

Charity registration number: 1134211

Plymouth and Devonport Methodist Circuit

Financial statements
for the Year Ended 31 August 2022

THE METHODIST CHURCH
STANDARD FORM OF ACCOUNTS
ACCRUALS BASIS
for the Year Ended 31 August 2022

Plymouth and Devonport Methodist Circuit

Ministers

Rev Andrew Chislett-McDonald (Superintendent)
Rev Amanda Roper
Rev Darren Middleton
Rev Alistair Lowe
Rev Brenton Prigge

Circuit Stewards

Mrs Margaret Barrett (Senior Circuit Steward)
Mr Ian Marshall
Mr Gary Carhart
Mr Nigel Norris

Circuit Treasurer

Mrs Saffie Edwards

Plymouth and Devonport Methodist Circuit

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Plymouth and Devonport Methodist Circuit

Trustees' Report

The trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 August 2022.

Reference and administrative information

Legal status

The official name of the charity is Plymouth and Devonport Methodist Circuit (registered charity number: 1134211). The Circuit is responsible to The Methodist Church. The registered address is:

The Methodist Church

Central Buildings

Oldham Street

Manchester M1 1JQ

Its governance is determined, like all Methodist Circuits, by the Methodist Church Act, and its procedures are those required by the Standing Orders of the Methodist Church as they appear in "Constitution, Practice and Discipline of the Methodist Church" (CPD).

The Trustees

The Custodian Trustees are the Methodist Church. The Managing Trustees are the members appointed annually to the Circuit meeting as representatives of each local Church along with the officers elected at the Circuit meeting.

Mr K Angilley

Mr E Bartlett

Mrs S Beattie

Mrs M Blatchford

Mrs J Brown

Mr J Buttle

Mr G Carhart

Rev A Chislett McDonald

Mrs E Coleman

Mr G Craddock

Mrs J Dobinson

Mrs B Dunton

Mrs S Edwards

Mrs J Gaskin (Resigned 13/01/2022)

Mrs H Hambly (resigned 30/08/2022)

Mrs S Hrydziuska

Ms H Kimberley (appointed 07/03/2022)

Mrs J Lea

Rev A Lowe

Mr R Marriott

Mrs A Middleton

Mr T Milam (resigned 01/12/2022)

Mrs P Missen

Ms J Mortimore (appointed 20/02/2022)

Mrs M Barrett

Ms H Bartlett (appointed 22/02/2022)

Mr D Bithell

Miss S Bolt

Mrs H Brumpton (appointed 01/05/2022)

Mrs J Buttle

Mr B Carlyon (appointed 20/10/2021)

Mr J Clarke

Mr M Cooke

Mrs M Dennis

Mr R R Duckering

Mr S Edward

Mr D Elliott

Mrs S Hadley

Mr C Heard

Mrs L Kerslake (appointed 01/09/2022)

Mr K Launder

Mr P Lemin (Resigned 30/08/2022)

Mrs V Marriott (Resigned 30/08/2022)

Mr I Marshall

Rev D Middleton

Rev J Mills

Mrs C Mitchell

Mrs C Niazi Ghadim

Plymouth and Devonport Methodist Circuit

Trustees' Report

Mr D Norris
Miss E Parker
Mrs D Patterson
Mrs S Pratt (Resigned 23/06/2022)
Ms H Richardson (appointed 07/04/2022)
Mr S Rogers (appointed 01/09/2022)
Mr D Rowe
Mr B Shears (Resigned 30/08/2022)
Mrs D Smart
Mrs S Westwell
Mrs M Williams
Mrs A Wilson
Mrs E Young

Mr P O'Connell
Mrs P Parnell
Rev C Phillips
Rev B Prigge
Mr M Rix
Rev A Roper
Mrs K Shears
Ms R Simpson (resigned 01/01/2022)
Mr M Sowden
Miss T White
Mrs K Wills (Resigned 30/08/22)
Revd D Youngs

Plymouth and Devonport Methodist Circuit

Trustees' Report

Advisors

Advisors to the charity are as follows:-

BANKERS:

Lloyds Bank Plc

8 Royal Parade

Plymouth

PL1 1HB

SOLICITORS:

Mr Neil Major

Foot Anstey

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

ACCOUNTANTS:

Houndiscombe Consultants Limited t/a Condyl Mathias Chartered Accountants

6 Houndiscombe Road

Plymouth

PL4 6HH

Plymouth and Devonport Methodist Circuit

Trustees' Report

Aims and organisation

Objectives of the charity

The overall objectives of the Methodist Church are to:

- Increase awareness of God's presence and celebrate God's love.
- Help people to grow and learn as Christians.
- Be a good neighbour to people in need and challenge injustice.
- Attract more followers of Jesus Christ.

