



THE METHODIST CHURCH
REPORT AND ACCOUNTS
(ACCRUALS BASIS)
for the year ended 31 August 2021

Mid Cheshire Methodist

Circuit

Registered Charity - Registration number

1135031

Chester and Stoke on Trent

District No / Circuit No

11/04/2011

Ministers

Rev Chris Pritchard
Rev Tim Simms
Rev Harold Stuteley
Deacon Shirley Hassall

Circuit Stewards

31st August 2020	31st August 2021
Mrs I Collie	Mrs I Collie
Mrs K Craig	Mrs K Craig
Mr M Fellows	Mr M Fellows
Mrs R Gilbert-Bratt	Mrs R Gilbert-Bratt
Mr M Newman	Mr M Newman

Circuit Treasurer

Mr M Newman

**Mid Cheshire Methodist Circuit
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 AUGUST 2021

Introduction

The Circuit is made up of sixteen individual churches plus the Northwich Methodist Outreach Centre witnessing the Methodist faith and promoting Christian faith and values within their local community.

Aims and organisation

Showing God's love to the world and especially to the people of Northwich, Winsford and the surrounding area.

Review of the year

At the start of the financial year there were 16 active local churches witnessing the Methodist faith. These included the Community Church of Castle in collaboration with the United Reform Church and the Ecumenical Partnership with St Mary's Church Weaverham. Sadly during the course of the year Moulton Methodist Church had to close its doors due to membership falling below what was viable. Their people were welcomed into other fellowships.

At the end of the year we said goodbye to Rev Tim Simms who had served as a Circuit Minister since September 2014. In his place we welcomed Rev Frances Ballantyne. We are served by 3 full time Presbyters and one full time Deacon.

The Superintendent Minister, Rev Chris Pritchard will remain Superintendent until September 2022 at which time he will be replaced by Rev Janet Aspey.

Income Trends

Circuit income is primarily drawn from the Assessments paid by the circuit churches. A secondary income stream is from the hiring out of the Northwich Methodist Outreach (NMOC) Centre. However the income from this stream from March 2020 has been curtailed by the lockdown restrictions. A Circuit Fund was set up into which people could pay to support the online Sunday Services.

Expenditure trends

Stipend expenditure has increased each financial year in line with Conference approved increases. Our main expenditure is on Ministers' stipends plus the cost of the Manses and their personal expenses. There are major payments to the Chester & Stoke District, plus contributions to the wider Connexion of which a significant part is used to fund the work of the wider Methodist Church.

Fund balances

As at 31 August 2021 the net current assets of the Circuit were £68,734 (excluding CMTF), giving approximately 3 months cover for expenditure.

Plans for 2021/2022

Circuit financial plans for the coming year have been prepared on the basis of four full time ordained staff with anticipated cost of living stipend increases combined with an increase in the assessment paid to the district such that on average an increase in expenditure on those costs of around 5% is anticipated. Due to the effect of the lockdown on individual church's funds a "payment holiday" was accepted for the first quarterage payment, normally due in November. This has meant that money has been withdrawn from TCMP Model Trust Funds but these have been augmented by the sale of Bartington and Moulton Methodist Churches.

Mid Cheshire Methodist Circuit
Trustee's Annual Report on Finance and Governance

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

Full Name of Charity: Mid Cheshire Methodist Circuit

Registration Charity Number: 1135031

Date of registration: 18 March 2010

Main communication address: Northwich Methodist Church, Witton Street, Northwich, Cheshire, CW9 5LP

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

Governance of the Circuit is vested in the Circuit Leadership Team comprising the four Ministers and five Circuit Stewards.

Full membership is shown as Appendix A to this report.

Mr Mike Newman acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Independent examiner: *Murray Smith LLP, Darland House, 44 Winnington Hill, Northwich, Cheshire, CW8 1AU*

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

Mid Cheshire Methodist Circuit

Aims and organisation

Charity objective is to act as a Resource provider within the area around Mid Cheshire for the Methodist Church:

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.

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.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions.

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 along with the Local Preachers meeting and the circuit management committee.

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 given to all new Circuit meeting members as induction to their role as trustees.

Related Parties

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

The following Methodist Churches are linked to the Circuit:

Barnton, Castle, Chester Road, Comberbach,
Davenham, Hartford, Little Budworth, Lostock Green,
Pickmere, Sandiway, Shurlach, St Andrews, Trinity, Weaver, Weaverham

Moulton Methodist Church was sadly closed in January 2021.

Mid Cheshire Methodist Circuit

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 annual 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 Mid Cheshire Methodist 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 Mid Cheshire Methodist 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.

