568,062)</b>	<b>524,110</b>
<b>Total funds brought forward</b>		<b>8,954,173</b>	<b>1,673,393</b>	<b>-</b>	<b>10,627,566</b>	<b>10,103,456</b>
<b>Total funds carried forward</b>		<b>8,569,425</b>	<b>1,481,508</b>	<b>8,571</b>	<b>10,059,504</b>	<b>10,627,566</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

**Sheffield Methodist Circuit**

**Balance Sheet**

**As at 31 August 2020**

	Note	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total 2020 £	(As Restated) Total 2019 £
<b>Fixed assets</b>						
Tangible fixed assets	10	5,543,833	-	-	5,543,833	8,461,734
Investment properties	11	2,825,000	-	-	2,825,000	15,000
Investments	12	41,433	634,039	-	675,472	687,126
<b>Total fixed assets</b>		<b>8,410,266</b>	<b>634,039</b>	<b>-</b>	<b>9,044,305</b>	<b>9,163,859</b>
<b>Current assets</b>						
Debtors and prepayments	13	45,402	96,713	-	142,115	95,376
Central Finance Board and Trustees for Methodist Church Purposes deposits		385,570	849,076	8,571	1,243,217	1,493,626
Cash at bank and in hand		92,520	-	-	92,520	178,269
<b>Total current assets</b>		<b>523,492</b>	<b>945,789</b>	<b>8,571</b>	<b>1,477,852</b>	<b>1,767,271</b>
<b>Creditors: amounts falling due in less than one year</b>	14	<b>148,933</b>	<b>98,320</b>	<b>-</b>	<b>247,253</b>	<b>303,564</b>
<b>Net current assets</b>		<b>374,559</b>	<b>847,469</b>	<b>8,571</b>	<b>1,230,599</b>	<b>1,463,707</b>
<b>Net assets</b>		<b>8,784,825</b>	<b>1,481,508</b>	<b>8,571</b>	<b>10,274,904</b>	<b>10,627,566</b>
<b>Funds of the Circuit</b>						
General Fund		8,784,825	-	-	8,784,825	8,954,173
Circuit Model Trust Fund		-	1,481,508	-	1,481,508	1,673,393
Other Funds		-	-	8,571	8,571	-
<b>Total funds</b>	15	<b>8,784,825</b>	<b>1,481,508</b>	<b>8,571</b>	<b>10,274,904</b>	<b>10,627,566</b>

The financial statements were approved and authorised for issue by the Trustees on *23 March 2021* and are signed on their behalf by:

  
M A Lyons - Treasurer

  
Revd L Quarmby - Superintendent Minister

**Sheffield Methodist Circuit**

**Statement of Cash Flows**

**For the Year ended 31 August 2020**

	Note	2020 £	(As Restated) 2019 £
<b>Net Cash flow from operating activities</b>	17	<u>(673,251)</u>	<u>(294,111)</u>
<b>Cash flow from investing activities</b>			
Receipts from sale of tangible fixed assets		311,212	891,061
Receipts from sale of investment land		-	4,868
Payments to acquire fixed asset investments		-	(24,370)
Interest received		25,881	29,912
<b>Net cash flow from investing activities</b>		<u>337,093</u>	<u>901,471</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<u>(336,158)</u>	<u>607,360</u>
<b>Cash and cash equivalents brought forward</b>		<u>1,671,895</u>	<u>1,064,535</u>
<b>Cash and cash equivalents carried forward</b>		<u><u>1,335,737</u></u>	<u><u>1,671,895</u></u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2020

#### 1. Accounting Policies

##### 1.1 General information and basis of preparation

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees report. The charity constitutes a public entity as defined by FRS 102. The financial statements 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 (FRS 102), the Charities Act 2011, the Companies Act 2006 and United Kingdom Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

##### 1.2 Funds

The funds held constitute:

- General Funds held for any purpose of the Circuit which are unrestricted.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted.
- Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised for specific purposes.