The more specific objective and the principal activity of the Circuit is to act as an administrator to collect funds from the 17 local churches covered by the Circuit and meet the financial obligations relating to the Ministers engaged within it.

The charity also holds and maintains manse properties for the use of the Ministers within the Circuit and provides financial support to the Methodist Churches within the Circuit as the requirement arises.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2022 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS 102) 2019.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission relating to public benefit.

Structure, governance and management

The management of the charity and the governance of its assets are devolved from the Central Methodist Church to the Managing Trustees of the charity.

The governing document of the Charity is the Constitutional Practice and Discipline of the Methodist Church. The managing trustees are members of the Circuit Meeting and are appointed annually. Circuit Meetings are held at least three times per year and the Stewards meet approximately every two months.

Risk management

Under the terms of the risk management policy adopted by the charity, the strategic, operational and financial risks to which the charity is exposed are evaluated on a continuing basis and appropriate systems put into place to mitigate any major risks identified. The Trustees are satisfied that the policy of continual monitoring of potential risks to which the charity is exposed is sufficient to identify those risks on a timely basis and to ensure that the appropriate action may be taken so as to minimise the perceived risk to an acceptable level.

Plymouth and Devonport Methodist Circuit

Trustees' Report

Review of the year

Review of the activities of the charity

Expenditure from our Model Trust Fund (8778) (MTF) has been used to support mission projects including Families Workers at Woodford, Ridgeway and Pennycross; support maintenance and refurbishment of our five manses and other circuit property. All expenditure has been approved by the Plymouth and Exeter District and the Trustees for Methodist Church Purposes as required. We have a Performing Arts Mission Enabler was appointed in January 2020, and the funding of this has continued into the 2021/22 accounts year.

There are five full time ministers appointed to the Circuit. We also have a strong Lay Leadership and Supernumerary Team.

We continue to keep a tight control of expenditure but it is to be recognised that with reducing membership there will be continuing difficulty in meeting our expenditure needs.

The Trustees are continuing to look at strategies to maximise use of available funds by, if necessary, changing structures within the Circuit. Conversations about circuit boundaries, staffing and District matters are continuing. In the short term we will continue to use reserves and use funds in our MTF account if required. This will ensure that we have sufficient reserves for unforeseen expenditure and to maintain our focus on mission and kingdom building.

Financial Review

Income trends

Circuit income is primarily derived from the assessment paid by the circuit churches.

A small amount of income is received each year in the form of donations and legacies. Interest from investments held by the circuit is also received on a regular basis.

Other income is primarily made up of gain on the sale of one manse, which was sold for a net gain of £136,954 (in 2021 a net gain of £67,630 was made on the sale of three manses).

During the year, the charity received a total of £532,652 (2021: 443,643) of incoming resources.

Expenditure trends

15.1% (2021: 14.5%) of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

The other expenditure includes the maintenance of circuit manses and other properties. A significant additional expense this year is the redevelopment of an unused church into a new community hub.

Plymouth and Devonport Methodist Circuit

Trustees' Report

Resources expended during the year amounted to £515,546 (2021: £550,037) leaving a surplus before unrealised gain/loss on investments of £17,106 (2021: deficit of £106,394). Unrealised losses on investments of £3,314 (2021: gains of £8,183) were made during the year, resulting in a total increase in reserves of £13,792 (2021: decrease of £98,211).

Reserves

Total funds held by the charity at 31 August 2022 amounted to £3,086,755 (2021: £3,072,963). Included within the total funds are £2,248,056 (2021: £2,243,367) restricted funds, of which £2,234,509 (2021: £2,229,550) relates to the manses, which are included in fixed assets. Endowment funds total £1,702 (2021: £1,700) at the year end, unrestricted designated funds total £56,377 (2021: £99,398), unrestricted Circuit Model Trust Fund (CMTF) total £616,147 (2021: £500,608), unrestricted other Model Trust Bequest Funds total £47,876 (2021: £58,948) and unrestricted general funds total £116,597 (2021: £168,942) at the year end, which is circa the charity's reserve policy of six months.

