

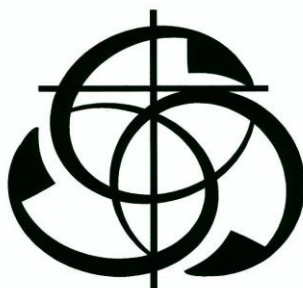
**THE METHODIST CHURCH – MANCHESTER CIRCUIT**

**ANNUAL REPORT**

**AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**



**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
CHARITY INFORMATION  
FOR THE YEAR ENDED 31 AUGUST 2022**

**TRUSTEES**

Name		Appointed by	
Mary	Adamiak	East Didsbury MCC	
Michael	Adedapo	Methodist Centre MCC	to 01.09.21
Suzan	Allen	Crumpsall MCC/Secretary	
Yvonne	Anderson Boyd	Manley Park MCC	
Papa	Andoh-Kweku	Withington MCC	
Graham	Ascroft	Moston MCC	
Janet	Bailey	Hope MCC	
Sandra	Bailey	Circuit Steward	
Erimna	Bell	Whalley Range MCC	
Jackie	Blackmore	Moston MCC	
Joan	Booth	Edge Lane MCC	to 01.09.22
Sharif	Bukuru	Methodist Centre MCC	from 01.09.21
Pru	Cahill	Ex Officio	
Linda	Carroll	Edge Lane MCC	
Paula	Collins	Long St/Safeguarding	
Adrian	Curtis	Manley Park MCC	
Sam	Dada	Clayton MCC	
Chris	Davis	Circuit Steward	
Phil	Davis	Didsbury MCC	
Daphne	Dawson	Circuit Steward	
Angela	Doyle	Droylsden MCC	
Andrew	Edwards	Circuit Steward	
Chris	Evans	Clayton MCC	
Helen	Fielding	Withington MCC	
Fiona	Fulton	Levenshulme MCC	
Rob	Fullen	Crumpsall MCC	from 15.03.22
Terence	Grant	Whalley Range MCC	
Janet	Green	LP Secretary	
Christine	Grime	Long St MCC	
Andrew Nicholas	Hallett	Didsbury MCC	
Janet	Hardware	Edge Lane MCC	to 01.09.22
Janet	Hignett	Levenshulme MCC	
Ubongabasi	Inyang	Circuit Steward	
Robert	Johnson	Edge Lane with Clayton MCC	from 01.01.23
John	Kinsey	Levenshulme MCC	
Russell	Kirby	Manley Park MCC	
Krystyna	Kwarciak	Ex Officio	to 31.08.22
Lazare	Lufakalyo	Methodist Centre MCC	
Toyin	Makinde	Crumpsall MCC	to 07.12.21
Eva	Manley	co-opted per CW	from 14.06.22
Margaret	Morris	Manley Park MCC	
Elizabeth	Moyo	Moston MCC	to 17.09.22
Nick	Palfreyman	Withington MCC	from 02.08.22
Abigail	Parr	Hope MCC	

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
CHARITY INFORMATION  
FOR THE YEAR ENDED 31 AUGUST 2022**

**TRUSTEES (continued)**

<b>Name</b>		<b>Appointed by</b>	
Sylvia	Pennycooke	Whalley Range MCC	
David	Pott	East Didsbury MCC	
Angela	Ralph	Circuit Steward	
Margaret	Ratchford	Long St MCC	to 01.09.22
Sharon	Read	Ex Officio	
Audrey	Redshaw	Chorlton MCC	
Othniel	Reid	Whalley Range MCC	
John	Roberts	Circuit Steward	
Julie	Rowbotham	Hope MCC	
Sue	Rowe	Ex Officio	
Joy	Rulton	Ex Officio	
Ian	Rutherford	Ex Officio	
Barbara	Schofield	Whalley Range MCC	
Pamela	Sewart	Long St MCC	
John	Shuttleworth	Withington MCC	
Andrew	Slim	Long St MCC	
Hilary	Small	Moston MCC	
Peter	Smith	Finance Group	
Heather	Steward	Withington MCC	
Ken	Stokes	Ex Officio	
Liz	Stuart	Circuit Steward/Staff Rep	
Don	Taylor	Withington MCC	to 02.08.22
Elva	Towler	Clayton MCC	
Bernard	Treves Brown	Circuit Steward	
Susan	Watters	Circuit Steward	
Jenny	Went	Withington MCC	
Caroline	Wickens	Ex Officio	
Beverley	Williams	Whalley Range MCC	
Stephen	Williams	Droylsden MCC	
Sue	Williams	Ex Officio	
Janet	Yarwood	Hope MCC	

**Key:** MCC – Methodist Church Council

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
CHARITY INFORMATION  
FOR THE YEAR ENDED 31 AUGUST 2022**

**CIRCUIT COUNCIL and  
Circuit Stewards**

<b>Name</b>	<b>Appointment/cessation</b>	<b>Position</b>
Revd Dr C Wickens		Superintendent Minister
Daphne Dawson		Chair and Senior Circuit Steward
Christine Davis		Secretary
Bernard Treves Brown		Treasurer
Yvonne Anderson Boyd		
Sandra Bailey		
Andrew Edwards		
Ubongabasi Inyang	Resigned	
John Roberts		
Susan Watters		
Revd Sharon Read		Superintendency Team
Paula Collins		Staff Representative
Revd Joy Rulton		Staff Representative

**CIRCUIT OFFICE**

The Wesley Centre  
Royce Road  
Hulme  
Manchester M15 5BP

**MANAGEMENT ACCOUNTANTS**

Peter Smith Accountancy Services  
Chartered Accountants  
9 Polruan Road  
Chorlton-cum-Hardy  
Manchester M21 9NR

**INDEPENDENT EXAMINER**

Jane Cooksey FCCA  
Jane Cooksey Ltd  
15/16 Boarshurst Bus. Park  
Boarshurst Lane  
Greenfield  
Oldham OL3 7ER

**SOLICITORS**

Anthony Collins Solicitors  
134 Edmund Street  
Birmingham B3 2ES

**BANKERS**

The Co-operative Bank  
PO Box 250  
Delf House  
Southway  
Skelmersdale WN8 6WT

Unity Trust Bank Plc  
PO Box 7193  
Planetary Road  
Willenhall WV1 9DG

**INVESTMENT MANAGERS**

Central Finance Board of the Methodist Church  
9 Bonhill Street  
London EC2A 4PE

**REGISTERED CHARITY**

1135067

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their Annual Report together with the consolidated financial statements of the charity and its subsidiary, Wesley Limited, for the year ended 31 August 2022.

**REPORTING FRAMEWORK**

The financial statements comply with 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 (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

**OBJECTIVES AND ACTIVITIES**

**Charitable Objectives**

The Circuit shares the same charitable objectives as the rest of the Methodist Church, which are set out as follows:

“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 the discipline of the Methodist Church;
- (b) any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church;
- (c) any charitable purpose for the time being of any society or institution 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.”

**Aims**

The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus:

“The calling of the Methodist Church is to respond to the Gospel of God’s love in Christ and to live out its discipleship and mission. Inspired by Our Calling, we aim:

- *to increase awareness of God’s presence and to celebrate God’s love*
- *to help people to grow and learn as Christians through mutual support and care*
- *to be a good neighbour to people in need and to challenge injustice*
- *to make more followers of Jesus Christ”*

**Activities and Public Benefit**

The Circuit encourages and supports the Churches within it in the provision of regular public acts of worship open to members of the Church and non-members alike; the provision of sacred space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work, including visiting the sick and bereaved; the promotion of Christianity through the staging of events and services; the provision of youth clubs, senior citizens’ clubs, men’s meetings and women’s meetings etc. with a Christian ethos; promoting the whole mission of the Church (and aiding social cohesion) through activities for older people, parents and toddlers and other specific needs groups; and supporting other charities in the UK and overseas financially and with prayer.