##### 1.3 Income

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, it becomes probable they will receive the resources and the monetary value can be measured with sufficient reliability.

##### 1.4 Expenditure

Expenditure 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.

##### 1.5 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 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.

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2020

#### 1. Accounting Policies

##### 1.6 Tangible fixed assets for use by the Circuit.

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

Following the merger of the Sheffield Methodist Circuits, in the absence of records with regard to historical costs, Manses and other circuit property have been included at valuations provided by the Trustees based on their assessment of market values at 31 August 2016. The carrying values of tangible fixed assets have been retained at their book amount as a deemed cost on transition to SORP FRS102.

It is the Circuit's policy to maintain the freehold and long leasehold residential properties in good repair ensuring high residual values. The Trustees consider the life of the properties to be so long that consequently there is no significant annual depreciation.

##### 1.7 Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

##### 1.8 Investments

Investments are valued in the balance sheet at market value at the year end.

Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

##### 1.9 Taxation

The Circuit's activities are not subject to taxation.

##### 1.10 Pension

The Circuit contributes to the Methodist Ministers Pension Scheme which is a defined benefit scheme. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Circuit. The scheme is accounted for as a defined contribution scheme. The Circuit also operates a defined contribution pension scheme for administrative staff and lay workers. Contributions are recognised in the SOFA in the period in which they become payable in accordance with the rules of the scheme.

##### 1.11 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. Despite the current global impact of COVID-19 the trustees believe that the expected level of income is sufficient especially considering the level of reserves held by the charity to enable it to continue as a going concern.

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2020**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>2. Interest and investment income</b>				
Interest and dividends on CFB investments - General	25,881	-	25,881	29,912
<b>3. Other income</b>				
Grants and donations	5,368	9,982	15,350	12,423
Project Income	5,362	-	5,362	-
Other	22,325	-	22,325	2,309
	<u>33,055</u>	<u>9,982</u>	<u>43,037</u>	<u>14,732</u>

**4. Collections for and payments to external organisations**

There were no collections for or payments to External Organisations in the year (2019: Nil).

	2020 £	2019 £
<b>5. Properties introduced</b>		
Banner Cross Sunday School	-	161,518
Broomhill	-	300,000
Grenoside	-	162,301
Intake	-	86,000
	<u>-</u>	<u>709,819</u>
<b>6. Funds introduced</b>		
Broomhill	<u>-</u>	<u>32,175</u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2020

<b>7. Fees for audit of the accounts</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Audit	<u>9,500</u>	<u>7,800</u>
<b>8. Stipends and salaries</b>		
Stipends and salaries	542,334	538,036
National Insurance contributions	44,456	46,050
Pension costs	101,097	114,226
	<u>687,887</u>	<u>898,312</u>

The average number of Ministers in receipt of stipends was 14. The average monthly number of employees during the year was 13 (2019: 8) including 5 lay workers. No employee earned over £60,000 during the year (2019: None).

The members of the Circuit Meeting are the trustees of the Circuit. The three Co-Superintendent Ministers, five Circuit Stewards and the two other ministers who are members of the Circuit Leadership Team together with the remaining Circuit Stewards have additional management responsibilities and are considered as key management personnel. None of the Circuit Stewards receive any remuneration or expenses. The total of stipends paid to the Co-Superintendent Ministers and other presbyters was £370,402 (2019: £398,853).

13 ministers who are also Trustees live in properties owned by the Circuit.