As at 31 August 2022 the net current assets of the Circuit were £814,853 (2021: £803,629).

Grant-making policy

The Circuit Grant Funding Panel will only consider one application per connexional year per church. Total grants shall not exceed 25% of the balance of the Model Trust Money (MTM) fund at the beginning of the connexional year. The application needs to be supported by reference to the Mission statement and policy of the church together with the churches 5 year plan making the application and MUST be clearly related to its missionary task.

The Circuit Grant Funding Panel shall regularly have oversight of grants made and schemes/projects supported. Their findings shall be reported to the Circuit meeting.

The Circuit Grant Funding Panel shall make recommendations to the Circuit Meeting regarding schemes/projects submitted to it; however, it is for the Circuit Meeting to finally approve Circuit Model Trust monies for schemes/projects as this is part of their remit as managing trustees.

It should be noted however, that the sum available for grant funding from the MTM, is subject to a first charge by the Circuit to meet its obligations.

Investment policy

In accordance with the charity's governing document, the Trustees have the power to invest funds in any investments that they see fit. The policy is to adopt a low risk strategy whilst maximising returns. In view of the current economic climate the trustees are satisfied with the performance of the investments held and that the policy adopted remains adequate and appropriate.

All investments on behalf of the Circuit are handled by the Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester who act within the powers given to them by CPD, other than the property investments.

Plymouth and Devonport Methodist Circuit

Trustees' Report

During the year these investments paid out dividends/interest to Plymouth and Devonport Methodist Circuit totalling £4,500 (2021: £3,314) but increased in value to £704,614 (2021: £609,686). The investments are recorded on the Balance Sheet as fixed and current assets.

Reserves policy

It is the policy of the trustees to maintain unrestricted funds, which are free reserves, at a sufficient level to secure the continued provision of normal charitable activities for a period of approximately six months. The trustees will also look to set aside as designated funds such amounts as are appropriate to provide for all future charitable and strategic requirements.

Plans for future periods

The Trustees do not expect any changes to the charity's objectives and charitable activities in the forthcoming year, their aim will be to continue to provide an essential and valued service in the community.

Plymouth and Devonport Methodist Circuit

Trustees' Report

Trustees' responsibilities

The law applicable to charities in England and 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 income and expenditure 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on M. Barrett and signed on their behalf by:

28.4.2023

Mrs M Barrett

Trustee

Plymouth and Devonport Methodist Circuit

Statement of Financial Activities (SOFA)
for the Year Ended 31 August 2022

	Note	Unrestricted Funds General £	CMTF £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Income and Endowments from:							
Donations and legacies	2	972	-	-	-	972	4,195
Charitable activities							
Assessments or share	3	387,567	-	-	-	387,567	367,878
Investments	5	1,298	3,040	154	8	4,500	3,314
Other	6	2,659	136,954	-	-	139,613	68,256
Total		392,496	139,994	154	8	532,652	443,643
Expenditure							
Stipends, salaries, NIC & Pension costs	8	315,143	-	-	-	315,143	271,091
TMCP Levy		-	28,796	-	-	28,796	17,543
Methodist Church Fund, including District							
Assessment		77,591	-	-	-	77,591	79,592
Telephone & travel		4,221	-	-	-	4,221	3,883
Insurance, utilities, etc.		26,751	-	-	-	26,751	21,003
Maintenance of circuit manses		17,121	-	-	-	17,121	33,398
Maintenance of other Circuit property							
(Oreston)		2,213	-	-	-	2,213	14,808
Other Expenditure	9	22,502	1,427	39	4	23,972	33,082
Grants and donations	10	19,738	-	-	-	19,738	75,637
Total		485,280	30,223	39	4	515,546	550,037
Net (expenditure)/income before gains and losses on investments		(92,784)	109,771	115	4	17,106	(106,394)
Net gains/(losses) on investments		(838)	(2,189)	(287)	-	(3,314)	8,183
Net income/(expenditure) for the year		(93,622)	107,582	(172)	4	13,792	(98,211)
Transfers between funds		(12,816)	7,957	4,861	(2)	-	-
Net movement in funds		(106,438)	115,539	4,689	2	13,792	(98,211)
Reconciliation of funds:	19						
Total funds brought forward		327,288	500,608	2,243,367	1,700	3,072,963	3,171,174
Total funds carried forward		220,850	616,147	2,248,056	1,702	3,086,755	3,072,963

