

DANE & TRENT METHODIST CIRCUIT

FINANCIAL STATEMENTS

For the Year ending 31st August 2022

Introduction

The Trustees of the Dane & Trent Circuit present their annual report together with financial statements for the year ended 31st August 2022.

Mission Statement

As a Circuit we are committed to building up thriving and effective Christian communities which aim to love God, serve Christ and love people - in whatever different ways that demands and takes.

Aims and organisation

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union and are defined in the 1976 Methodist Church Act 1976 (Section 4). They are 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 being a 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.

It will achieve these aims through –

- The organising and resourcing of regular public acts of worship open to members of the Church and non-members
- The teaching of Christianity through sermons, courses and small groups
- The resourcing of pastoral work including visiting the sick and bereaved
- Taking religious assemblies in local schools
- The promotion of Christianity through the staging of events and services
- The provision of chaplaincy services where appropriate
- The employment of lay and ordained staff to enable the Circuit and churches to achieve the aims stated above

Public Benefit

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

Structure, Governance and Management

The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership team.

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the circuit, specifically the leaflet *The Role of a Trustee in The Methodist Church* is available to all new Circuit meeting members as induction to their role as trustees.

Related Parties

The Circuit is part of the Chester & Stoke-on-Trent District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the circuit:

Biddulph

Bosley

Bradshaw Brook (Sold during the year)

Brookhouse Green

Cloud

Davenport

Goostrey

Hill Top (Biddulph Moor)

Holmes Chapel

Key Green

Lower Withington

Middlewich

Mow Cop

New Road (Biddulph Moor)

Rood Lane (Congleton)

Trinity (Congleton)

Wellspring (Congleton)

The members of the Dane & Trent Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Fully membership is shown as Appendix A to this report.

Circuit Ministers and officers

Active Circuit Ministers: Rev Yvonne Pearson (Superintendent Minister)

Rev Anne Coates

Rev Nic Langton-Miller

Rev Tim Simms

Rev Margaret Eaton (Part Time)

Circuit Lay Workers: Julia Tomes
Kathleen Salt

Administrators: Rebecca Taylor

Circuit Stewards: Lisa Kennerley (Senior Steward)

Brian Donlon

Rose Goodwin

Mark Owens

Amanda Peters

Circuit Treasurer John Duley

John Duley Circuit Treasurer acted as the principal officer overseeing the day to day financial management and accounting for the circuit during the year.

Independent examiner

Michael John Collier, 59 Ravenscroft, Holmes Chapel, Cheshire

Bankers

Investment Bankers Central Finance Board of the Methodist Church
Trustees for Methodist Church purposes

Bankers National Westminster Bank plc

Risk Management

The major risks have been identified and recorded by the Circuit leadership Team with professional advice taken as required.

There is a regular review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- The care and nurture of, and respectful pastoral ministry with, all children, young people and adults.
- The safeguarding and protection of all children, young people and adults when they are vulnerable.
- The establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.

- In all these principles we will follow legislation, guidance and recognised good practice

The Dane & Trent Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Dane & Trent Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Data Protection (GDPR)

The circuit has undertaken extensive reviews of all documentation held by the circuit and its churches. This has identified all data which would be available to the wider public so that formal agreement could be obtained in respect of the publication of personal information.

There are ongoing reviews to ensure that data is accurately maintained. Details of the required retention periods has been provided along with the means to destroy data which is no longer required.

Brief financial review of the year

The financial outcome of the year in terms of the main expenditure area of salaries, manse utilities, were in line with the budget.

The churches within the circuit have all returned to face to face services following the pandemic however many are still seeing the impact on numbers and income.

Income trends

Circuit income is primarily drawn from the assessment paid by the circuit churches. Net proceeds from the sale of Bradshaw Brook of £300561 was credited to the Circuits TMCP account

Expenditure trends

Stipend expenditure has increased each financial year in line with conference approved ' increases. Likewise Lay Worker salaries were increased in line with the Living Wage.

Circa £53k 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.

Fund balances

As at 31 August 2022 the net current assets of the Circuit were £101k, giving approximately 12 months cover for expenditure.

Plans for 2022/23


In view of the uncertainty that the current pandemic brings it was agreed that the circuit would absorb projected increase, specifically salaries and maintain assessments at current rates. Following the appointment to the vacant Ministerial post the level of supernumerary ministry has been reduced. Sums of monies have been ring fenced to aid churches with short term financial issue and to support further lay worker employment.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2021 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard(FRS) 102

Name of Circuit: Dane and Trent						Circuit No	11/05
Statement of Financial Activities (SOFA) for the year ended 31 August 2022							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
		£	£	£	£	£	£
Income							
1 Donations and legacies					68,529		68,529
2 Income from monetary investments		129	1,055		310		1,494
3 Income from investment properties							0
4 Assessments on Churches		249,640					249,640
5 Capital Receipts			300,561				300,561
6 Grants received							0
7 Other charitable income		6,084		200			6,284
8 Total income		255,852	301,616	200	68,839	-	626,507
Expenditure							
9 Grants and donations							0
10 Salaries and associated costs		190,489					190,489
11 Property maintenance		30,872					30,872
12 Connexional assessment & model trust levy			104,899				104,899
13 District Assessment & Levy		53,472					53,472
14 Depreciation							0
15 Office expenses		1,202					1,202
16 Other outgoings		38,893					38,893
17 Total charitable expenditure		314,928	104,899	0	0	0	419,827
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							
20 Net income/(expenditure)		-59,076	196,717	200	68,839	0	206,680
21 Transfers between funds							0
22 Other gains/(losses)							
23 Net movement in funds		-59,076	196,717	200	68,839	0	206,680
24 Total funds brought forward		159,182	211,439	827	-		371,448
25 Total funds carried forward		100,106	408,156	1,027	68,839	-	578,128

