

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST AUGUST 2021**

Charity Registration No. 1134958

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THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2021

The Trustees are pleased to present their annual report for the year ended 31st August 2021.

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and 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 published (FRS 102) (effective 1st January 2019).

OBJECTIVES AND ACTIVITIES

The Circuit's mission statement which was approved by the Circuit Meeting on 4th December 2003 is "To make disciples for Jesus Christ".

Our Mission policy (2011) states:

- we uphold the Methodist Connexional Policy of 'Our Calling', which through worship, learning, caring, service and evangelism, forms the basis of Christian discipleship.
- we recognise the Methodist Connexional Priority to proclaim and affirm God's love for all and the renewal of confidence in God's presence and action in the world.
- we affirm Methodism as a discipleship movement shaped for mission.

Circuit Mission Priorities:

We are working together in the power of the Spirit to offer Jesus's invitation to people across our communities to follow him and discover God's way of living life to the full.

Key areas include:

- Exploring effective partnerships for worship and mission.
- Deepening discipleship through regular small groups, courses and events.
- Encouraging the nurture of and witness to children and young people.
- Helping churches to identify specific mission opportunities in their neighbourhoods.
- Supporting such opportunities with targeted resources of money and personnel.
- Providing a staff team that can lead and enable our mission through all our members.
- Exploring how to use our premises more effectively.

The Mission Policy provides for:

- ministerial oversight and pastoral care of the nine churches in the Circuit.
- support of a ministry team which includes Lay workers.
- maintenance of the three manses and one former manse which is let, for strategic purposes, on a short-term basis. A further new short-term lease has been taken on a fully furnished basis for incoming overseas Minister, Reverend Clement Matarirano.

ACHIEVEMENTS AND PERFORMANCE

In 2020-21 we continued our theme of 'Push The Boat Out' introduced in October 2016 to encourage Circuit churches to deepen discipleship, focus on local mission opportunities and explore new and more effective uses of their skills, finances and premises.

To help with this, we decided to fully support the initiative launched by the Methodist Conference in 2019, 'Going for Growth'.

We welcomed Reverend Clement Matarirano and family from Zimbabwe on 1 September 2020 for 5 years and he now has responsibility for the churches at Court Hey and Trinity

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2021

Likewise, an additional Circuit Youth Worker in Andrew Parsons was recruited on 1 September 2020.

Through these strategies and the earlier 'Choosing to Change', we have made the decision to fund the new costs incurred by the Circuit from reserves. The number of full time staff will be three presbyters and one deacon.

COVID-19 mostly resulted in the closure of our buildings from 16 March 2020 until they re-opened at Pentecost 2021. The Circuit continued its mission by supporting online worship, facilitating the distribution of written copies of services for those unable to go online and oversee the risk assessments to ensure that buildings were COVID-secure on re-opening.

The Circuit again supported our churches during lockdown by paying one-quarter's assessment from reserves in view of their reduction in income through offerings and lettings.

Together with the experienced and dedicated Circuit Leadership Team, the Superintendent is seeking to bring insights from ministry across the connexion, develop strategic vision and support for mission initiatives.

The main source of income, the Circuit Assessment, reviewed annually, is an annual assessment upon each church. Ability to pay is considered in each of the churches.

The Circuit's strategy of bringing the manse to be retained up to date remains ongoing although progress was negatively impacted by the pandemic. Additionally, those that are determined to be surplus to requirements will be sold or rented promptly. There is no intention to retain surplus property so any lettings will be short term.

In this context, 34 Manor Road is let until 28 July 2022 and this is likely to be renewed for a further 12 months from that date.

FINANCIAL REVIEW

Total income in the year was £187,758 (2020: £352,340) of which £6,642 (2020: £66,565), related to funding for projects upon which restrictions are placed.

Total expenditure in the year was £354,799 (2020: £316,550), leaving a deficit for the year of £167,041 (2020: surplus £35,790) before gains on investment assets.

At 31st August 2021 the charity's reserves stood at £2,415,353 (2020: £2,587,805) of which £1,730,492 (2020: £1,909,782) represented restricted funds.

Risk Management

The main risks, to which the charity is exposed, as identified by the Trustees, have been considered and systems have been established to mitigate those risks.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves at a level to cover redundancy provision and six months' running costs should no further funding be received.