Plymouth and Devonport Methodist Circuit

Balance Sheet

as at 31 August 2022

	Notes	Unrestricted Funds £	Circuit Model Trust Fund (Unrestricted) £	Designated (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals this year £	Totals last year £
Fixed Assets								
Tangible fixed assets	11	-	-	-	2,234,509	-	2,234,509	2,229,550
Investments with TMCP	12	3,030	32,661	-	-	1,702	37,393	39,784
Total fixed assets		3,030	32,661	-	2,234,509	1,702	2,271,902	2,269,334
Current Assets								
Debtors	13	30,955	-	-	-	-	30,955	12,996
Property investments	14	-	-	-	-	-	-	-
Investments with TMCP	14	52,629	583,486	17,559	13,547	-	667,221	569,902
Central Finance Board Deposits	15	96,210	-	38,818	-	-	135,028	212,022
Cash at Bank and in hand	15	84,549	-	-	-	-	84,549	86,435
Total current assets		264,343	583,486	56,377	13,547	-	917,753	881,355
Current liabilities								
Creditors (due in under 1 year)	16	102,900	-	-	-	-	102,900	77,726
Total current liabilities		102,900	-	-	-	-	102,900	77,726
Net current assets		161,443	583,486	56,377	13,547	-	814,853	803,629
Net assets		164,473	616,147	56,377	2,248,056	1,702	3,086,755	3,072,963
Funds of the Circuit								
General Fund (Unrestricted)	19	164,473					164,473	227,890
Circuit Model Trust Fund (Unrestricted)	19		616,147				616,147	500,608
Designated Funds (Unrestricted)	19			56,377			56,377	99,398
Total Unrestricted Funds							836,997	827,896
Restricted Funds	19				2,248,056		2,248,056	2,243,367
Endowment Funds	19					1,702	1,702	1,700
Total Funds		164,473	616,147	56,377	2,248,056	1,702	3,086,755	3,072,963

The financial statements were approved by the Board on 20 MARCH 2023 and signed on its behalf by:

Mrs M Barrett

Mrs M Barrett

Trustee

Plymouth and Devonport Methodist Circuit

**Cash Flow Statement
for the Year Ended 31 August 2022**

	2022	2021
	£	£
Net cash used in operating activities (see below)	<u>(117,535)</u>	<u>(171,529)</u>
Cash flows from investing activities:		
(Purchase)/Sale of investments	(97,319)	(115,434)
Purchase of fixed assets	(154,959)	(557,649)
Proceeds from sale of property (net of levy and other costs)	287,030	774,640
Dividends, interest and rents from investments	3,903	3,005
Net cash provided by investing activities	<u>38,655</u>	<u>104,562</u>
Change in cash and cash equivalents in the reporting period	<u>(78,880)</u>	<u>(66,967)</u>
Cash and cash equivalents at the beginning of the reporting period	298,457	365,424
Cash and cash equivalents at the end of the reporting period	<u>219,577</u>	<u>298,457</u>

	2022	2021
	£	£
Reconciliation of cash flows from operating activities:		
Net (expenditure)/income for the reporting period	13,792	(98,211)
Adjustments for:		
(Gains)/Losses on investments	3,314	(8,183)
Donated assets	-	(3,858)
Fund income	(924)	2,287
Profit on the sale of fixed assets	(136,954)	(67,630)
Capital expenditure	(75)	(675)
Dividends, interest and rents from investments	(3,903)	(3,005)
(Increase)/Decrease in debtors	(17,959)	(340)
Increase/(Decrease) in creditors	25,174	8,086
Net cash (used in)/provided by operating activities	<u>(117,535)</u>	<u>(171,529)</u>

	2022	2021
	£	£
Analysis of cash and cash equivalents		
Cash in hand	-	-
Current accounts	219,577	298,457
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	<u>219,577</u>	<u>298,457</u>