Supernumerary Minister Rev Pat Billsborrow has agreed to co-ordinate the Circuit's Safeguarding process with help and support from the District Team.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 6 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

Statement of Financial Activities (SOFA) for the year ended 31 August 2021

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2020-21 £
Income							
1 Donations and legacies		4,502					4,502
2 Income from monetary investments		39	1,448		930		2,417
3 Income from investment properties							-
4 Assessments on Churches		191,931					191,931
5 Capital Receipts							-
6 Grants received							-
7 Other charitable income		9,870					9,870
8 Total income		206,342	1,448	-	930	-	208,720
Expenditure							
9 Grants and donations							-
10 Salaries and associated costs		141,528					141,528
11 Property maintenance		6,660	18,675				25,335
12 Connexional assessment & model trust levy							-
13 District Assessment & Levy		46,760					46,760
14 Depreciation							-
15 Office expenses		30,679	364				31,043
16 Other outgoings		9,263	6,580		11		15,854
17 Total charitable expenditure		234,890	25,619	-	11	-	260,520
18 Gains/(losses) on monetary investments							-
19 Gains/(losses) on investment properties							-
20 Net income/(expenditure)		(28,548)	(24,171)	-	919	-	(51,800)
21 Transfers between funds		568,231	(568,155)		(76)		-
22 Other gains/(losses)							-
23 Net movement in funds		539,683	(592,326)	-	843	-	(51,800)
24 Total funds brought forward		1,170,632	680,682		5,258		1,856,572
25 Total funds carried forward		1,710,315	88,356	-	6,101	-	1,804,772

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-20 £
Income							
1 Donations and legacies		2,658					2,658
2 Income from monetary investments		291	1,363		16		1,670
3 Income from investment properties							-
4 Assessments on Churches		214,334					214,334
5 Capital Receipts			112,353				112,353
6 Grants received							-
7 Other charitable income		15,216					15,216
8 Total income		232,499	113,716	-	16	-	346,231
Expenditure							
9 Grants and donations							-
10 Salaries and associated costs		145,618					145,618
11 Property maintenance		8,769	1,920				10,689
12 Connexional assessment & model trust levy							-
13 District Assessment & Levy		45,156					45,156
14 Depreciation							-
15 Office expenses		34,882	252				35,134
16 Other outgoings		15,034	27,949		11		42,994
17 Total charitable expenditure		249,459	30,121	-	11	-	279,591
18 Gains/(losses) on monetary investments							-
19 Gains/(losses) on investment properties							-
20 Net income/(expenditure)		(16,960)	83,595	-	5	-	66,640
21 Transfers between funds		27,587	(27,500)		(87)		-
22 Other gains/(losses)							-
23 Net movement in funds		10,627	56,095	-	(82)	-	66,640
24 Total funds brought forward		1,160,005	624,587		5,340		1,789,932
25 Total funds carried forward		1,170,632	680,682	-	5,258	-	1,856,572

Balance Sheet as at 31 August 2021

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Notes to the
Accounts

General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2020/21	Totals 2019/20
£	£	£	£	£	£	£

Fixed Assets

Circuit Manses & Equipment		951,445				951,445	951,445
Investment properties		696,239				696,239	696,239
Investments						0	
Total fixed assets		1,647,684	0	0	0	1,647,684	1,647,684

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Current Assets

Debtors		2,295				2,295	4,494
Loans by the Circuit						0	0
Investments with TMCP			87,863		6,101	93,964	187,292
Central Finance Board Deposits		95,312	493			95,805	53,961
Cash at Bank and in hand		10,103				10,103	5,258
Total current assets		107,710	88,356	0	6,101	202,167	251,005

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Current liabilities

Creditors (due in under 1 year)		45,077				45,077	42,115
Grants payable within 2020-21						0	0
Total current liabilities		45,077	0	0	0	45,077	42,115
Net current assets/liabilities		62,633	88,356	0	6,101	157,090	208,890

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Total assets less current liabilities		1,710,315	88,356	0	6,101	0	1,804,772	1,856,572
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Long term liabilities (due after more than one year)								
Grants payable after 2020-21							0	
Loans to the Circuit							0	
							0	
Net assets		1,710,315	88,356	0	6,101	0	1,804,772	1,856,572

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Funds of the Circuit

General Fund (Unrestricted)		1,710,315				1,710,315	1,170,632
Circuit Model Trust Fund (Unrestricted)			88,356			88,356	680,682
Designated Funds (Unrestricted)				0		0	
Total Unrestricted Funds						1,798,671	1,851,314
Restricted Funds					6,101	6,101	5,258
Endowment Funds						0	
Total Funds		1,710,315	88,356	0	6,101	0	1,804,772

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Signed

Circuit Treasurer

Notes to the Accounts

1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102.

2 Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There are also the following Endowment funds as listed. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

3 Accounting policies

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, on the accruals basis to show a true and fair view of the Circuit's financial position and activities.

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.

Resources Expended

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.

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 property is shown in the accounts at market values. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. Any depreciation would not be material. The property has been reviewed for impairment.