As at the end of the financial year the unrestricted funds totalled £684,861. The charity requires £3,177 for redundancy provision, £22,750 Manses repairs & refurbishments, £3,750 Quinquennials and £158,838 for six months' running costs (Total £188,515).

As last year, and due entirely to the continuing impact of the COVID pandemic, £54,110 of reserves, in lieu of one quarter's assessment income from our churches, was used to support them in view of the length of time churches and church halls had to remain shut.

Plans for the future

With declining membership numbers and the fact that staff and assessment costs form the bulk of our expenditure the Circuit is seeking to follow the 'Going for Growth' initiative launched by the Methodist Conference in 2020 and supported by the emerging District Policy at the Spring Synod in 2020. We aim to release resources to encourage worship, learning and discipleship, and mission and evangelism. By sowing the seed of the gospel, we look for new disciples to emerge in and through our corporate witness.

Other than fully 'Going for Growth' no new projects are planned in the immediate future and we will continue to review the number of staff needed to function effectively.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Methodist Church – Liverpool (South) Circuit is a registered charity; number 1134958 formed in 16th March 2010 and is governed by The Methodist Church Act 1976 and The Deed of Union 1932.

The Methodist Church – Liverpool (South) Circuit is a formal group (S.O. 500 of the Constitutional Practice and Discipline of the Methodist Church) of nine mutually supportive churches across South Liverpool. In accordance with charity law, each constituent church is responsible for producing and presenting its own financial accounts each year.

The Trustees of the charity under the terms of the Constitutional Practice and Discipline of the Methodist Church are known as Managing Trustees.

The members of the Circuit Meeting are the Managing Trustees of the charity. They include the Circuit Superintendent, Circuit Ministers including Supernumeraries and appointed Lay workers. Circuit Stewards are elected to serve for six years. The remaining Trustees include the Circuit Administrator, Circuit Treasurer, Circuit Meeting Minute Secretary and nominated representatives from the nine churches of the Circuit.

The Circuit Meeting, held four times a year, has been online during the year. Given the extended lockdown period and despite the demographic of the meeting, an online platform was the only realistic way to connect with our members who actually grew into this medium. In accordance with Connexional guidelines, by email agreement of the churches, the Circuit Leadership Team was authorised to progress any urgent items of business.

The Circuit Leadership Team which consists of the Circuit Superintendent, Circuit Presbyters including Supernumeraries, appointed Lay Workers, Circuit Stewards and Circuit Treasurer also meet four times a year.

The Circuit Stewards meet regularly throughout the year with the Circuit Superintendent.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2021

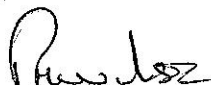
REFERENCE AND ADMINISTRATIVE DETAILS

Name	The Methodist Church - Liverpool (South) Circuit		
Charity Number	1134958		
Address & Office	Elm Hall Drive Methodist Church Elm Hall Drive Liverpool L18 1LF		
Trustees	During the year members of the Board of Trustees were as follows:		
	Abiodun Adepitun		
	Shirley Banks		
	Pamela Boffey		
	Christine M Bolton		
	Alice M Brett		(Deceased October 2021)
	Natasia Bullock		
	Timothy J Bullock		(Resigned 31 st August 2021)
	Katherine Cook		(Appointed 17 th April 2021)
	Deacon Michaela J Doherty		
	Gillian Dover		
	Ralph Dransfield		
	Stephen Elliot		
	Andrew Gillespie		
	Charles R Hardisty		
	Kate Harrison		
	Mark Harrison		
	Margaret P Harvey		
	Roger Heath		
	Elizabeth A Hudson		
	Rev Peter Hughes		
	Kim J Kershaw		
	Elizabeth Lloyd		
	Philip A Lodge		
	Graham Martin		
	Clement Matarirano		(Appointed 1 st September 2020)
	Janine McGuire		
	Jayne McLaren		
	Edward Message		
	Carolyn Munro		
	Sandra Patterson		
	Ada D Peers		
	Arthur E Pye		
	Edna M Pye		
	Rev Jennifer C Rayner		
	Richard C G Rees		
	Clive Rigby		
	Alfred Salami		
	Wendy Smith		(Resigned 31 st August 2021)