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>9. Administration</b>				
Legal and professional	23,586	-	23,586	32,042
Printing and stationery	7,005	-	7,005	7,604
Other office costs	10,956	-	10,956	9,003
TMCP Administration charge	3,907	-	3,907	2,222
	<u>45,454</u>	<u>-</u>	<u>45,454</u>	<u>50,871</u>
<b>Other Expenditure</b>				
Ministry resources	4,414	-	4,414	4,792
Project expenditure	22,110	-	22,110	18,931
Training	1,436	-	1,436	3,848
Other	3,281	-	3,281	21
	<u>31,241</u>	<u>-</u>	<u>31,241</u>	<u>27,592</u>

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2020**

**10. Tangible fixed assets**

<b>Cost / Valuation</b>	<b>Manses and other property £</b>
1 September 2019	
Additions	8,461,734
Transfer to investment properties	-
Disposals	(2,594,600)
31 August 2020	<u>5,543,833</u>
<b>Depreciation</b>	
1 September 2019	-
Depreciation charge for year	-
31 August 2020	<u>-</u>
<b>Net Book Value</b>	
31 August 2020	<u>5,543,833</u>
31 August 2019	<u>8,461,734</u>

**11. Investment properties**

<b>Fair Value</b>	<b>£</b>
1 September 2019	
Transfer from tangible fixed assets	15,000
Revaluation	2,594,600
31 August 2020	<u>2,609,600</u>

In the opinion of the Trustees the fair value of the investment properties was £xxxxxx.

**12. Fixed asset investments**

<b>Valuation</b>	<b>(As Restated) Listed Investments /managed funds £</b>
1 September 2019	
Additions	687,125
(Loss) on revaluation	-
31 August 2020	<u>675,472</u>

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2020**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>13. Debtors</b>				
Stipends paid in advance	29,246	-	29,246	29,864
Prepayments and sundry debtors	112,869	-	112,869	65,512
	<u>142,115</u>	<u>-</u>	<u>142,115</u>	<u>95,376</u>
Debtors includes £48,000 (2019: £nil) recoverable after more than one year.				
<b>14. Creditors: amounts falling due within one year</b>				
<b>General Fund (unrestricted)</b>				
Deferred income - assessments	138,341	-	138,341	151,109
Accruals and Sundry creditors	10,592	-	10,592	14,134
	<u>148,933</u>	<u>-</u>	<u>148,933</u>	<u>165,243</u>
<b>Circuit Model Trust Fund (unrestricted)</b>				
Provisions re Grant Commitments	98,320	-	98,320	138,321
	<u>98,320</u>	<u>-</u>	<u>98,320</u>	<u>138,321</u>
<b>Total</b>	<u>247,253</u>	<u>-</u>	<u>247,253</u>	<u>303,564</u>

## Sheffield Methodist Circuit

### Notes to the financial statements

Year ended 31 August 2020

#### 15. Funds

2020	Brought Forward £	Income £	Expenditure £	Transfer £	Gains/ (losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Fund	8,954,173	1,089,054	(1,243,788)	(218,086)	(11,928)	8,569,425
Circuit Model Trust Fund	1,673,393	20,852	(419,009)	218,086	(11,814)	1,481,508
	<u>10,627,566</u>	<u>1,109,906</u>	<u>(1,662,797)</u>	<u>-</u>	<u>(23,742)</u>	<u>10,050,933</u>
<b>Restricted</b>						
Other	-	9,982	(1,411)	-	-	8,571
<b>Total</b>	<u>10,627,566</u>	<u>1,119,888</u>	<u>(1,664,208)</u>	<u>-</u>	<u>(23,742)</u>	<u>10,059,504</u>
<b>2019</b>	<b>Brought Forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>Gains/ (losses) £</b>	<b>Carried Forward £</b>
<b>Unrestricted funds</b>						
General Fund	9,085,311	1,822,982	(1,222,297)	(793,678)	61,855	8,954,173
Circuit Model Trust Fund	996,301	27,761	(174,479)	815,908	7,902	1,673,393
	<u>10,081,612</u>	<u>1,850,743</u>	<u>(1,396,776)</u>	<u>22,230</u>	<u>69,757</u>	<u>10,627,566</u>
<b>Restricted</b>						
Parson Cross Initiative	8,769	120	(8,889)	-	-	-
Other	13,075	9,163	(8)	(22,230)	-	-
	<u>21,844</u>	<u>9,283</u>	<u>(8,897)</u>	<u>(22,230)</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>10,103,456</u>	<u>1,860,026</u>	<u>(1,405,673)</u>	<u>-</u>	<u>69,757</u>	<u>10,627,566</u>

The transfers between unrestricted funds relate to the movement of funds arising from the sale of properties, the funds required to purchase properties, and the release of grant income to further the charitable activities of the Circuit.