The aims, objectives and activities of the charity are reviewed annually, and achievements assessed. When reviewing the aims and objectives of the charity and in planning future activities, the Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

**Contribution of Volunteers**

The Circuit is heavily dependent upon, and extremely grateful for, the contribution of volunteers as it seeks to carry out its objectives. With the exception of ordained members and the lay staff representative, all the other members of the Circuit Council are unpaid volunteers, and the vast majority of the Charity trustees are also volunteers.

## **ACHIEVEMENT AND PERFORMANCE**

### **Manchester Circuit, The Methodist Church: Achievements and Performance, 2021 - 2022**

The work of the Manchester Circuit is shaped by the Calling and Priorities of the Methodist Church, and therefore it is appropriate to use these Priorities to shape this review of our activities over the Connexional year 2021 - 2022

Our Calling and Priorities are set out as follows:

"The calling of the Methodist Church is to respond to the Gospel of God's love in Christ and to live out its discipleship and mission. Inspired by Our Calling, we aim:

- *to increase awareness of God's presence and to celebrate God's love: worship*
- *to help people to grow and learn as Christians through mutual support and care: learning and caring*
- *to be a good neighbour to people in need and to challenge injustice: service*
- *to make more followers of Jesus Christ: evangelism*

It is good to report that the past year has seen the re-establishment of more familiar patterns of church life. All churches are now offering a regular and varied range of public worship face-to-face, subject to ongoing risk assessment. Groups for children, young people and adults are gradually recovering, and many churches are finding that their facilities are increasingly in demand for use by a wide range of community groups. We also continue to respond to the ongoing impact of the pandemic. Churches still offer on line activities via various platforms and paper copies of services are distributed to the housebound and those unable to access the technology.

### **A Worship**

Numbers attending face-to-face Sunday worship across the circuit are increasing towards pre-pandemic levels, and many churches are welcoming new people to join worship. There is an increasing number of mid-week services. The weekly circuit Sunday evening service continues to flourish via a video conferencing platform with about 40 participants each week. The circuit held a memorable hybrid service to bid farewell to Rev.Sue Williams, Rev.Al Lowe and Rev.Krystyna Kwarciak, and was delighted to be allocated a probationer minister, Rev.Catharine Hughes, to begin her ministry amongst us. 2022 is the twentieth anniversary of the formation of the Manchester Circuit and we are planning to celebrate this in a range of ways.

### **B Learning and Caring**

We have been mindful of the effect that the pandemic has had on the mental health of many; the Listening Ear project was set up , with support of trained volunteers to enable the most vulnerable to have a regular phone call and chat. Ministers, Lay Workers and Pastoral secretaries from the churches have also given excellent support to those in need and we continue to be grateful for their work and commitment. Face-to-face activities such as Bible study groups, coffee mornings, book clubs and film clubs meet on a regular basis and are supplemented by activities on Zoom organised by both local churches and the circuit.

Children and young people's work is now operating face-to-face, backed up by input on the circuit's various social media platforms, and is always well received –thanks to those involved in ensuring that both the work of the circuit and in local churches continues. Church members have supported food banks, the Baby Basket project at Moston and Befrienders. Safeguarding training has also been adapted for online use and is delivered both face-to-face and online.

The Circuit consultation has led to new initiatives including the development of a circuit environmental policy and a stewardship campaign. Some churches have begun to gain eco-awards under the A Rocha scheme.

### **C Service**

The Circuit continues to support lay workers whose appointments focus on social outreach and service, including a new appointment of a lay pastor to one church. The Moston Baby Basket continues to respond to the needs of young families with a growing team of volunteers from across the circuit. At the Methodist Central Hall, 'Reboot' continues to provide shoes and socks for the homeless, and is increasingly well-used, alongside the drop-in centre 'Befrienders'. During Lent, the circuit supported a charity called Tools with a Mission and collected a van-load of tools to support business initiatives in developing countries.

Following extensive consultation within the circuit meeting as managing trustees, the Wesley Centre has returned to direct management from within the circuit. This is handled day-to-day by a warden and a management committee. The Centre is now fully occupied by a range of tenants, some commercial, some third-sector.

The circuit meeting has also taken on managing trusteeship of Trinity Methodist Church, Ancoats, following the congregation's decision to cease to meet. The building is currently being renovated, with considerable input from Methodist Insurance following a roof collapse, and will become a hub for community support in this deprived area, with input from the staff team at Methodist Central Hall.

The circuit's policy is to fund staffing for outreach work from its income from the sale of property. The sale of property in Didsbury known as The Rossett will boost the funds available for this work, and we intend to make further appointments of lay staff in the coming year.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**D Evangelism**

Nexus is unable to operate currently but work is ongoing to revisit its strategies for evangelism in the future. However, Sanctus, a small but committed group, is still meeting and will have the support of the new Minister appointed to the Circuit in 2022. Our online worship, website and the use of Facebook and Twitter are supported by the circuit's community engagement officer. These platforms have attracted a number of people for whom church is not a familiar environment and we have been able to engage with them through these new ways of worshipping.

**FINANCIAL REVIEW**

**Overview**

The Circuit had a deficit on unrestricted funds, after transfers for the year of £85,850, which is less than had been anticipated in the budget.

However, the Circuit cannot continue to run at a deficit only balancing the books by the disposal of properties and needs to achieve a balanced revenue budget in the near future. The Circuit Meeting accepted a deficit budget for 22/23 recognising the pressure on local churches caused by the pandemic but on the clear understanding that a new method of calculating assessments would be agreed and that in total assessment would rise to c£400k from 23/24 onwards, although initial budgets have taken a more cautious approach.

In setting future budgets the Circuit has identified expenditure which is core but highly desirable to further the Kingdom of God and which can be funded from future property sales. This funding of costs along with a continued review of other costs would mean that the Circuit could move to covering revenue expenditure out of current income and break its dependency on property sales to meet revenue costs. In the meanwhile, it remains dependent on drawing on free reserves.

Designated funds remain in place to cover property projects where the expenditure is expected to be incurred within the next one to two years.

**Wesley Ltd**

The subsidiary company has not traded during the year.

**Risk management**

The Circuit Meeting continues to develop procedures for identifying and addressing the risks facing the charity. It has already enhanced its financial procedures and, in common with other Churches, has developed robust procedures for safeguarding children, young people and vulnerable adults.

**Principal Funding Sources**

Contributions from the Churches by way of Circuit Assessment continue to be the main source of funding, accounting for 58% (2021: 67%) of income.

**Investment Policy and Review**

The Circuit continues to actively review its investments in the light of immediate cash flow requirements and medium- to long-term plans. The bulk of the Circuit's Model Trust Fund (representing past proceeds of sales of property) is invested via funds managed by the Central Finance Board of the Methodist Church. As the Circuit expects to draw on the majority of these funds within the next five years, the decision was taken (following consultation with our CFB Relationship Manager) to hold all these in cash and subsequently the investments were disposed of during the year.

The Endowment funds are held in a mixture of CFB managed units and cash.

Other balances are held in current and deposit accounts to enable the proper management of the Circuit's cashflow.

**Reserves**

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from investment income, grants and donations, and Circuit Assessment. In previous years, a programme of sales of surplus properties allowed the development of a medium-term plan which sought to identify future requirements of management and ministry and to use part of the sale proceeds in supporting those requirements and developing more innovative schemes of mission and ministry. This thinking continues to be a central part of the Circuit's planning.