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Trustees continued	Susan M Steel Judith M Sutcliffe Stephen P Sutcliffe Eleanor A Thomas Jean Wharton Linda M White Rev Paul Wilson Peter Wood Rev Martyn Woodsford	(Resigned 31 st August 2021) (Resigned 31 st December 2021)
Independent Examiner	Paula Sanchez, ACCA c/o LCVS, 151 Dale Street, Liverpool, L2 2AH	
Bankers	The Co-Operative Bank Plc PO Box 250, Skelmersdale, WN8 6WT	

Signed on behalf of the Trustees



.....
Rev Paul Wilson
Trustee

Date: 22 March 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

I report on the accounts of the charity for the year ended 31st August 2021 which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

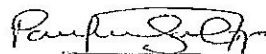
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act;
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name: **Paula Sanchez**

Relevant professional qualification or body: **ACCA**

Address: **c/o LCVS 151 Dale Street, L2 2AH**

Dated: **23rd March 2022**

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Restated Total Funds 2020 £
Income and endowments from:					
Donations and legacies	2a	175	-	175	389
Charitable activities	2b	169,365	4,303	173,668	241,663
Investments	2c	901	2,339	3,240	10,578
Other income	2d	10,675	-	10,675	99,710
Total income		181,116	6,642	187,758	352,340
Expenditure on:					
Charitable activities	3	326,593	37,123	363,716	316,550
Total expenditure		326,593	37,123	363,716	316,550
Net (expenditure)/income		(145,477)	(30,481)	(175,958)	35,790
Transfer between funds	10,11	152,315	(152,315)	-	-
Gain on revaluation of fixed assets	4	-	-	-	-
Gain/(Loss) on investment assets	5	(-)	3,506	3,506	(343)
Net movement in funds		6,838	(179,290)	(172,452)	35,447
Total funds brought forward	10,11	678,023	1,909,782	2,578,805	2,552,358
Total fund carried forward	9-11	684,861	1,730,492	2,415,353	2,587,805

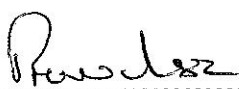
The notes on pages 9 to 18 form part of these accounts.

All the above amounts relate to continuing activities of the charity.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
BALANCE SHEET AS AT 31ST AUGUST 2021

	Notes	31 st August 2021		Restated 31 st August 2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	4		1,295,458		1,295,611
Investments	5		435,492		614,782
			<u>1,730,950</u>		<u>1,910,393</u>
Current assets					
Debtors: amounts falling due within one year	6	32,155		11,784	
Debtors: amounts falling due after more than one year	7	7,416		-	
Cash at bank and in hand		707,597		712,503	
		<u>747,168</u>		<u>724,287</u>	
Current liabilities					
Creditors: amounts falling due within one year	8	(62,765)		(46,875)	
		<u>-----</u>		<u>-----</u>	
Net current assets			684,403		677,412
			<u>-----</u>		<u>-----</u>
Total assets less current liabilities			2,415,353		2,587,805
			<u>=====</u>		<u>=====</u>
Funds:					
Unrestricted funds	10,11		684,861		678,023
Restricted funds	10-12		1,730,492		1,909,782
			<u>2,415,353</u>		<u>2,587,805</u>
			<u>=====</u>		<u>=====</u>

Approved by Trustees on 22 March 2022



 Rev Paul Wilson, Trustee



 Roger Heath, Trustee

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

1. Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) (effective 1st January 2019) and Charities Act 2011.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Although, due to COVID-19, there will be a reduction of assessment income during this and future years, the Trustees are confident that the levels of liquidity and free reserves will not affect the charity's operations. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are the charity's free reserves available for the Trustees to apply in accordance with the charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor.

Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accruals basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

Income from investment relates to bank interest and income from investments received and is recognised when the amount is certain.

Other income relates to rental, branch income, and loan interest received is recognised when the amount is certain.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

Fixed assets

Fixed assets (Freehold Property) are stated at valuation and reviewed by the Trustees on an annual basis and a professional valuation of all manses every five years.

Depreciation is provided to write off the cost of the asset over its expected useful life on the following basis

Fixtures and Fittings	20% per annum reducing balance basis
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Investments

Investments are included at market value. Realised and unrealised gains and losses are reported in the Statement of Financial Activities.

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charity. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charity.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Cost of charitable activities relate to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charity. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charity.