Analysis of net changes in debt

	At the start of the year	Cash flows	Fair value adjustments	At the end of the year
Cash	86,435	(1,886)	-	84,549
Cash equivalents	212,022	(73,680)	(3,314)	135,028
Borrowings	-	-	-	-
Total	<u>298,457</u>	<u>(75,566)</u>	<u>(3,314)</u>	<u>219,577</u>

**Notes to the Financial Statements
for the Year Ended 31 August 2022**

1 Accounting framework and accounting policies

Accounting framework

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective from 1 January 2019) – (the Charities SORP (FRS 102)).

Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. Some of these funds have been internally allocated for a specific purpose, which makes them Unrestricted Designated. The Circuit Model Trust Fund can be used for a variety of purposes and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There is also an Endowment fund which the Circuit is entitled to receive the interest earned on this account. Details of each material fund are disclosed in notes 17 and 18 to these accounts. Any funds may be represented by more than just cash.

Public benefit entity

Plymouth and Devonport Methodist Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) that follow.

Basis

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

Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

Going concern

Based on the monetary assets and human resources available at 31 August 2022, the trustees believe that the Circuit is a going concern.

Income recognition

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

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised.

Expenditure

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment.

VAT

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

Plymouth and Devonport Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2022

..... continued

Tangible fixed assets for use by the Circuit

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

The freehold properties are shown in the accounts at cost. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that they have reached the end of their useful economic lives by the year-end) to be not less than their current value. The properties have been reviewed for impairment.

Investments

Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure. These relates to manses which are due to be sold within the next year.

Other investments of Plymouth and Devonport Methodist Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The investments are stated in the balance sheet at market value at the year end (provided by TMCP). 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.

Debtors and prepayments

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

Bank and Cash

The liquid funds representing bank current and deposit account are shown at their realisable values.

Creditors

Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid.

Ministers' manse costs

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

2 Donations and legacies

	2022 £	2021 £
Donations (unrestricted funds)	972	337
Donation of Oreston Fund (restricted funds)	-	3,858
	<u>972</u>	<u>4,195</u>

**Notes to the Financial Statements
for the Year Ended 31 August 2022**

..... continued

3 Charitable activities

Charitable activities consists of Circuit assessment income. These income streams are unrestricted funds.

The Circuit is made up of the following Churches:

Bittaford	Ivybridge	Ridgeway	Woodford
Compton	Millbrook	Roborough	Yealmpton
Cornerstone	Mount Gould	Sherwell	
Crownhill	Pennycross	St Budeaux	
Elburton	Pomphlett	Stoke	

The level of assessments is calculated on an annual basis.

Deferred circuit assessments are included within other creditors and relate to the first instalments of the 2022/2023 annual assessment. These amounts are deferred in order to include the income in the correct period.

4 Other trading activities

Other trading income is treated as unrestricted funds, unless otherwise stated.

5 Investment income

	2022 £	2021 £
Dividends and interest on investments (restricted funds)	154	101
Dividends and interest on investments (unrestricted CMTF funds)	3,040	2,338
Dividends and interest on investments (unrestricted designated funds)	99	74
Dividends and interest on investments (unrestricted funds)	602	486
Dividends and interest on investments (endowment funds)	8	6
Central Finance Board (unrestricted funds)	597	309
	4,500	3,314

6 Other income

Other income is treated as unrestricted funds, unless otherwise stated. It from the sale of communion wine, sales of circuit plans, income from Performance Art Mission Enabler projects, realised gains on the disposal of manses, and other sundry receipts.

7 Trustees' remuneration and expenses

All of the Ministers, the Finance Officer and The Properties and Facilities Officer are members of the Circuit meeting and are accordingly Managing Trustees of the charity, therefore all remuneration disclosed in Note 8 has been paid to Trustees of the charity.

The Circuit is Managing Trustee for 5 manses (2021: 6), all five 5 of which are occupied (2021: 5) by ministers stationed in the Circuit and none (2021 : none) are let on an Assured Shorthold Tenancy . The Circuit is responsible for the payment of Council tax and household utilities. It is also responsible for maintenance costs on all these properties. In the year the manses costs totalled £45,117 (2021: £54,477).