**Unrestricted Funds**

In order to meet its ongoing financial obligations – including the payment of stipends and of District and Connexional assessments quarterly in advance – and to meet unforeseen circumstances, the Circuit needs to maintain sufficient free reserves. These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, third party grants were to be withdrawn or individual Churches encounter difficulties in paying their assessments.

Free reserves are defined as unrestricted reserves less the investment in tangible fixed assets, loans to local churches, designated funds, and grant commitments. On the recommendation of Circuit Council, the Circuit Meeting has determined that free reserves should be equivalent to between 3 and 6 months of normal operating costs; this would equate to between £135,000 and £270,000.



# **THE METHODIST CHURCH - MANCHESTER CIRCUIT**

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

As at 31 August 2022, the level of free reserves stood at c£533k, but there is a commitment to use c£123k to balance 22/23 budget. There is the potential to need a further £125k over the following two years, assuming that assessments levels are able to increase. Taking all these factors into account would leave free reserves at c£285k.

In addition, the Circuit will be under pressure to find resources to support new initiatives for church planting and support areas of mission.

The reserves policy will remain under review.

#### **Going Concern**

The Trustees have reviewed the circumstances of the Circuit and consider that adequate resources continue to be available to fund its activities for the foreseeable future. The Trustees are therefore of the view that the charity is a going concern.

#### **CURRENT NEEDS AND FUTURE PLANS**

The Circuit continues to develop its forward planning and to assess its future capital funding needs. Within the context of the calling of the Methodist Church (as set out above) the Circuit aims to:

- support and encourage each local congregation in mission and ministry;
- continue to develop appropriate responses to the pandemic;
- build on the process of the circuit review and its outcomes. The circuit is moving forward on the basis of a strategy developed in response to the vision and recommendations emerging from that process.
- strengthen the training culture within the Circuit, encouraging lay preachers and worship leaders in their development, supporting probationers and facilitating the development of student Ministers and presbyters in training;
- review and actively manage the Circuit's investments in its financial and property resources, seeking to selectively release resources for mission, ministry and outreach;
- work through the Methodist Church stationing procedures to secure the appointment of new ministerial staff as required. At the end of this Connexional year two presbyterial appointments come to an end, with the proposed appointment of a probationer minister for three of the churches and a lay pastor for the other appointment.
- work ecumenically, especially in supporting and developing established and new Local Ecumenical Partnerships and with particular focus on the Anglican-Methodist Covenant.

Following on from the roof collapse and flooding in January 2021 at Trinity Church, it is hoped that the refurbished building can be used for new mission in this rapidly expanding area of Manchester. We would hope to have a joint mission project alongside other churches in the area and the local community.

After the year end the Circuit disposed of a manse and purchased another one.

It continues to be involved in negotiations which would result in a parcel of land associated with one of its properties (not currently included in the accounts as it was originally believed to be of no commercial value due to planning constraints and having no value in use for the church) sold for residential development. If this is successful then it would result in a substantial gain to the Circuit and the wider Methodist Church of c£4m. However, matters remain uncertain and therefore the land has not been included in these accounts.

#### **STRUCTURE GOVERNANCE AND MANAGEMENT**

The Manchester Circuit is part of the Methodist Church of Great Britain and is registered as a charity with number 1135067.

#### **Connected charities**

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements. The Circuit is also associated with Nexus CCS, a separately registered charity.

#### **Appointment of Trustees**

All ministers, presbyterial and diaconal, stationed in the Circuit by the Conference or who are residing for the purposes of the Stations of the Methodist Church in the Circuit and who are in the active work (that is not retired), are ex-officio members of the Circuit Meeting (the Trustee Body). Other ministers who reside in the Circuit in accordance with the standing orders of the Church (including those who are retired) may choose to be members of the Circuit meeting, and if they have done so they are shown in the list of trustees as ex-officio.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

The following are *ex officio* members of the Circuit Meeting:

Circuit Stewards	appointed by the Circuit Meeting
Circuit Meeting Secretary	appointed by the Circuit Meeting
Representatives to District Synod	appointed by the Circuit Meeting
Local Preachers Secretary	appointed by the Local Preachers' Meeting

Each Church is represented by a Church Steward, the Church Treasurer and representatives appointed by the Church Council in relation to the number of Church members (one representative for every 50 members).

The Circuit Meeting has the power to co-opt other members and has co-opted those members of the Council who are not otherwise members of the Circuit Meeting, some of the lay workers in the Circuit and a representative of the Finance Group.

As at 31 August 2022 (excluding those whose term of office ended on that day) there were 71 members of the Circuit Meeting (2021: 71).

**Trustee recruitment, induction and training**

As outlined above, the appointment of the majority of the members of the Circuit Meeting is outside the control of the Meeting. In appointing the Council and other officers, the Meeting has regard to the balance of skills and gifts that are needed to further the work of the Church. New members of the Council are inducted by the Council with the support of the Superintendency team.

**Organisation**

The Circuit Meeting meets four times a year. The Circuit Council, appointed by the Circuit Meeting, is responsible for acting on behalf of the Circuit Meeting at other times. The Council meets at least six times per year. The Circuit Meeting retains responsibility for setting the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry.

The Council is assisted in the task of financial oversight by the Circuit Finance Group.

The Methodist Church appoints a minister to be the Superintendent Minister of the Circuit, whose duties are set out in the Standing Orders of the Church. The Circuit has established a Superintendency Team to assist the Superintendent Minister and to provide leadership and cohesion within the Circuit.

**Pay and Remuneration**

Stipends and allowances for presbyters and deacons (collectively ministers) are set annually by the Methodist Conference, and the Circuit is responsible for meeting those costs for all ministers appointed by the Conference to the Circuit. Fuller disclosure is contained in Note 28 to the accounts.

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). These require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the Circuit Meeting has:

- selected suitable accounting policies and applied them consistently;
- observed the methods and principles in the Charities SORP 2015 (FRS 102);
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepared the financial statements on the going concern basis

The Circuit Meeting is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable regulations. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF CIRCUIT MEETING

*C Wickens*

**INDEPENDENT EXAMINER'S REPORT  
TO THE MEMBERS OF CIRCUIT MEETING OF THE METHODIST CHURCH - MANCHESTER CIRCUIT  
FOR THE YEAR ENDED 31 AUGUST 2022**

I report to the charity trustees on my examination of the accounts of the charity for the year ended August 31, 2022 which are set out on pages 9 to 29.

**Responsibilities and basis of report**

As the charity'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 charity'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**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. 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 that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

*Jane Cooksey*

Jane Cooksey FCCA  
Jane Cooksey Ltd  
15/16 Boarshurst Bus. Park  
Boarshurst Lane  
Greenfield  
Oldham OL3 7ER

Date: **June 14 2023**

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
GROUP STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
<b>Incoming resources from generated funds:</b>						
Donations	2	301,028	-	-	<b>301,028</b>	589,505
Charitable activities	3	76,622	3,253	-	<b>79,875</b>	93,720
Other trading income	4	67,565	-	-	<b>67,565</b>	62,861
Investment income - bank interest	5	5,301	32	1,064	<b>6,397</b>	1,810
Other Income	6	25,565	-	-	<b>25,565</b>	47,247
<b>TOTAL INCOME</b>		<u>476,081</u>	<u>3,285</u>	<u>1,064</u>	<b>480,430</b>	<u>795,143</u>
<b>EXPENDITURE</b>						
Costs of generating funds	8	46,344	20	382	<b>46,746</b>	113,194
Expenditure on charitable activities	9	523,120	3,503	-	<b>526,623</b>	508,544
<b>TOTAL EXPENDITURE</b>		<u>569,464</u>	<u>3,523</u>	<u>382</u>	<b>573,369</b>	<u>621,738</u>
Net gains/(losses) on investments	11	6,887	-	(13,213)	<b>(6,326)</b>	186,370
<b>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</b>	12	<u>(86,496)</u>	<u>(238)</u>	<u>(12,531)</u>	<b>(99,265)</b>	<u>359,775</u>
Transfers between funds	20	<u>646</u>	<u>-</u>	<u>(646)</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>	20	<u>(85,850)</u>	<u>(238)</u>	<u>(13,177)</u>	<b>(99,265)</b>	<u>359,775</u>
<b>FUNDS BROUGHT FORWARD</b>	20	<u>3,040,487</u>	<u>10,978</u>	<u>130,312</u>	<b>3,181,777</b>	<u>2,822,002</u>
<b>FUNDS CARRIED FORWARD</b>	20	<u><u>2,954,637</u></u>	<u><u>10,740</u></u>	<u><u>117,135</u></u>	<b><u>3,082,512</u></b>	<u><u>3,181,777</u></u>

