

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR
ENDED 31ST AUGUST 2023**

Charity Registration No. 1134958

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

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THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2023

The Trustees are pleased to present their annual report for the year ended 31st August 2023.

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

Circuit Mission Statement: approved by the Circuit Meeting on 4 December 2003 - "To make disciples for Jesus Christ".

Circuit Mission Policy: (approved 2011)

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.

We affirm that the Methodist Church is committed to being a growing, evangelistic, inclusive, justice-seeking Church – so that new people become disciples of Jesus Christ, faith deepens for everyone, and diverse communities and churches experience transformation.

Circuit Mission Priorities: (2023)

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

- Sharing worship and witness
- Deepening discipleship
- Encouraging the nurturing of children and young people
- Helping churches to identify and deliver mission in their neighbourhoods
- Use our cash, members, buildings and other resources wisely
- Provide a staff team that can lead and enable mission
- Provide outreach to the displaced in the inner city
- Church and Circuit leadership succession planning: developing strategies for seeking Circuit Meeting members, Circuit Stewards, Worship Leaders, Local Preachers, and church officers.
- Within an obligation to provide a safe space for all, meet all our legal and Connexional requirements

Circuit Partnership

We cherish our longstanding relationships with the Church of England and United Reformed Church in our Local Ecumenical Partnerships. We continue to seek to work with the wider Christian family and other agencies where we share common values and aims.

Circuit Mission Action Plan (2022 - 2027)

The Circuit and its mission are led by the Circuit Leadership Team, including our Superintendent, 2 Presbyters and lay workers.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

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Worship: Supporting and training ministers, local preachers and worship leaders to provide a variety of forms of worship using technology, where appropriate, to be inclusive for all.

- For public worship in local churches, we will provide preachers and leaders of worship or/and online resources to share in worship.
- For those unable to attend worship and those preferring online worship, we will endeavour to provide online and telephone worship, plus written liturgies for those who cannot access the technology.
- We encourage the churches to meet in clusters and as a Circuit (twice a year).

Discipleship: Encourage the formation and development of groups for prayer and Bible study.

- We will encourage all levels of leadership to spend time listening to God and conferring together to discern and resource God's mission in each area.
- We will use the Circuit Meeting and weekly notices to share good resources and encourage the growth of small groups.
- We are committed to encouraging participation in ecumenical prayer gatherings, Thy Kingdom Come and Quiet Days. We will circulate prayer requests from Circuit churches for sharing in public worship and private devotions.

Discipleship of Children and Young People:

- We have employed a Circuit Children's worker and a Youth worker, to develop groups in Trinity and Halewood churches and surrounding schools. At Circuit level, they provide oversight of the Circuit youth band and encourage attendance at 3Generate, Connect (South Liverpool youth gathering) and Deanery youth events. A regular 'Youth Matters' meeting shares good practice across the Circuit from the variety of children and youth activities and messy church programmes.
- We will review our children and youth work with help from the learning network.
- Provide training as requested by the youth and children's workers.

Mission Opportunities:

- Support the Liverpool District's HE Chaplaincy work among students in the south Liverpool area in particular through the Drivers Group.
- Encourage attendance at Drivers - the young adults' congregation based at Elm Hall Drive but hoping to reach out to other locations.
- Support churches in developing buildings for community use and outreach.
- Encourage interdenominational outreach at Farmers' markets, Open Air witness and shared outreach projects.
- Encourage support of those groups working with addictions, mental health, bereavement, families, luncheon clubs, parenting and other support groups using our buildings and the Huyton café and Liverpool Zero Food Waste at Elm Hall Drive. Several churches are offering places of welcome/warm spaces initiatives.
- We adopt the 3Generate manifesto to encourage all ages to engage in matters of climate change, compassion and mercy ministries and social justice projects.
- We will explore participation in Eco Church Award scheme.