	2022	2021
Number of trustees who were paid expenses	5	8
Expenses payments primarily relate to reimbursement for travel/courses.	-	88
Reimbursement for items purchased on behalf of the Circuit.	2,386	-
Total amount paid (£)	2,386	88

**Notes to the Financial Statements
for the Year Ended 31 August 2022**

..... continued

8 Salaries and associated costs

Gross salaries paid to employees were as follows:

	2022	2021
	£	£
Gross pay	241,926	215,095
Employer's National Insurance contributions	18,215	14,053
Employer's pension contributions to defined contribution schemes	37,451	30,474
Total payroll costs	297,592	259,622
Other expenses paid	17,551	11,469
Total staff costs (unrestricted funds)	315,143	271,091

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

Particulars of employees:

The average number of staff employed by the charity during the year amounted to:

	2022	2021
	No.	No.
Number of staff	9	9

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

The Connexion accounts for both the MMPS and Pension and Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC) pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. At the last triennial valuation on 31 August 2020, the scheme was in deficit by £14m. The Council finally agreed a recovery plan and long-term funding objective for the Scheme in April 2022, which is currently being implemented. Details of the deficits on these schemes can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk.

On the other hand lay employees are contractually employees and have joined The Pensions Trust. This is a defined benefit scheme and the employing Churches and Circuits contribute as employers to this scheme.

The circuit operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the circuit pays fixed contributions into a separate entity. Once the contributions have been paid the circuit has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the circuit in independently administered funds.

Notes to the Financial Statements
for the Year Ended 31 August 2022

..... continued

9 Other outgoings

All costs are made from unrestricted funds except those noted below.

	2022	2021
	£	£
Graveyard costs	4,960	1,850
Removal costs	-	7,638
Quinquennials	-	1,692
Administration expenses	1,895	2,289
Accountancy fees	5,048	5,188
Independent examination fees	1,750	1,750
Other Sundry costs	1,298	1,705
Fund Management charges:		
(unrestricted funds)	207	202
(unrestricted CMTF funds)	1,427	702
(unrestricted designated funds)	60	45
(restricted funds)	39	25
(endowment funds)	5	3
Publications	2,847	1,746
Alarms	-	51
Circuit plans	816	630
Professional fees	2,057	6,702
Communion wine	357	-
Stewards/local preachers costs	1,206	864
Total	23,972	33,082

10 Grants and donations

	2022	2021
	£	£
Families/Youth Workers (unrestricted CMTF funds)	-	20,000
Pennycross Mission enabler (unrestricted CMTF funds)	5,379	5,379
Compton contribution to wall	-	12,000
Bittaford roof replacement and insulation	-	4,195
Ridgeway re new boiler	-	3,212
Digital grants	10,862	30,746
Other small grants:		
(unrestricted funds)	3,497	-
(restricted funds)	-	105
Total	19,738	75,637

11 Manses and other property

	Manses	Total
	£	£
Cost or valuation		
As at 1 September 2021	2,229,550	2,229,550
Additions in the year	154,959	154,959
Less: Disposals in the year	(150,000)	(150,000)
At 31 August 2022	2,234,509	2,234,509

The value of the manses are believed to be considerably greater than their historical cost or notional cost in 1998 as shown in the accounts. There is no depreciation on the manses as the impairment review at the end of the year confirmed that the current residual market value of the buildings was greater than the carrying value of that part of the assets cost to date.

Plymouth and Devonport Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2022

..... continued

12 Investments held as fixed assets

	Other investments £
Market value	
As at 1 September 2021	39,784
Revaluation	(2,391)
At 31 August 2022	<u>37,393</u>
Net book value	
At 31 August 2022	<u>37,393</u>
At 31 August 2021	<u>39,784</u>

13 Debtors and prepayments

Debtors were made up as follows:

	2022 £	2021 £
Prepayments and accrued income	15,615	12,796
Other debtors	15,340	200
Total	<u>30,955</u>	<u>12,996</u>

14 Investments

Trustees for Methodist Church Purposes

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

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

15 Central Finance Board (CFB) and Cash at Bank

The Circuit has a current account at Lloyds Bank, an authorised institution. The sums held on this account are immediately available. In addition the Circuit has a deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

Notes to the Financial Statements
for the Year Ended 31 August 2022

..... continued

16 Creditors: Amounts falling due within one year

	2022	2021
	£	£
Deferred income	51,478	44,381
Other Creditors	33,065	27,165
Accruals	18,357	6,180
Total	102,900	77,726

It is expected that all accruals and other creditors as at 31 August 2022 will be paid during the year to 31 August 2023.