The notes on pages 15 to 29 form part of these financial statements.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**CIRCUIT STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
<b>Incoming resources from generated funds:</b>						
Donations	2	301,028	-	-	<b>301,028</b>	589,505
Charitable activities	3	76,622	3,253	-	<b>79,875</b>	93,720
Other trading income	4	67,565	-	-	<b>67,565</b>	34,776
Investment income	5	5,301	32	1,064	<b>6,397</b>	1,810
Other income	6	25,565	-	-	<b>25,565</b>	47,247
<b>TOTAL INCOME</b>		<u>476,081</u>	<u>3,285</u>	<u>1,064</u>	<u><b>480,430</b></u>	<u>767,058</u>
<b>EXPENDITURE</b>						
Costs of generating funds	8	46,344	20	382	<b>46,746</b>	12,130
Expenditure on charitable activities	9	523,120	3,503	-	<b>526,623</b>	511,684
<b>TOTAL EXPENDITURE</b>		<u>569,464</u>	<u>3,523</u>	<u>382</u>	<u><b>573,369</b></u>	<u>523,814</u>
Net gains/(losses) on investments	11	6,887	-	(13,213)	<b>(6,326)</b>	186,370
<b>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</b>	12	<u>(86,496)</u>	<u>(238)</u>	<u>(12,531)</u>	<u><b>(99,265)</b></u>	<u>429,614</u>
Transfers between funds	20	646	-	(646)	-	-
<b>NET MOVEMENT IN FUNDS</b>	20	<u>(85,850)</u>	<u>(238)</u>	<u>(13,177)</u>	<u><b>(99,265)</b></u>	<u>429,614</u>
<b>FUNDS BROUGHT FORWARD</b>	20	<u>3,041,610</u>	<u>10,978</u>	<u>130,312</u>	<u><b>3,182,900</b></u>	<u>2,753,286</u>
<b>FUNDS CARRIED FORWARD</b>	20	<u><u>2,955,760</u></u>	<u><u>10,740</u></u>	<u><u>117,135</u></u>	<u><u><b>3,083,635</b></u></u>	<u><u>3,182,900</u></u>

The notes on pages 15 to 29 form part of these financial statements.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
GROUP BALANCE SHEET  
AS AT 31 AUGUST 2022**

	Notes	2022 £	2022 £	2021 £	2021 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	14		2,334,416		2,352,064
Investments	15		<u>293,977</u>		<u>188,777</u>
			2,628,393		2,540,841
<b>CURRENT ASSETS</b>					
Debtors	16	186,972		161,687	
Investments	17	-		385,000	
Cash at Bank and in Hand		<u>310,138</u>		<u>135,725</u>	
		497,110		682,412	
<b>CREDITORS</b>					
Amounts falling due in one year	18	<u>42,991</u>		<u>40,416</u>	
<b>NET CURRENT ASSETS</b>					
			<u>454,119</u>		<u>641,996</u>
			3,082,512		3,182,837
<b>CREDITORS</b>					
Amounts falling due in more than one year	19		-		1,060
<b>NET ASSETS</b>					
			<u>3,082,512</u>		<u>3,181,777</u>
<b>FUNDS</b>					
Unrestricted	20		2,954,637		3,040,487
Restricted	20		10,740		10,978
Endowment	20		<u>117,135</u>		<u>130,312</u>
<b>TOTAL FUNDS</b>			<u>3,082,512</u>		<u>3,181,777</u>

The notes on pages 15 to 29 form part of these financial statements.

**Approved by the Circuit Meeting and authorised for issue on: June 26 2023**

*C Wickens*

REVD. DR C WICKENS - SUPERINTENDENT MINISTER

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**CIRCUIT BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Notes	2022 £	2022 £	2021 £	2021 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	14		2,334,416		2,352,064
Investments	15		<u>293,977</u>		<u>188,777</u>
			2,628,393		2,540,841
<b>CURRENT ASSETS</b>					
Debtors	16	198,578		177,955	
Investments	17	-		385,000	
Cash at Bank and in Hand		<u>299,655</u>		<u>119,730</u>	
		498,233		682,685	
<b>CREDITORS</b>					
Amounts falling due in one year	18	<u>42,991</u>		<u>39,566</u>	
<b>NET CURRENT ASSETS</b>					
			<u>455,242</u>		<u>643,119</u>
			3,083,635		3,183,960
<b>CREDITORS</b>					
Amounts falling due in more than one year	19		-		1,060
<b>NET ASSETS</b>					
			<u>3,083,635</u>		<u>3,182,900</u>
<b>FUNDS</b>					
Unrestricted	20		2,955,760		3,041,610
Restricted	20		10,740		10,978
Endowment	20		<u>117,135</u>		<u>130,312</u>
<b>TOTAL FUNDS</b>			<u>3,083,635</u>		<u>3,182,900</u>

The notes on pages 15 to 29 form part of these financial statements.

**Approved by the Circuit Meeting and authorised for issue on: June 26 2023**

*C Wickens*

REVD. DR C WICKENS - SUPERINTENDENT MINISTER

**THE METHODIST CHURCH - MANCHESTER CIRCUIT  
CIRCUIT AND GROUP STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Group 2022 £	Group 2021 £	Circuit 2022 £	Circuit 2021 £
<b>Cash used in operating activities</b>	25	<b>(104,715)</b>	<b>(129,371)</b>	<b>(99,203)</b>	<b>(130,661)</b>
<b>Cashflows from investing activities</b>					
Investment income		6,397	1,810	6,397	1,810
Proceeds of disposal of current asset investment		391,887	-	391,887	-
Proceeds of sale of fixed assets		-	285,502	-	285,502
Purchase of tangible fixed assets		-	(350,333)	-	(350,333)
Withdrawals from investments		273,564	416,465	273,564	416,465
Purchase of investments, cash & gains reinvested		(391,977)	(285,760)	(391,977)	(285,760)
<b>Cash provided by/(used in) investing activities</b>		<b>279,871</b>	<b>67,684</b>	<b>279,871</b>	<b>67,684</b>
<b>Cashflows from financing activities</b>					
Proceeds from new borrowings		-	-	-	-
Repayment of borrowing		(743)	(650)	(743)	(650)
<b>Cash used in financing activities</b>		<b>(743)</b>	<b>(650)</b>	<b>(743)</b>	<b>(650)</b>
<b>Increase/(decrease) in cash &amp; cash equivalents in the year</b>		<b>174,413</b>	<b>(62,337)</b>	<b>179,925</b>	<b>(63,627)</b>
<b>Cash and cash equivalents brought forward</b>		<b>135,725</b>	<b>198,062</b>	<b>119,730</b>	<b>183,357</b>
<b>Cash and cash equivalents carried forward</b>		<b>310,138</b>	<b>135,725</b>	<b>299,655</b>	<b>119,730</b>
<b>Cash and cash equivalents consist of:</b>					
Cash at bank and in hand		310,138	135,725	299,655	119,730
		<b>310,138</b>	<b>135,725</b>	<b>299,655</b>	<b>119,730</b>

Details of movements in net debt are given in note 26.