BALANCE SHEET 31ST AUGUST 202

Balance Sheet as at 31 August 2022								
	Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2021/22	Totals 2020/21
		£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment		1,664,669					1,664,669	1,221,611
Investment properties							0	
Investments							0	
Total fixed assets		1,664,669	0	0	0	0	1,664,669	1,221,611
Current Assets								
Debtors		24,964					24,964	24,738
Loans by the Circuit							0	
Investments with TMCP			408,156		68,839		476,995	211,439
Central Finance Board Deposits		20,928					20,928	53,783
Cash at Bank and in hand		79,178		1,027			80,205	111,976
Total current assets		125,070	408,156	1,027	68,839	0	603,092	401,936
Current liabilities								
Creditors (due in under 1 year)		4,114					4,114	5,749
Grants payable within 2021-22							0	
Total current liabilities		4,114	0	0	0	0	4,114	5,749
Net current assets/liabilities		120,956	408,156	1,027	68,839	0	598,978	396,187
Total assets less current liabilities		1,785,625	408,156	1,027	68,839	0	2,263,647	1,617,798
Long term liabilities (due after more than one year)								
Grants payable after 2021-22							0	
Loans to the Circuit							0	
Net assets		1,785,625	408,156	1,027	68,839	0	2,263,647	1,617,798
Funds of the Circuit								
General Fund (Unrestricted)		1,785,625					1,785,625	1,405,532
Circuit Model Trust Fund (Unrestricted)			408,156				408,156	211,439
Designated Funds (Unrestricted)				1,027			1,027	827
Total Unrestricted Funds							2,194,808	1,617,798
Restricted Funds					68,839		68,839	
Endowment Funds						0	0	
Total Funds		1,785,625	408,156	1,027	68,839	0	2,263,647	1,617,798
Signed 								
Circuit Treasurer							John Duley	

NOTES TO THE ACCOUNTS

1. The salaries paid to ministers was £114069; National Insurance £10504, Pension Contributions £29629. Lay Worker salary costs were £22633. We were charged an Apprentice Levy of £724. Pay costs increased this year following the appointment of an additional minister.
2. The water bills paid for our four manses totalled £1948; Local Authority rates were £9642. Other manse expenditure this year totalled £30872, this includes the remainder of the work to renovate the Ennerdale Drive Manse. These costs increased as once again we had responsibility for the Ennerdale Drive Manse.
3. Other outgoings included £3953 for telephone calls/provision; £2025 for supernumerary preaching fees, travel expenses of £5675. Following the sale of Bradshaw Brook and the return of allowable expenses there was a positive balance of £1703 from closed churches.
4. Fixed Assets – Where the actual cost of manses is known these have been used. In other cases the deemed costs established at 1st September 2015 have been used

Actual purchase cost of one manse in 2019, £317,500

Deemed Cost based on 1st September 2015, three manses £904,111
a total of £1,347,169

Bradshaw Brook– The sale was completed during the year and following payments of the various levies £300561 was received by the circuit from the sale

5. The Debtors figure of £24964 represents church assessments paid in advance prior to the new financial year along with two accounts paid in advance.
6. The £1027 in the designated funds is Circuit Weekend monies that are now in the Circuit accounts
7. Restricted Funds Richard Hickson Bequest
The bequest was the sum of £68529.30
Interest for the year was £309.76. Under the terms of the Bequest this income is to be used in the Middlewich area.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum of £70,000 equivalent to 3 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure or of any inability to raise the full Circuit Assessment from churches.

A further £50000 is to be held in reserve for support to churches with short term cash flow issues

£106000 is set aside for the employment of new Lay Workers (these to be approved by the Circuit Meeting)

A benevolent fund is held with a current balance of £2,242

Following a donation a sum of money is set aside for outreach activities especially with young people with an available balance of £654

Independent Examiner's Statement

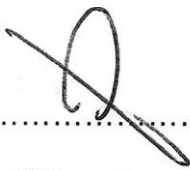
[The Circuit's gross income exceeded €250,000 and I am qualified to undertake the examination by being a qualified member of (insert name of applicable listed body)]. Delete [] if not applicable.

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

● the accounting records were not kept in accordance with section 130 of the Act; or ● the accounts do not accord with the accounting records; 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 Delete if not applicable i.e. all R&P accounts ● the trustees' annual report is not consistent with the accounts Delete if not applicable i.e. all R&P 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~~/have not* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of E 10,000 (ten thousand pounds) at the balance sheet date.

er 
.....
M. J. COLLIER

Signature of independent examiner qualification of independent examiner: BANK OFFICIAL (RETIRED).....

Name of independent examiner:

Relevant professional

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

Address 59. RAVENSCROFT HOLMES CHAPEL CHERNIM.....