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

2. Income and endowments from:

	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
	£	£	£	£
a. Donations and legacies:				
Donations	175	-	175	389
	=====	=====	=====	=====

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
b. Charitable activities:				
Assessments	169,365	-	169,365	162,405
Introduced funds from Childwall Valley Church	-	-	-	79,258
Grants	-	4,303	4,303	-
	<u>169,365</u>	<u>4,303</u>	<u>173,668</u>	<u>241,663</u>
	=====	=====	=====	=====
c. Investments:	£	£	£	£
Bank Interest	901	-	901	3,534
Income from UK listed investments	-	2,339	2,339	7,044
	<u>901</u>	<u>2,339</u>	<u>3,240</u>	<u>10,578</u>
	=====	=====	=====	=====
d. Other income:	£	£	£	£
Loan interest	79	-	79	132
Net proceeds from sale of Banks Road Church/Childwall Valley Church	-	-	-	88,648
Rental income	10,596	-	10,596	10,930
	<u>10,675</u>	<u>-</u>	<u>10,675</u>	<u>99,710</u>
	=====	=====	=====	=====
3. Expenditure on charitable activities				
	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2021 £	Total 2020 £
Upholding the Methodist Connexional Policy of 'Our Calling', which through worship, learning, caring, service and evangelism, forms the basis of Christian discipleship.	303,949	59,767	363,716	316,550
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

a. Analysed as follows:

	2021	Restated 2020
	£	£
<i>Direct charitable expenditure:</i>		
Staff salary costs	167,141	111,436
Pension	30,326	20,483
Ministerial expenses	9,214	5,401
Lay worker expenses	1,653	2,168
Grants	17,000	45,613
District assessment	51,078	50,560
Manse expenses	22,572	17,787
Bank Road expenses	-	693
United Reform Church fees	4,100	3,980
Gifts and donations	865	1,054
Room hire	-	324
	303,949	259,499
	2021	2020
	£	£
<i>Support & governance costs:</i>		
Investment charges	32,820	47,645
Other expenses	906	-
Circuit office	-	1,111
Stationery and postage	859	391
Computer costs	-	10
Quinquennials	2,790	-
Apprentice levy	903	543
Insurance	2,247	5,266
Rent	16,800	
Subscriptions and memberships	679	452
Payroll fee	480	480
Accountancy	1,130	1,000
Depreciation	153	153
	59,767	57,051
Total expenditure on charitable activities	363,716	316,550
	=====	=====

£37,123 (2020: £47,645) of the above expenditure relates to restricted funding.

	2021	Restated 2020
	£	£
b. Staff Costs		
Gross wages and salaries	153,034	102,800
Social security costs	14,107	8,636
Pension	30,326	20,483
	197,467	131,919
	=====	=====

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

c. Particulars of employees:

Average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2021	Restated 2020
Charitable activities	3	2.3
	=====	=====

Two Trustees are employed by the charity and included in the figure above; the Trustees are not remunerated for their services as a Trustee.

4. Tangible fixed assets

	Freehold Property £	Fixtures and Fittings £	Total £
Cost or revaluation			
Balance as at 1 st September 2020	1,295,000	764	1,295,764
Additions during the year	-	-	-
	-----	-----	-----
Balance at 31st August 2021	1,295,000	764	1,295,764
	-----	-----	-----
Accumulated depreciation			
Balance at 1 st September 2020	-	153	153
Charge for the year	-	153	153
	-----	-----	-----
Balance at 31st August 2021	-	306	306
	-----	-----	-----
Net Book Value at 31st August 2021	1,295,000	458	1,295,458
	=====	=====	=====
Net Book Value at 31 st August 2020	1,295,000	611	1,295,611
	=====	=====	=====

The properties are included at valuation carried out by Sutton Kersh, a Chartered Surveyor on 19th October 2018 and revalued every 5 years. The Trustees considered there is no material change required to the valuation at 31st August 2021.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

5. Fixed asset investments

	2021	2020
	£	£
Market value at 1 st September 2020	614,782	767,124
Income	2,339	7,044
Sale proceeds less levy	-	108,313
Funds Introduced		39,855
Charges	(32,820)	(1,653)
Withdrawals	(152,315)	(305,558)
Net realised (loss)/gains on investment assets	3,506	(343)
	-----	-----
Market value at 31st August 2021	435,492	614,782
	=====	=====

The investment assets are held by The Trustees for Methodist Church Purposes.