The notes on pages 15 to 29 form part of these financial statements.



## **1 ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Manchester Circuit's financial statements.

### **Scope of the financial statements**

The financial statements relate to the work of the Circuit, in all aspects.

### **Basis of preparation**

The financial statements have been prepared: under the historic cost convention, as modified by the revaluation of investments (as set out below) through the statement of financial activities; 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) effective January 1 2019 (second edition – October 2019); and FRS102. The results of the wholly owned subsidiary have been consolidated on a line by line basis.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling, the functional currency of the charity and its subsidiary company.

### **Donated goods**

Individual donated goods of a consumable nature valued under £500 such as harvest festival produce are not shown in these financial statements. Those over this amount or of a capital nature are recorded.

### **Income**

Total Incoming Resources as shown in the Statement of Financial Activities represents the net amounts from all sources.

Income is recognised in the accounting period in which it is receivable, except in the following circumstances, when the income is deferred and included in creditors:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and the charity is not contractually entitled to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

### **Investment income**

Investment income is included in the accounts when receivable, and any gains or losses on revaluation at the year end are shown in the Statement of Financial Activities.

### **Grants and donations**

Grants and donations are included in full in the Statement of Financial Activities other than where grants are deferred to match the income to expenditure over the life of the project.

### **Grants to local churches**

Grants to local churches for property schemes and other purposes are accounted for as liabilities when they receive formal approval by the Circuit Meeting, or the Superintendency team or Council under delegated authority for awards of less than £6,000.

On some occasions the Circuit Meeting will be asked to indicate whether it would approve a property development or building of a new church when the project is still at a development stage and other partners are still being consulted. The Circuit Meeting usually indicates that it would support the investment of the proceeds of sale of any related properties and how much it would be prepared to give in addition. Such amounts are not considered to be binding obligations on the Circuit until such time as a formal scheme is brought forward and approved by the Circuit Meeting.

## **1 ACCOUNTING POLICIES (continued)**

### **Other grants payable**

Grants awarded to other charitable bodies are accounted for as liabilities in the year in which the award is made. Multi-period grants are accounted for in full in the year awarded where there is a binding commitment to make the future payments.

### **Designated funds**

Where the Circuit has agreed to use its reserves to meet revenue costs or to meet future capital costs it has designated the funds within unrestricted reserves. It also makes provision in this way when it has indicated its support for a local church building scheme but no actual liability has yet been created.

### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds	including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.
------------------------	--

Charitable activities	costs of undertaking the work of the charity.
-----------------------	---

The charity is not registered for VAT and cannot recover any input tax charged. Costs are stated inclusive of VAT where charged. The subsidiary is registered for VAT and can recover all input tax charged. Costs are stated exclusive of VAT where charged.

### **Allocation of support costs**

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include back office functions, staff costs and professional fees. The basis of allocations is set out in note 10.

### **Fixed assets and depreciation**

Fixed assets are shown at cost to the Circuit, with the exception of the manses and other property assets. These have been included at the Trustees' valuation less any levy payable to the Connexional Advance and Priority Fund ("CAPF") where there is no replacement scheme for the assets, as permitted under the SoRP, when assets not previously in the balance sheet are capitalised. Assets costing less than £1,000 are written off as revenue expenditure in the year of acquisition.

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	1% per annum from later of the date of acquisition or 1/09/14
Leasehold properties	-	1% per annum from later of the date of acquisition or 1/09/14
Rossett property improvements	-	2.5% per annum on cost
Furniture and fittings	-	25% per annum on cost
Computer equipment	-	33% per annum on cost

Freehold land is not depreciated. Fixed asset disposal proceeds are reported net of any levy payable to the CAPF.

## **1 ACCOUNTING POLICIES (continued)**

### **Taxation**

The Manchester Circuit is exempt from Corporation Tax by reason of its charitable status to the extent that income and gains are applicable and applied to charitable purposes only. Income tax suffered on deeds of covenant and gift aid or investment income is reclaimed in full.

### **Investments, gains and losses**

Fixed asset investments are a form of basic financial instrument and are initially recorded at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The SoFA includes the net gains and losses arising on revaluation and on disposals throughout the year.

Gains and losses on investments are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sale proceeds (net of transaction costs) and the opening carrying value or cost, if acquired during the year. Unrealised gains and losses are calculated on the difference between opening and closing fair values.

Certain investments are held and incorporated in the Balance Sheet that are restricted to specific projects. These are disclosed in note 15.

### **Financial instruments**

The charity has only basic financial instruments which are initially recorded at cost, and with the exception of investments (as set out above) subsequently measured at their settlement value.

### **Pension contributions**

The Circuit participates in the following pension fund:

#### Methodist Ministers' Pension Fund

The Circuit is a member of the Connexional pension scheme (MMPS) which covers presbyters and deacons of the Methodist Church. The contribution rates are set each year by the Methodist Conference, and for the year under review the employer contributions were 26.9% (2020: 26.9%) of stipend.

The MMPS is a multi-employer scheme, and in accordance with the guidance issued by the Charity Commission, the Circuit accounts for those contributions as if it were a defined contribution scheme. It has done so because it is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. Contributions are charged to the SoFA in the period in which they are payable.

#### Lay employees'

The Circuit operates a defined contribution pension fund for its lay employees and unless they have opted out, pays employer's contribution of 6% matched by employees' contributions of 2%, in accordance with the standing orders of the Methodist Church.

### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

	2022			2021		
	Unrestricted	Restricted/ endowment	Total	Unrestricted	Restricted/ endowment	Total
<b>2 DONATIONS</b>	£	£	£	£	£	£
Church assessments	279,492	-	<b>279,492</b>	282,655	-	<b>282,655</b>
Donations	226	-	<b>226</b>	2,364	-	<b>2,364</b>
HMRC - CJRS grant	45	-	<b>45</b>	4,486	-	<b>4,486</b>
Other funds transferred	21,265	-	<b>21,265</b>	300,000	-	<b>300,000</b>
<b>Charity</b>	301,028	-	<b>301,028</b>	589,505	-	<b>589,505</b>
 <b>Group</b>	 301,028	 -	 <b>301,028</b>	 589,505	 -	 <b>589,505</b>

**3 INCOME FROM CHARITABLE ACTIVITIES**

Property Income:

Rossett and Chatterton Hey	76,622	-	<b>76,622</b>	70,491	-	<b>70,491</b>
Grants for circuit work	-	3,253	<b>3,253</b>	-	23,229	<b>23,229</b>
	<u>76,622</u>	<u>3,253</u>	<u><b>79,875</b></u>	<u>70,491</u>	<u>23,229</u>	<u><b>93,720</b></u>

**4 OTHER TRADING INCOME**

Rental income re surplus manses	24,652	-	<b>24,652</b>	23,452	-	<b>23,452</b>
Rents receivable re Wesley centre	42,913	-	<b>42,913</b>	8,470	-	<b>8,470</b>
Rent & management charge Wesley	-	-	<b>-</b>	2,854	-	<b>2,854</b>
<b>Total for Circuit</b>	67,565	-	<b>67,565</b>	34,776	-	<b>34,776</b>
Subsidiary income	-	-	<b>-</b>	34,079	-	<b>34,079</b>
less eliminated on consolidation	-	-	<b>-</b>	(5,994)	-	<b>(5,994)</b>
<b>Total for Group</b>	<u>67,565</u>	<u>-</u>	<u><b>67,565</b></u>	<u>62,861</u>	<u>-</u>	<u><b>62,861</b></u>