Deferred income relates to assessments which are paid in advance.

	2022	2021
	£	£
Deferred income brought forward	44,381	56,819
Assessment income received in the year	379,324	355,440
Deferred income carried forward	(51,478)	(44,381)
Amount owed for the year but not received	15,340	-
Assessment income recognised in the year	387,567	367,878

17 Unrestricted Funds

General Fund

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes.

Various

This fund is made up of multiple model trust bequests.

R Hill

This fund is a local model trust bequest.

All model trust accounts require the approval of Circuit prior to any expenditure.

Designated Funds

These funds have been designated by the Circuit, to be utilised for the following purposes:

Miss F L Moore

This is a local model trust. The fund is designated for benevolent purposes.

Laira Zion Utd

This is a local model trust, in respect of proceeds of sale. This fund is designated to support members training costs.

Performing Arts Mission Enabler (PAME)

The gains received from the sale of Colebrook have been designated to cover the costs of employing a PAME, and to cover the additional costs incurred to run this service.

Plymouth and Devonport Methodist Circuit

**Notes to the Financial Statements
for the Year Ended 31 August 2022**

..... continued

18 Restricted Funds

Restricted funds are those received and held to cover specific expenditure. The restrictions are as follows:

B Skelley

This fund was set up to cover the maintenance cost of the graveyard at Venton.

Superintendents (Sup'ts) Discretionary Fund

This fund was set up to cover grants and donations made in respect of the superintendents discretionary payments.

Training Fund

This fund is used to support the Circuit members to attend courses.

Youth and Children

This fund was received from a closed youth choir with the instruction that it was to be used for Youth and Children's work in the Plymouth and Devonport Methodist Circuit.

Manse

This fund relates to the acquisition of manse properties, which are held within Fixed Assets and Current Asset Investments.

19 Analysis of funds

	Balance as at 01-Sep-21	Incoming Resources	Outgoing Resources	Gains/ (Losses) on investments	Transfers	Balance as at 31-Aug-22
Restricted Funds						
B Skelley	297	1	(1)	-	-	297
Sup'ts Discretionary Fund	1,516	7	(4)	-	-	1,519
Training Fund	6,394	30	(18)	-	-	6,406
Youth & Children	1,044	5	(3)	-	-	1,046
Oreston - Royle Trust	4,566	111	(13)	(287)	(98)	4,279
Manse	2,229,550	-	-	-	4,959	2,234,509
	2,243,367	154	(39)	(287)	4,861	2,248,056
Endowment Funds						
Mrs Lakin - Legacy	1,700	8	(4)		(2)	1,702
Unrestricted Funds						
Designated Funds						
Laird Zion Utd	10,266	48	(3,526)	-	-	6,788
Miss F L Moore	10,772	51	(31)	-	(21)	10,771
PAME	78,360	2,245	(41,787)	-	-	38,818
	99,398	2,344	(45,344)	-	(21)	56,377
Circuit Model Trust Fund	500,608	139,994	(30,223)	(2,189)	7,957	616,147
General Fund	155,366	389,551	(428,867)	-	(12,616)	103,434
Oreston funds	13,575	262	(39)	(635)	-	13,163
Various	39,993	250	(10,976)	(203)	(142)	28,922
R Hill	18,956	89	(54)	-	(37)	18,954
	728,498	530,146	(470,159)	(3,027)	(4,838)	780,620
Total Funds	3,072,963	532,652	(515,546)	(3,314)	-	3,086,755

**Notes to the Financial Statements
for the Year Ended 31 August 2022**

..... continued

20 Transfers between funds

The unrestricted CMTF fund is available for property projects, ministry and mission grants and other purposes as detailed under Standing Order 917.

21 Volunteer contributions

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. We are grateful to all of them for their help and commitment.

22 Grant commitments

The Circuit intends to make the following grants, which have not been recognised as a liability or provision.