Investment Properties

Investment properties - no property is currently deemed to not be held for the long term purposes of the charity.

Investments

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

Debtors and Prepayments

The debtors included in the accounts is in respect of a stipend paid to Rev James Patron Bell in error, which has been repaid but after the year end. The prepayment included in the accounts is in respect of rates and insurance.

Creditors

Creditors include both sundry expenses and specifically the 1st quarter assessment received in August.

Mid Cheshire Methodist Circuit

4. Donations and legacies	Unrestricted	Circuit Model Trust Fund	Restricted	2021 Total	2020 Total
	£000	£000	£000	£000	£000
Donations	4,502	-	-	4,502	2,658
Legacies	-	-	-	-	-
Total	4,502	-	-	4,502	2,658

5. Charitable activities - other	Unrestricted	Circuit Model Trust Fund	Restricted	2021 Total	2020 Total
	£000	£000	£000	£000	£000
Sale of Land	-	-	-	-	-
Total	-	-	-	-	-

6. Other trading activities	Unrestricted	Circuit Model Trust Fund	Restricted	2021 Total	2020 Total
	£000	£000	£000	£000	£000
Other income	9,870	-	-	9,870	15,216
Grants received	-	-	-	-	-
Total	9,870	-	-	9,870	15,216

7. Investment income	Unrestricted	Circuit Model Trust Fund	Restricted	2021 Total	2020 Total
	£000	£000	£000	£000	£000
Central Finance Board	39	-	-	39	291
TMCP	-	1,448	930	2,378	1,379
Other	-	-	-	-	-
Total	39	1,448	930	2,417	1,670

8. Payment to Trustees

	This year	Last year
Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting	£	
Number of trustees who were paid expenses		
Nature of the expenses		
Expense payments primarily relate to reimbursement for travel and computing costs		
Total amount paid	£	

9. Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts	£	686	660
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	£		

10. Paid employees**Staff Costs paid during the year were:**

Gross wages, salaries and benefits in kind	£	111,253	109,402
Employer's National Insurance costs	£	20,618	26,801
Pension costs	£	9,657	9,415
Total staff costs	£	141,528	145,618
Average number of staff employed during the year were:		5	6

11 Tangible Fixed Assets

Detail of assets held,
State number of manses, specifically reference other buildings managed by the circuit and separately identify property treated as investment property.
Provided summary information in respect of other categories and specific reference should be made in respect of any assets under construction.

Cost or valuation

	Residential Land £	Other Land £	Manses £	Other buildings £	Other fixed assets including motor vehicles £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward			951,445		-			951,445
Additions								-
Revaluations (+/-)								-
Disposals (-)								-
Transfers * (+/-)								-
Balance carried forward	-	-	951,445	-	-	-	-	951,445

Accumulated depreciation

**Basis							
** Rate							

Balance brought forward								
Depreciation charge for year (-)								
Revaluations (+/-)								
Disposals (-)								
Transfers* (+/-)								
Balance carried forward								

Net book value

Brought forward	-	-	951,445	-	-	-	-	951,445
Carried forward	-	-	951,445	-	-	-	-	951,445

Manses:	
Lostock Gralam	180,285
Northwich	273,005
Winsford	222,082
Cuddington	276,073
	<u>951,445</u>

* The "transfers" row is for movements between fixed asset categories.

** Indicate the method of depreciation by deleting the method not applicable (SL = straight line; RB = reducing balance). Also indicate the rate of depreciation: for straight line, depreciation is based on the anticipated life of the asset (in years); for reducing balance, a percentage annual deduction is made each year.

12. Analysis of current assets

Debtors and prepayments

Pre paid assessments

Accrued income

Other debtors

Total debtors and prepayments

This year	Last year
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£	£
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2,295	4,494
2,295	4,494

Analysis of cash at bank

Bank balance held in Natwest

Bank balance held in Central Finance Board

Bank balance held in other

Total Cash and Bank

10,103	5,258
95,805	53,961
-	-
105,908	59,219

13. Analysis of current liabilities and long term creditors

Trade Creditors

Other Creditors

Total Current Liabilities

£		
£	45,077	42,115
£	45,077	42,115

14. Capital Commitments and Contingent Liabilities

At the 31 August 2021 the Circuit has no capital commitments.

No Contingent liabilities were identified at 31 August 2021.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2021 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of treasurer Date.....

Name and address of treasurer

..... Post Code.....

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were presented to the Circuit meeting held on

Signature of the Chair of the meeting

Name of the Chair of the meeting Date

Independent Examiner's Report to the Trustees of the Mid Cheshire Circuit

Charity Number 1135031

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Mid Cheshire Circuit for the year ended 31 August 2021. 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

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 *Delete if not applicable ie all R&P accounts*
- 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.

Signature of independent examiner

Name of independent examiner

Relevant professional qualification of independent examiner

Name of firm (where appropriate)

Address

..... Post Code

Date