**5 INVESTMENT INCOME**

Income from fixed asset investments	42	1,096	<b>1,138</b>	778	-	<b>778</b>
Bank interest	5,259	-	<b>5,259</b>	945	87	<b>1,032</b>
<b>Total for Circuit</b>	5,301	1,096	<b>6,397</b>	1,723	87	<b>1,810</b>
less eliminated on consolidation:						
Loan interest Wesley Ltd	-	-	<b>-</b>	-	-	<b>-</b>
<b>Total for Group</b>	<u>5,301</u>	<u>1,096</u>	<u><b>6,397</b></u>	<u>1,723</u>	<u>87</u>	<u><b>1,810</b></u>

**6 OTHER INCOME**

Insurance claim	25,565	-	<b>25,565</b>	-	-	<b>-</b>
Proceeds of sale of manse	-	-	<b>-</b>	47,247	-	<b>47,247</b>
	<u>25,565</u>	<u>-</u>	<u><b>25,565</b></u>	<u>47,247</u>	<u>-</u>	<u><b>47,247</b></u>

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**7 SUBSIDIARY COMPANY - WESLEY LTD**

	2022	2021
	£	£
Turnover	-	34,079
Administration costs	-	(103,918)
Amortisation of capital grants	-	63,451
Interest payable & similar charges	-	-
Profit/(loss) on ordinary activities before tax	-	(6,388)
Taxation	-	-
Profit/(loss) after tax	-	(6,388)
Fixed assets	-	-
Current assets	10,569	16,178
Creditors due in one year	(11,691)	(17,300)
	(1,122)	(1,122)

The Manchester Circuit owns the whole of the issued share capital of Wesley Limited.

On consolidation the accounting treatment of capital grants (included in Wesley Ltd accounts within creditors) is aligned with that of the Circuit as a charity. Capital grants are treated as part of reserves and the release to the profit and loss account in Wesley's accounts is eliminated.

**8 COSTS OF GENERATING FUNDS**

	2022			2021		
	Unrestricted	Restricted/ endowment	Total	Unrestricted	Restricted/ endowment	Total
	£	£	£	£	£	£
Investment management charges	147	402	549	629	51	680
Agents & other fees re rental income	2,810	-	2,810	2,589	-	2,589
Property & other costs Wesley Centre	27,351	-	27,351	2,176	-	2,176
Staff costs re Wesley Centre	10,291	-	10,291	834	-	834
Support costs	5,745	-	5,745	5,851	-	5,851
<b>Total for Circuit</b>	46,344	402	46,746	12,079	51	12,130
Subsidiary costs	-	-	-	103,918	-	103,918
Eliminated on consolidation	-	-	-	(2,854)	-	(2,854)
<b>Total for Group</b>	46,344	402	46,746	113,143	51	113,194

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**9 CHARITABLE EXPENDITURE**

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Stipends, salaries & pensions	266,962	3,253	270,215	257,742	23,169	280,911
Expenses and training costs	6,572	-	6,572	5,948	-	5,948
Grants to Circuit Churches	-	-	-	2,000	-	2,000
Grant to SPH Chaplaincy Centre	10,000	-	10,000	5,000	-	5,000
Grant to Nexus CCS	4,810	-	4,810	-	-	-
Manse costs	57,227	-	57,227	41,313	-	41,313
Trinity property costs	23,883	-	23,883	6,730	-	6,730
Other direct costs	3,654	-	3,654	9,486	-	9,486
District & Connexional assessments	77,243	-	77,243	83,131	-	83,131
District Advance Fund levy	1,214	-	1,214	6,465	-	6,465
Benevolent fund payments	-	250	250	-	317	317
Depreciation charitable properties	17,649	-	17,649	15,246	-	15,246
Support costs	53,906	-	53,906	55,137	-	55,137
Charged to restricted funds	-	-	-	-	-	-
<b>Total for Circuit</b>	<b>523,120</b>	<b>3,503</b>	<b>526,623</b>	<b>488,198</b>	<b>23,486</b>	<b>511,684</b>
Less eliminated on consolidation						
Rent paid to Wesley Ltd	-	-	-	(3,140)	-	(3,140)
<b>Total Group</b>	<b>523,120</b>	<b>3,503</b>	<b>526,623</b>	<b>485,058</b>	<b>23,486</b>	<b>508,544</b>

**10 SUPPORT AND GOVERNANCE COSTS**

	2022			2021		
	Fundraising	Charitable	Total	Fundraising	Charitable	Total
	£	£	£	£	£	£
<b>Support costs</b>						
Staff costs	1,709	15,385	17,094	1,265	11,380	12,645
Office costs	2,241	20,166	22,407	2,812	25,304	28,116
Professional costs	1,795	16,155	17,950	1,774	15,963	17,737
	5,745	51,706	57,451	5,851	52,647	58,498
<b>Governance costs</b>						
External scrutiny	-	2,200	2,200	-	2,490	2,490
	5,745	53,906	59,651	5,851	55,137	60,988

Staff costs are allocated on the basis of estimate of time spent and other costs on the estimate of resources used.

**11 GAINS AND LOSSES ON INVESTMENTS**

	Unrestricted funds	Restricted Funds	Endowment funds	2022
	£	£	£	£
Unrealised gains/(losses) on revaluation of fixed asset investments	-	-	(13,213)	(13,213)
Realised gain on disposal of investments	6,887	-	-	6,887
Unrealised gain on assets held for sale	-	-	-	-
	6,887	-	(13,213)	(6,326)
	Unrestricted funds	Restricted Funds	Endowment funds	2021
	£	£	£	£
Unrealised gains/(losses) on revaluation of fixed asset investments	-	-	(6,173)	(6,173)
Unrealised gain on assets held for sale	192,543	-	-	192,543
	192,543	-	(6,173)	186,370

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**12 GROUP NET INCOMING RESOURCES AFTER TRANSFERS**

**2022**

**2021**

£

£

This is stated after charging/(crediting):

Independent examiners' fees	2,200	2,490
Depreciation of fixed assets	17,648	85,126
Operating lease rentals	-	-
Trustees' remuneration as trustees	-	-
Trustees' expenses as trustees	-	-
	<u>22,200</u>	<u>87,626</u>

**13 STAFF INFORMATION**

**2022**

**2021**

£

£

**a Staff costs**

Stipends and salaries	208,680	226,790
Apprenticeship levy	1,136	1,209
Pension contributions - Methodist Ministers Scheme	45,113	48,061
MMPF reserve	25,000	-
Pension contributions - other	1,494	2,216
Employer's NI contributions	16,177	16,114
	<u>297,600</u>	<u>294,390</u>

No staff member was paid more than £60,000 p.a. in either year.

**b Key management personnel**

The key management of the charity comprise the trustees, which includes the ordained members of staff who are ex-officio members of the Circuit Meeting but do not receive any payment specifically for acting as trustees.

The other trustees do not receive any remuneration for their services.

£

£

The total remuneration benefits of the key management are:

Stipends	<u>257,083</u>	<u>254,026</u>
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As explained in note 27, certain other Circuit employees are also members of the Circuit Meeting but their remuneration is not included above as their membership of the Circuit Meeting is not part of their duties as employees, but rather they have been appointed by the churches of which they are members as representatives.