Resourcing Mission:

- The Circuit values the role of the Circuit Administrator in communicating by email and the weekly notices information from the Connexion, District and Circuit to the church members.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

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- We welcomed our new Superintendent Rev David Goodwin who joined us from the Chester Circuit in September.
- The Circuit has Youth Worker partly funded by a grant from Trinity being in an area of social deprivation. He resigned mid-year and a replacement is being sought.
- The Circuit is over-viewing plans for the use of churches in the immediate, medium, and long-term future.
- The Circuit has a Safeguarding Officer and 2 trainers to help churches provide safe spaces for all.
- The Circuit has brought all manses up to a good standard and will continue to maintain this standard.
- The Circuit will help to support young people and adults attending 3Generate.
- The Circuit has progressed work to ensure that all churches fulfil their legal obligations of finance, buildings, safeguarding. This includes a willingness to help co-ordinate and finance professional services (finance, property) for the individual churches within the Circuit who have inadequate expertise or capacity to manage these roles, assisting with both compliance and freeing up resources for outward facing mission work.
- The Circuit and individual churches have been developing full risk assessments in line with 2016 Methodist Conference requirements and Covid Guidelines.

ACHIEVEMENTS AND PERFORMANCE

In 2022-23 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.

A new Circuit Youth Worker is being sought.

Through these strategies and the earlier 'Choosing to Change', we have made the decision to fund the new growth costs incurred from Circuit reserves. The number of full-time staff is currently three presbyters.

The Circuit continued its mission by supporting online worship, facilitating the distribution of written copies of services for those unable to go online.

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 manses to be retained up to date remains ongoing. Additionally, those that are determined surplus to requirements will be sold or rented promptly. There is no intention to retain surplus property so any let will be short term.

In this context, 34 Manor Road is let until October 2024 and 39 Holmefield Road was sold in May 2023.

FINANCIAL REVIEW

Total income in the year was £259,866 (2022: £235,657) of which £16,614 (2022: £6,716), related to funding for projects upon which restrictions are placed.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2023

Total expenditure in the year was £384,998 (2022: £400,597), leaving a deficit for the year of £125,032 (2022: deficit £164,520) before gains on investment assets.

At 31st August 2023 the charity's reserves stood at £2,304,381 (2022: £2,250,413) of which £1,614,525 (2022: £1,611,887) 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 £689,856. The charity requires £3,031 for redundancy provision and £185,205 for six months' running costs (Total £188,236).

Plans for the future

With declining membership numbers and the fact that staff and District Assessment costs forms 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.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2023

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.

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 Bellis		
	Pamela Boffey		
	Christine M Bolton		
	Natasia Bullock		(Resigned 31 st December 2022)
	Katherine Cook		
	Deacon Michaela J Doherty		(Resigned 31 st July 2022)
	Gillian Dover		
	Ralph Dransfield		(Resigned 31 st July 2022)
	Andrew A Dunsmore		
	Stephen Elliot		(Resigned 31 st July 2022)
	Andrew Gillespie		
	Rev David Goodwin		(Appointed 1 st September 2022)
	Charles R Hardisty		
	Kate Harrison		
	Mark Harrison		
	Margaret P Harvey		
	Roger Heath		
	Derek Ho		(Appointed 1 st September 2023)
	Elizabeth A Hudson		
	Rev Peter Hughes		
	Kim J Kershaw		
	Elizabeth Lloyd		
	Philip A Lodge		
	Graham Martin		
	Clement Matarirano		(Appointed 1 st September 2021)
	Janine McGuire		
	Jayne McLaren		
	Edward Message		(Resigned 31 st July 2022)
	Carolyn Munro		

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
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Trustees (Continue)

Ekpo B Orok	(Appointed 11 th October 2022)
Sandra Patterson	
Ada D Peers	
Arthur E Pye	
Edna M Pye	
Rev Jennifer C Rayner	
Richard C G Rees	(Resigned 31 st July 2022)
Clive Rigby	(Resigned 10 th December 2022)
Alfred Salami	
Susan M Steel	
Judith M Sutcliffe	
Eleanor A Thomas	
Jean Wharton	(Resigned 2 nd January 2023)
Linda M White	
Peter Wood	

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.