6. Debtors: amounts falling due within one year

	2021	Restated 2020
	£	£
Debtors	16,190	1,592
Prepayments	13,381	10,192
Other Debtors	2,584	-
	-----	-----
	32,155	11,784
	=====	=====

7. Debtors: amounts falling due after more than one year

	2021	2020
	£	£
Other Debtors	7,416	-
	=====	=====

Other Debtors comprise a loan to St James (total balance due year end 31st August 2021 £10,000 (2020: £Nil)) bearing interest at 1.5% + base rate per annum. The base rate per annum as at 31st August 2021 was 0.1%.

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Creditors	11,870	
Accruals	3,520	1,000
Deferred income (note 8)	47,375	45,875
	-----	-----
	62,765	46,875
	=====	=====

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

9. Deferred Income

	2021	2020
	£	£
Balance at 1 st September 2020	45,875	32,550
Amount deferred in the year	47,375	13,325
Amount released to incoming resources	(45,875)	(-)
	-----	-----
Balance at 31st August 2021	47,375	45,875
	=====	=====

Deferred income represents Assessment fees which relate to future accounting years.

10. Analysis of Net Assets between Funds

	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Unrestricted Funds				
General Fund	458	-	684,403	684,861
	-----	-----	-----	-----
Restricted Funds				
Tangible Fixed Assets	1,295,000	-	-	1,295,000
Fixed Asset Investment	-	435,492	-	435,492
	-----	-----	-----	-----
	1,295,000	435,492	-	1,730,492
	-----	-----	-----	-----
Totals	1,295,458	435,492	684,403	2,415,353
	=====	=====	=====	=====

11. Unrestricted Funds

Movements in the Year

	Restated Resources at Beginning of year	Income	Expenditure	Gain on revaluation of fixed assets	Transfer between funds	Resources at End of year
	£	£	£	£	£	£
General Fund	678,023	181,116	(326,593)	-	152,315	684,861
	=====	=====	=====	=====	=====	=====

General Fund - is used to finance the charity's general activities and core costs as outlined in the Trustees' Report.

Transfer between Funds - represents the disposal of assets and the withdrawals from investments

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

12. Restricted Funds

	Movements in the Year					
	Resources at Beginning of year	Income	Expenditure	Revaluation And Investment (loss)	Transfer Between funds	Resources at End of year
	£	£	£	£	£	£
Tangible Fixed Assets	1,295,000	-	(-)	(-)	(-)	1,295,000
Fixed Asset investment	614,782	2,339	(32,820)	3,506	(152,315)	435,492
Trinity Church Grant	-	4,303	(4,303)	-	-	-
	<u>1,909,782</u>	<u>6,642</u>	<u>(37,123)</u>	<u>3,506</u>	<u>(152,315)</u>	<u>1,730,492</u>

These are monies given to the Charity to be spent at the discretion of the Board of Trustees for specific charitable purposes as follows:

Tangible Fixed Assets - representing Tangible fixed assets held by the charity and restricted by Methodist rules.

Fixed Asset investment - representing investments held by the charity restricted by Methodist rules.

Transfer between Funds - represents the disposal of assets and the withdrawals from investments

13. Guarantees and Other Financial Commitments

There are no financial commitments under non-cancellable operating leases (2020: £Nil).

14. Related Parties

The following amounts were paid to Trustees, who are also Lay workers and ministers.

Name	Total	Restated Total
	2021 £	2020 £
Natasia Bullock	20,400	7,978
Deacon Michaela J Doherty	25,693	22,946
Rev Peter Hughes	25,693	22,946
Lena M Phillips	6,910	-
Rev Paul Wilson	28,245	25,224
Clement Matarirano	25,693	-

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15. Prior Year Adjustment

Prior year financial statements have been reinstated to include a correction within the debtors, as detailed below;

a. Statement of financial activities for the year ended 31st August 2020

	£
Reported net movement in funds	26,530
Staff salary costs	7,201
Pension	1,716

Restated net movement in funds	35,447
	=====

b. Balance sheet as at 31st August 2020

	£
Reported Unrestricted Funds	669,106
Prepayment	8,917

Restated Unrestricted Funds	678,023
	=====