**c Average staff numbers**

The average number of members of staff of the charity was as follows:-

**2022**

**2021**

**Average  
number**

**Average  
number**

Ordained staff (office holders not employees)	7.0	8.0
Lay employees	6.0	6.0
	<u>13.0</u>	<u>14.0</u>

**d Additional pension contribution**

The Circuit responded to an appeal by the Methodist Conference for all parts of the Connexion to make voluntary contributions to the Methodist Ministers' Pension Fund reserve. It made a contribution of £25,000.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**14 TANGIBLE FIXED ASSETS**

	Freehold land & buildings £	Long leasehold properties £	Fixtures Fittings & Equipment £	Total £
<b>GROUP AND CIRCUIT</b>				
<b>Cost</b>				
As at September 1 2021	1,864,935	572,000	19,012	<b>2,455,947</b>
As at August 31 2022	1,864,935	572,000	19,012	<b>2,455,947</b>
<b>Depreciation</b>				
As at September 1 2021	51,898	34,460	17,525	<b>103,883</b>
Charge for the year	11,022	5,720	906	<b>17,648</b>
As at August 31 2022	62,920	40,180	18,431	<b>121,531</b>
<b>Net book value</b>				
As at August 31 2022	1,802,015	531,820	581	<b>2,334,416</b>
As at August 31 2021	1,813,037	537,540	1,487	<b>2,352,064</b>

The net book value of equipment held on finance leases was £696 (2021 - £1,392).



**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**15 FIXED ASSET INVESTMENTS**

	2022	2021
	£	£
Market value brought forward	188,777	325,655
Income re-invested	90	258
Additions at cost	391,887	285,502
Disposals at carrying value	(273,564)	(416,465)
Net gain/(loss) on revaluation	(13,213)	(6,173)
Market value carried forward	<u>293,977</u>	<u>188,777</u>

***Investments at fair value comprise:***

CFB Managed funds	98,069	111,282
Cash held within investment portfolio	195,908	77,495
	<u>293,977</u>	<u>188,777</u>

	Unrestricted funds		Restricted funds		Endowment funds	
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
Market value brought forward	51,554	182,296	6,911	6,901	130,312	136,458
Income & gains re-invested	42	221	13	10	35	27
Additions at cost	391,887	285,502	-	-	-	-
Disposals/withdrawals						
at carrying value	(273,564)	(416,465)	-	-	-	-
Net gain/(loss) on revaluation	-	-	-	-	(13,213)	(6,173)
Market value carried forward	<u>169,919</u>	<u>51,554</u>	<u>6,924</u>	<u>6,911</u>	<u>117,134</u>	<u>130,312</u>
CFB Managed funds	-	-	-	-	98,069	111,282
Cash held within investment portfolio	169,919	51,554	6,924	6,911	19,065	19,030
	<u>169,919</u>	<u>51,554</u>	<u>6,924</u>	<u>6,911</u>	<u>117,134</u>	<u>130,312</u>

Group	Group	Circuit	Circuit
2022	2021	2022	2021
£	£	£	£

**16 DEBTORS DUE IN MORE THAN ONE YEAR**

Loan to Wesley Limited	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

	Group 2022 £	Group 2021 £	Circuit 2022 £	Circuit 2021 £
<b>16 DEBTORS</b>				
Trade debtors	85	182	-	-
Loans to Circuit Churches	17,208	17,208	17,208	17,208
Amounts due from Wesley Limited	-	-	11,691	16,450
Prepayments & other debtors	169,679	144,297	169,679	144,297
	<u>186,972</u>	<u>161,687</u>	<u>198,578</u>	<u>177,955</u>

**17 CURRENT ASSET INVESTMENTS**

Property and land held for resale	-	385,000	-	385,000
	<u>-</u>	<u>385,000</u>	<u>-</u>	<u>385,000</u>

**18 CREDITORS falling due within one year**

Assessments in advance	29,039	28,976	29,039	28,976
Income and grants in advance	3,989	-	3,989	-
Social security and other taxes	315	644	315	644
Finance lease creditor	1,060	743	1,060	743
Creditors & accruals	8,588	10,053	8,588	9,203
	<u>42,991</u>	<u>40,416</u>	<u>42,991</u>	<u>39,566</u>

In 2017/18, the Circuit opened a second account with CFB and in 18/19 a second current account with Unity trust to hold the monies and make payments for Hope Methodist Church's building project. At the year end these accounts had been cleared and no funds were held for Hope (2021 -c£1.5k). The bank balances, the transactions and the liability to Hope were not shown in the Circuit accounts. Interest earned on the balance held and bank charges incurred have been wholly attributed to Hope.

**19 CREDITORS falling due in more than on year**

Finance lease creditor	-	1,060	-	1,060
	<u>-</u>	<u>1,060</u>	<u>-</u>	<u>1,060</u>

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**20 STATEMENT OF FUNDS**

	2020/21					b/f and c/f 31/08/2021 01/09/2021 £	2021/22				
	01/09/2020 £	Income £	Expenditure	Gains & losses £	Transfers £		Income £	Expenditure £	gains & losses £	Transfers £	31/08/2022 £
<b>GROUP</b>											
<b>Unrestricted funds:</b>											
General fund	2,606,382	771,827	(598,201)	192,543	-	2,972,551	476,081	(569,464)	6,887	646	2,886,701
Designated Funds:											
Property projects	67,936	-	-	-	-	67,936	-	-	-	-	67,936
<b>Total unrestricted funds</b>	<b>2,674,318</b>	<b>771,827</b>	<b>(598,201)</b>	<b>192,543</b>	<b>-</b>	<b>3,040,487</b>	<b>476,081</b>	<b>(569,464)</b>	<b>6,887</b>	<b>646</b>	<b>2,954,637</b>
<b>Restricted funds as below</b>											
	11,225	23,252	(23,499)	-	-	10,978	3,285	(3,523)	-	-	10,740
<b>Endowment fund as below</b>											
	136,459	64	(38)	(6,173)	-	130,312	1,064	(382)	(13,213)	(646)	117,135
<b>Total funds</b>	<b>2,822,002</b>	<b>795,143</b>	<b>(621,738)</b>	<b>186,370</b>	<b>-</b>	<b>3,181,777</b>	<b>480,430</b>	<b>(573,369)</b>	<b>(6,326)</b>	<b>-</b>	<b>3,082,512</b>

Unrestricted funds are analysed as follows between charitable and non-charitable:

Circuit	2,669,053
Wesley Ltd	5,265
	<u>2,674,318</u>

	3,035,222
	5,265
	<u>3,040,487</u>

	2,955,759
	(1,122)
	<u>2,954,637</u>

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**20 STATEMENT OF FUNDS (continued)**

	2020/21					b/f and c/f 31/08/2021	2021/22				
	01/09/2020	Income	Expenditure	Gains & losses	Transfers		Income	Expenditure	gains & losses	Transfers	31/08/2022
	£	£	£	£	£	£	£	£	£	£	£
<b>CHARITY</b>											
<b>Unrestricted funds:</b>											
General fund	2,537,666	743,742	(500,277)	192,543	-	2,973,674	476,081	(569,464)	6,887	646	2,887,824
Designated Funds:											
Property projects	67,936	-	-	-	-	67,936	-	-	-	-	67,936
<b>Total unrestricted funds</b>	<b>2,605,602</b>	<b>743,742</b>	<b>(500,277)</b>	<b>192,543</b>	<b>-</b>	<b>3,041,610</b>	<b>476,081</b>	<b>(569,464)</b>	<b>6,887</b>	<b>646</b>	<b>2,955,760</b>
<b>Restricted Funds:</b>											
Grants received for Circuit work	-	23,229	(23,169)	-	-	60	3,253	(3,253)	-	-	60
Christmas Cheer	478	-	-	-	-	478	-	-	-	-	478
Benevolence fund	2,718	-	(317)	-	-	2,401	-	(250)	-	-	2,151
Sunday School work	1,128	-	-	-	-	1,128	-	-	-	-	1,128
Gorton roofing fund	6,901	23	(13)	-	-	6,911	32	(20)	-	-	6,923
<b>Total restricted funds</b>	<b>11,225</b>	<b>23,252</b>	<b>(23,499)</b>	<b>-</b>	<b>-</b>	<b>10,978</b>	<b>3,285</b>	<b>(3,523)</b>	<b>-</b>	<b>-</b>	<b>10,740</b>
<b>Endowments</b>											
Ethel Smedley Bequest	117,455	-	-	(6,173)	-	111,282	975	(328)	(13,213)	(646)	98,070
Evelyn Gledhill Bequest	19,004	64	(38)	-	-	19,030	89	(54)	-	-	19,065
Total endowment funds	136,459	64	(38)	(6,173)	-	130,312	1,064	(382)	(13,213)	(646)	117,135
	<b>2,753,286</b>	<b>767,058</b>	<b>(523,814)</b>	<b>186,370</b>	<b>-</b>	<b>3,182,900</b>	<b>480,430</b>	<b>(573,369)</b>	<b>(6,326)</b>	<b>-</b>	<b>3,083,635</b>