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Roger Heath - Trustee

Date: 9/12/23

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 2023 which are set out on pages 8 to 19.

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

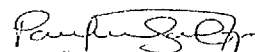
In connection with my examination, no matter has come to my attention:

(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: 11th January 2024

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income and endowments from:					
Charitable activities	2a	208,995	4,300	213,295	221,040
Investments	2b	21,426	12,314	33,740	4,761
Other income	2c	12,831	-	12,831	9,856
Total income		243,252	16,614	259,866	235,657
Expenditure on:					
Charitable activities	3	370,410	14,588	384,998	399,177
Total expenditure		370,410	14,588	384,998	399,177
Net (expenditure)/income		(127,158)	2,026	(125,132)	(163,520)
Transfer between funds	10,11	178,488	(178,488)	-	-
Gain on revaluation of fixed assets	4	-	180,000	180,000	-
(Loss) on investment assets	5	(-)	(900)	(900)	(1,420)
Net movement in funds		51,330	2,638	53,968	(164,940)
Total funds brought forward	10,11	638,526	1,611,887	2,250,413	2,415,353
Total fund carried forward	9-11	689,856	1,614,525	2,304,381	2,250,413

The notes on pages 10 to 19 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 2023

	Notes	31 st August 2023		31 st August 2022	
		£	£	£	£
Fixed assets					
Tangible fixed assets	4		1,135,642		1,295,305
Investments	5		479,525		316,887
			-----		-----
			1,615,167		1,612,192
Current assets					
Debtors	6	16,487		13,331	
Debtors: amounts falling due after more than one year	7	3,107		5,134	
Cash at bank and in hand		716,915		653,511	
		-----		-----	
		736,509		671,976	
Current liabilities					
Creditors: amounts falling due within one year	8	(47,295)		(33,755)	
		-----		-----	
Net current assets			689,214		638,221
			-----		-----
Total assets less current liabilities			2,304,381		2,250,413
			=====		=====
Funds:					
Unrestricted funds	10,11		689,856		638,526
Restricted funds	10-12		1,614,525		1,611,887
			-----		-----
			2,304,381		2,250,413
			=====		=====

Approved by Trustees on 9-12-2023

David Goodwin

Rev David Goodwin, Trustee

Roead

Roger Heath, Trustee

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

1. Accounting Policies

Basis of accounting

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

The financial statements 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 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. 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 accrual's 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 2023

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 accrual 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 relates 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 2023

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 accrual 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.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

2. Income and endowments from:

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
a. Charitable activities:				
3 Generate	3,326	-	3,326	-
Assessments	204,990	-	204,990	216,740
Circuit service income	679	-	679	-
Grants	-	4,300	4,300	4,300
	<u>208,995</u>	<u>4,300</u>	<u>213,295</u>	<u>221,040</u>
	=====	=====	=====	=====

Income from charitable activities in 2022 comprised £216,740 for unrestricted funds and £4,300 related to restricted funds.

	£	£	£	£
b. Investments:				
Bank Interest	20,825	-	20,825	2,345
Income from UK listed investments	601	12,314	12,915	2,416
	<u>21,426</u>	<u>12,314</u>	<u>33,740</u>	<u>4,761</u>
	=====	=====	=====	=====

Income from investments in 2022 comprised £2,345 for unrestricted funds and £2,416 related to restricted funds.

	£	£	£	£
c. Other income:				
Loan interest	465	-	465	88
Rental income	12,366	-	12,366	9,768
	<u>12,831</u>	<u>-</u>	<u>12,831</u>	<u>9,856</u>
	=====	=====	=====	=====

Other income for 2022 related wholly to unrestricted funds.