**Sheffield Methodist Circuit**

**Notes to the financial statements**

**Year ended 31 August 2020**

**16. Analysis of net assets between funds**

<b>2020</b>	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
Fixed assets	8,194,866	634,039	-	8,828,905
Cash and current investments	478,090	849,076	8,571	1,335,737
Other current assets/(liabilities)	(103,531)	(1,607)		(105,138)
<b>Total</b>	<b>8,569,425</b>	<b>1,481,508</b>	<b>8,571</b>	<b>10,059,504</b>
<b>As Restated 2019</b>	General Fund (unrestricted) £	Circuit Model Trust Fund (unrestricted) £	Other Funds (restricted) £	Total £
Fixed assets	8,518,436	645,423	-	9,163,859
Cash and current investments	519,104	1,152,791	-	1,671,895
Other current assets/(liabilities)	(83,367)	(124,821)	-	(208,188)
<b>Total</b>	<b>8,954,173</b>	<b>1,673,393</b>	<b>-</b>	<b>10,627,566</b>

**17. Reconciliation of net movement in funds to net cash flow from operating activities**

	2020 £	2019 £
Net movement in funds	(568,062)	524,110
Interest received	(25,881)	(29,912)
Properties Introduced	-	(709,819)
Loss/(Gain) on investment revaluation	11,653	(8,846)
Loss/(Gain) on property disposal	12,089	(60,911)
(Increase)/Decrease in debtors	(46,739)	29,625
(Decrease) in creditors	(56,311)	(38,358)
<b>Net cash flow from operating activities</b>	<b>(673,251)</b>	<b>(294,111)</b>

## **Sheffield Methodist Circuit**

### **Notes to the financial statements**

**Year ended 31 August 2020**

#### **17. Pension costs**

##### **Defined benefit pension scheme**

The Circuit contributes to the Methodist Ministers Pension Scheme, a group pension scheme, for each minister receiving a stipend who is in an appointment under the control of Conference.

The pension charge for the year represents contributions payable to the Scheme of £90,495 (2019: £105,342). No contributions were outstanding at the year end.

##### **Defined contribution scheme**

The pension charge for the year represents contributions payable to the Scheme of £10,602 (2019: £8,884). No contributions were outstanding at the year end.

#### **18. Prior year restatement**

The prior year comparative figures have been restated to correct the presentation of funds introduced in the previous year. The value of investments at 31 August 2019 has been increased by £24,370 with TMCP bank deposits reduced by the same amount. The restatement has had no effect on net income for 2019.