The following grants were awarded following the completion of the appropriate paperwork and the commitments will be met by the CMTF which has a sufficient balance in it to cover them:

Pennycross Families worker - six year grant commenced on 1 December 2017. £5,379 payable in September of each year.

Performing Arts Mission Enabler - three year grant commenced on January 2020. £103,864 payable over the 3 years, in January each year

23 Capital commitments and contingent liabilities

As at 31 August 2022 the Circuit was contracted to pay for £12,147 of works at Oreston Cottage, a separate £10,076 of works at Oreston Cottage, and £4,566 for works at Chapel Cottage.

24 Related party transactions

During the year a brought forward loan of £200 to a minister was fully repaid.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit.

Signature of treasurer:



Date:

28/3/23

Name of treasurer:

Mrs Saffie Edwards

Address of treasurer:

Circuit Office, Stoke Christian Centre, Devonport Road, Plymouth, PL3 4DS

Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 will be presented to the Circuit Meeting at its meeting on 22 March 2023.

Signature of the Chair of the meeting:

Date of signing:

28/3/2023



Name of the Chair of the meeting:

Rev Andrew Chislett-McDonald

* delete or circle as appropriate

**Independent Examiner's Report to the Trustees of the Plymouth and
Devonport Methodist Circuit**

Charity registration number: 1134211

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Plymouth and Devonport Methodist Circuit for the year ended 31 August 2022 set out on pages 8 to 19. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent Examiner's Statement

The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me cause to believe that in, any material respect:

- * the accounting records were not kept in accordance with section 130 of the Act; or
- * the accounts do not accord with the accounting records; or
- * the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination; or
- * the trustees' annual report is not consistent with the accounts.

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

I have obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner:



Name of independent examiner:

Richard Baker

Relevant professional qualification of independent examiner:

FCA

Name of firm:

Houndiscombe Consultants Limited
T/A Condry Mathias Chartered Accountants
6 Houndiscombe Road
Plymouth
Devon
PL4 6HH

Address :

Date:

28/3/23

Plymouth and Devonport Methodist Circuit

**Management Information
for the Year Ended 31 August 2022**

The following page does not form part of the statutory consolidated financial statements.

Plymouth and Devonport Methodist Circuit

**Detailed statement of financial activities
for the Year Ended 31 August 2022**

	2022	2021
	£	£
INCOME		
Circuit assessments	387,566	367,878
Donations	972	337
Income from Oreston	-	3,858
Dividends	1,281	822
Bank interest receivable	3,219	2,492
Other income	2,659	626
	<u>395,697</u>	<u>376,013</u>
DIRECT CHARITABLE EXPENDITURE		
Grants paid	19,738	75,637
Wages and salaries	315,143	271,091
Water	3,751	2,684
Council tax	16,136	14,160
Insurance	6,864	4,159
Alarms	-	51
Repairs and maintenance	17,121	33,398
Oreston expenses	2,213	14,808
Removals	-	7,638
Quinquennials	-	1,692
TMCP - District levy	28,796	17,543
Support costs of connexion and district	77,591	79,592
Professional fees	2,057	6,702
Telephones	4,221	3,883
Publications	2,847	1,746
Supernumeraries preaching expenses	-	651
Stewards costs	1,206	864
Communion wine	357	-
Sundries	1,298	1,053
Graveyard costs	4,960	1,850
Circuit plans	816	630
	<u>505,115</u>	<u>539,832</u>
MANAGEMENT AND ADMINISTRATION		
Administration, postage and stationery	1,895	2,290
Independent review and accountancy	6,798	6,938
Fund management charges	1,738	977
	<u>10,431</u>	<u>10,205</u>
TOTAL EXPENDITURE	<u>515,546</u>	<u>550,037</u>
Unrealised gains/(losses) on investments	(3,314)	8,183
NET (DEFICIT)/INCOME before exceptional items	<u>(123,163)</u>	<u>(165,841)</u>
Gain on sale of 3 Springfield Avenue	-	4,991
Gain on sale of 170 Fort Austin Avenue	-	132,463
Loss on the sale of 76 Lynwood Avenue	-	(69,824)
Gain on sale of 7 St Lawrence Road	136,955	-
NET MOVEMENT IN FUNDS	<u>13,792</u>	<u>(98,211)</u>