3. Expenditure on charitable activities

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2023 £	Total 2022 £
Upholding the Methodist Connexional Policy of 'Our Calling', which through worship, learning, caring, service, and evangelism, forms the basis of Christian discipleship.	282,843	102,155	384,998	400,597
	=====	=====	=====	=====

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

a. Analysed as follows:

	2023	2022
	£	£
<i>Direct charitable expenditure:</i>		
Staff salary costs	126,787	163,906
Pension	23,684	30,076
Ministerial expenses	6,799	12,457
Lay worker expenses	2,134	1,702
Grants	10,506	2,000
District assessment	56,188	51,295
Manse expenses	50,333	20,025
Ministerial Pension fund	-	64,000
United Reform Church fees	4,350	4,223
Room hire	350	-
Gifts and donations	1,712	525
	282,843	350,209

	2023	2022
	£	£
<i>Support & governance costs:</i>		
Investment charges	10,288	19,116
Circuit office	1,524	2,271
Stationery and postage	-	504
3Generate	3,214	1,549
Quinquennials	-	1,080
Apprentice levy	668	913
Insurance	2,591	2,413
Rent	17,500	16,800
Subscriptions and memberships	469	424
Professional fees	500	2,135
Loss on disposal of tangible fixed assets	63,488	-
Loss on Investment assets	900	1,420
Payroll fee	480	480
Accountancy	1,170	1,130
Depreciation	263	153
	103,055	50,388

Total expenditure on charitable activities	385,898	400,597
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£14,588 (2022: £23,416) of the above expenditure relates to restricted funding.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

b. Staff Costs	2022	2021
	£	£
Gross wages and salaries	116,563	150,206
Social security costs	10,224	13,700
Pension	23,684	30,076
	<u>150,471</u>	<u>193,982</u>
	<u>=====</u>	<u>=====</u>

c. Particulars of employees:

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

	2023	2022
	3	3
Charitable activities	<u>=====</u>	<u>=====</u>

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 2022	1,295,000	764	1,295,764
Additions	-	600	600
Revaluation	180,000	-	180,000
Disposals	(340,000)	(-)	(340,000)
Balance at 31st August 2023	<u>1,135,000</u>	<u>1,364</u>	<u>1,136,364</u>
Accumulated depreciation			
Balance at 1 st September 2022	-	459	459
Charge for the year	-	263	263
Balance at 31st August 2023	<u>-</u>	<u>722</u>	<u>722</u>
Net Book Value at 31st August 2023	<u>1,135,000</u>	<u>642</u>	<u>1,135,642</u>
Net Book Value at 31st August 2022	<u>1,295,000</u>	<u>305</u>	<u>1,295,305</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>

The properties were valued on the 11th August 2023 by Sutton Kersh, a Chartered Surveyor. This is to be reviewed every 5 years. The Trustees considered there is no material change required to the valuation on the 31st of August 2023.

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

5. Fixed Asset investments

	2023	2022
	£	£
Market value on 1 st September 2022	316,887	435,492
Capital introduced	276,512	-
Investment income	12,915	2,416
Charges	(10,288)	(19,116)
Withdrawals	(115,601)	(100,485)
Net realised (loss) on investment assets	(900)	(1,420)
	<hr/>	<hr/>
Market value at 31st August 2023	479,525	316,887
	<hr/>	<hr/>

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

6. Debtors: amounts falling due within one year

	2023	2022
	£	£
Debtors	3,326	-
Prepayments	10,884	10,962
Other Debtors	2,277	2,369
	<hr/>	<hr/>
	16,487	13,331
	<hr/>	<hr/>

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

	2023	2022
	£	£
Other Debtors	3,107	5,134
	<hr/>	<hr/>

Other Debtors comprise a loan to St James and at the year-end 31st August 2023 the outstanding balance is £5,384 (2022: £7,503) bearing interest at 1.5% + base rate per annum. The base rate per annum as at 31st August 2023 was 6.75%.

8. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals	1,170	1,130
Deferred income (note 9)	46,125	32,625
	<hr/>	<hr/>
	47,295	33,755
	<hr/>	<hr/>

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

9. Deferred Income

	2023	2022
	£	£
Balance at 1 st September 2022	32,625	47,375
Amount deferred in the year	46,125	32,625
Amount released to incoming resources	(32,625)	(47,375)
	-----	-----
Balance at 31st August 2023	46,125	32,625
	=====	=====

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

10. Analysis of Net Assets between Funds

2023	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Unrestricted Funds				
General Fund	642	-	689,214	689,856
	-----	-----	-----	-----
Restricted Funds				
Tangible Fixed Assets	1,135,000	-	-	1,135,000
Fixed Asset Investment	-	479,525	-	479,525
	-----	-----	-----	-----
	1,135,000	479,525	-	1,614,525
	-----	-----	-----	-----
Totals	1,135,642	479,525	689,214	2,304,381
	=====	=====	=====	=====

2022	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Unrestricted Funds				
General Fund	305	-	638,221	638,526
	-----	-----	-----	-----
Restricted Funds				
Tangible Fixed Assets	1,295,000	-	-	1,295,000
Fixed Asset Investment	-	316,887	-	316,887
	-----	-----	-----	-----
	1,295,000	316,887	-	1,611,887
	-----	-----	-----	-----
Totals	1,295,305	316,887	638,221	2,250,413
	=====	=====	=====	=====

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

11. Unrestricted Funds

2023	Reserves at Beginning of year £	Income £	Movements in the year		Reserves at End of year £
			Expenditure £	Transfers £	
General Fund	638,526	243,252	(370,410)	178,488	689,856
	=====	=====	=====	=====	=====

2022	Reserves at Beginning of year £	Income £	Movements in the year		Reserves at End of year £
			Expenditure £	Transfers £	
General Fund	684,861	228,941	(375,761)	100,485	638,526
	=====	=====	=====	=====	=====

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.

12. Restricted Funds

2023	Reserves Beginning of year £	Income £	Movements in the year			Reserves at End of year £
			Expenditure £	Revaluation £	Transfers £	
Tangible Fixed Assets	1,295,000	-	(-)	180,000	(340,000)	1,135,000
Fixed Asset investment	316,887	12,314	(10,288)	(900)	161,512	479,525
Trinity Church Grant	-	4,300	(4,300)	-	-	-
	-----	-----	-----	-----	-----	-----
	1,611,887	16,614	(14,588)	179,100	(178,488)	1,614,525
	=====	=====	=====	=====	=====	=====

THE METHODIST CHURCH - LIVERPOOL (SOUTH) CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

2022	Movements in the year					Reserves at End of year
	Reserves Beginning of year	Income	Expenditure	Revaluation	Transfers	
	£	£	£	£	£	£
Tangible Fixed Assets	1,295,000	-	(-)	-	(-)	1,295,000
Fixed Asset investment	435,492	2,416	(19,116)	(1,420)	(100,485)	316,887
Trinity Church Grant	-	4,300	(4,300)	-	-	-
	-----	-----	-----	-----	-----	-----
	1,730,492	6,716	(23,416)	(1,420)	(100,485)	1,611,887
	=====	=====	=====	=====	=====	=====

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.

Revaluation - representing the changes in valuation of fixed assets and investments held by the charity restricted by Methodist rules.

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

Trinty Church Grant - Contribution towards the employment costs of a new lay worker.

13. Guarantees and Other Financial Commitments

There are no financial commitments under non-cancellable operating leases (2022: £Nil).

14. Related Parties

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

Name	2023	2022
	£	£
Natashia Bullock	1,833	10,216
Deacon Michaela J Doherty	-	23,672
Rev Peter Hughes	27,280	25,916
Lena M Phillips	7,638	6,984
Rev Paul Wilson	-	27,632
Clement Matarirano	27,280	25,916
Andrew Parsons	-	13,736
David Goodwin	29,990	2,244