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

#### Appendix 1

#### Trustees of Sheffield Methodist Circuit as at 31 August 2020

Mrs	Gill	Adams
Mr	John	Almond
Mr	Sean	Ashton
Mrs	Wendy	Atkinson
Ms	Sue	Bagshaw
Mrs	Carole	Baker
Ms	Bridget	Ball
Mr	Alan	Bettison
Rev'd	Inderjit	Bhogal
Mr	David	Bingham
Mr	David	Blackburn
Mrs	Rita	Blackwell
Mrs	Pat	Bolland
Mr	John	Booler
Rev'd	Phillip	Borkett
Ms	Liz	Brook
Mr	Jonathan	Buckley
Mr	Harry	Burroughes
Mr	David	Burton
Dr	Jenny	Bywaters
Mr	Alec	Cartwright
Mr	Brian	Chapman
Miss	Anne	Clark
Rev'd	Sally	Coleman
Dr	Dave	Collins
Mrs	Jean	Cookson
Mr	Stephen	Cowley
Rev'd	Tim	Crome
Mrs	Elsie	Cundy
Mrs	Bev	Dale
Mr	Jon	Dilks
Mrs	Susan	Dilks
Mr	Nigel	Disbury
Mr	Steve	Dixon
Dr	Tony	Drury-Smith
Ms	Erica	Dunmow
Mr	John	Eaton
Mrs	Pam	Eaton
Mrs	Margaret	Egginton
Mrs	Helen	Elliott
Miss	Louise	Etherington
Mr	Simon	Etty
Mrs	Christine	Freeman
Mrs	Pat	Garmory
Mrs	Kay	Gilbert
Rev'd	Drummond	Gillespie
Mr	Alan	Glossop
Rev'd	Mark	Goodhand
Mrs	Vai	Gordon

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Rev'd Prof	James	Grayson
Mrs	Kath	Grierson
Mrs	Katrin	Hackett
Rev'd	Jonathan	Haigh
Mrs	Brenda	Harrison
Mrs	Judith	Hartley
Mrs	Barbara	Harvey
Rev'd	Michael	Healey
Dr	Anne	Hollows
Mr	Jeff	Hough
Mrs	Anne	Humphreys
Rev'd	Gail	Hunt
Mr	David	Hurrell
Mr	Matt	Irons
Mrs	Christine	Jackson
Rev'd	Judith	Jessop
Mr	Chris	Jones
Rev'd	Gareth	Jones
Mr	Glyn	Jones
Ms	Paula	Jones
Mrs	Bridget	Kellett
Mr	Donald	King
Mr	Paul	Krzok
Mrs	Janet	Lawless
Rev'd	Katie	Leonowicz
Rev'd	Iain	Lothian
Rev'd	Ian	Lucraft
Mrs	Ann	Lyons
Mr	Arthur	Lyons
Mr	Jack	Magowan
Ms	Janet	Malbon
Mrs	Audrey	Mann
Mrs	Sheila	Mappin
Rev'd	Debora	Marschner
Mrs	Stella	Mate
Mr	Andrew	Maxfield
Mrs	Pam	Meek
Rev'd	Paul	Mellars
Rev'd	James	Morley
Ms	Heather	Morris
Mrs	Eialne	Needham
Mrs	Jane	Offord
Rev'd	Henry C	Ohakah
Miss	Josephine	Pain
Mrs	Mary	Parker
Ms	Siggy	Parratt-Halbert
Rev'd	Jill	Pullan
Rev'd	Carla	Quenet
Mrs	Melissa	Quinn
Dr	John	Revill
Mrs	Iris	Robins
Mrs	Heather	Rotherham
Mr	Philip	Rowland
Ms	Joan	Sharp
Mr	Mark	Sharples
Mrs	Kathy	Smith
Mrs	Val	Smith

## Sheffield Methodist Circuit

### Trustees' Report and Financial Statements

Mrs	Sue	Stanworth
Rev'd	Chris	Stebbing
Mrs	Julle	Talbot
Ms	Ann	Taylor
Mr	Mick	Thoday
Mr	Nigel	Thomas
Mr	Brian	Totty
Miss	Aileen	Treloar
Ms	Maryke	Turvey
Rev'd	Gill	Tutt
Ms	Joanne	Ulyatt
Mr	Greg	Unwin
Rev'd	Julie	Upton
Mr	Nick	Waterfield
Ms	Jo	Webster
Mr	David	Whitaker
Mr	Nick	Whitworth
Mrs	Carol	Wignell
Mrs	Joyce	Wiles
Mr	Nigel	Wiles
Mr	John	Wilkins
Mrs	Janet	Williamson
Mr	Trevor	Williamson
Mr	Richard	Wilshaw
Mrs	Eileen	Woodthorpe
Mrs	Jennifer	Woolf
Mr	Ian	Wright