**Restricted funds**

Christmas Cheer  
 Benevolence fund  
 Sunday School work  
 Gorton roofing fund

To support local churches in providing meals and entertainments for elderly, lonely and other people on Christmas day. Will be used over the next 5 years.  
 To provide immediate relief to those in need, and will be utilised as required.  
 To support Sunday School work. The trustees are considering how best to apply these funds  
 To meet the repair needs associated with the buildings at the Gorton LEP. Will be used as needed.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**21 ANALYSIS OF COMPANY NET ASSETS BETWEEN FUNDS**

Fund balances at August 31 2022 are represented by:-

	Unrestricted		Restricted	Endowment	
	General Funds	Designated Funds	Funds	Funds	Total
	£	£	£	£	£
Tangible fixed assets	2,334,416	-	-	-	2,334,416
Fixed asset investments	118,364	51,554	6,924	117,135	293,977
Net current assets	435,043	16,382	3,817	-	455,242
	<u>2,887,823</u>	<u>67,936</u>	<u>10,741</u>	<u>117,135</u>	<u>3,083,635</u>

Fund balances at August 31 2021 are represented by:-

Tangible fixed assets	2,352,064	-	-	-	2,352,064
Fixed asset investments	(8,446)	60,000	6,911	130,312	188,777
Net current assets	631,116	7,936	4,067	-	643,119
Creditors due in more than one year	(1,060)	-	-	-	(1,060)
	<u>2,973,674</u>	<u>67,936</u>	<u>10,978</u>	<u>130,312</u>	<u>3,182,900</u>

**22 TAXATION**

The Circuit is a registered charity and is entitled to claim annual exemption from UK corporation tax.

**23 CAPITAL COMMITMENTS**

There were no capital commitments authorised and contracted for at the end of the year (2021 £Nil).

**24 LEASE COMMITMENTS**

***Finance lease commitments***

The Circuit had the following commitments under finance leases:

	2022	2021
	£	£
Not later than one year	1,160	928
Later than one year and not later than five years	-	1,160
	<u>1,160</u>	<u>2,088</u>
Less interest charges	(100)	(285)
Per creditors notes	<u>1,060</u>	<u>1,803</u>

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**25 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	Group 2022 £	Group 2021 £	Circuit 2022 £	Circuit 2021 £
Net income/(expenditure) before transfers	(99,265)	359,775	(99,265)	429,614
Add back depreciation on fixed assets	17,648	85,126	17,648	15,247
Deduct property transferred to Circuit	-	(300,000)	-	(300,000)
Deduct/(add) unrealised gains/(losses) on investments	6,326	(186,370)	6,326	(186,370)
Deduct interest income shown in investing activities	(6,397)	(1,810)	(6,397)	(1,810)
Deduct profit/add back losses on disposals of FA	-	(47,247)	-	(47,247)
Decrease/(increase) in debtors	(25,285)	(28,598)	(20,623)	(34,495)
Increase/(decrease) in creditors	2,258	(10,247)	3,108	(5,600)
<b>Net cash generated from/(used in) operating activities</b>	<b>(104,715)</b>	<b>(129,371)</b>	<b>(99,203)</b>	<b>(130,661)</b>

**26 NET MOVEMENT IN DEBT**

Group	At 31/8/20	cashflows	finance lease repaid	other non cash	at 31/08/21
<b>Cash and cash equivalents</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	135,725	174,413	-	-	310,138
<b>Debt</b>					
Finance lease obligations	1,803	(743)	-	-	1,060
<b>Cash and cash equivalents net of debt</b>	<b>133,922</b>				<b>309,078</b>
<b>Charity</b>					
<b>Cash and cash equivalents</b>					
Cash at bank and in hand	119,730	179,925	-	-	299,655
<b>Debt</b>					
Finance lease obligations	1,803	(743)	-	-	1,060
<b>Cash and cash equivalents net of debt</b>	<b>117,927</b>				<b>298,595</b>

There were no: acquisitions or disposals of subsidiaries; foreign exchange movements; or market value changes in the period.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

**27 RELATED PARTY TRANSACTIONS**

**Ministers**

Stipends and allowances for presbyters and deacons (collectively ministers) are set annually by the Methodist Conference, and the Circuit is responsible for meeting those costs for all ministers appointed by the Conference to the Circuit. Details of stipends paid to ministers who are members of the Circuit meeting are as follows. The following received the basic stipend (£25,824; 2021: £25,524): Deacon Pru Cahill, Revd Krystyna Kwarciak, Rev Sharon Read, Revd. Joy Rulton, Revd. Ken Stokes, Revd. Caroline Wickens.

And the following minister received half stipend in 2020/21 and 2021/22: Revd Sue Williams; and in 2020/21 Revd. A Lowe as well.

All of whom, except for Revd Sue Williams, were provided with living accommodation as required by the church's Standing Orders.

In addition, the Revd Ian Rutherford, who is the City Centre Minister and receives his stipend from the Manchester and Stockport District, is provided with accommodation as part of the partnership arrangement with the District.

In addition to the basic stipend, the Connexionally agreed Superintendent Minister's allowance £2,582 (2021: £2,552) was paid to Revd Caroline Wickens in 2019/20 and 2020/21.

Other ministers who are resident in the Circuit, for the purposes of the Methodist stations, but not in Circuit appointments or without appointment are also members of the Circuit Meeting but do not receive payment or accommodation from the Circuit, except for preaching fees and expenses as set out above.

**Lay employees**

The following members of the Circuit Meeting were also employees of the Circuit and were in receipt of salaries for the work they undertook in the capacities indicated. They do not receive payment for acting as trustees:

<b>Name</b>	<b>Position</b>	<b>2022 £</b>	<b>2021 £</b>
Angela Doyle	Circuit Administrator	13,229	11,468
Liz Stuart	Lay employee (not employed in year)	0	9,118

Ms Doyle was also an employee of Wesley Limited during the year and was in receipt of a salary in 2020/21 of £2,295 (2021/22 – none) for the work which she undertook as Company Secretary and Administrator. This employment was transferred to the Circuit from 1/7/21, when Wesley Ltd ceased trading.

**Other payments**

Andrew Slim, a member of the Circuit meeting has provided property advice services through his limited company Andrew Slim Limited, in the ordinary course of business. He took no part in the decision to appoint his company and it was engaged on normal commercial terms. Payments in the 2021/22 amounted to £3,833 (2021: £7,696).

In 2019/20, S Watters, a member of the Circuit meeting and of the Circuit Council, was employed by Wesley Ltd to produce a business plan. She took no part in the decision to appoint her, and she received a salary in 2021 of £78 (2022 none) for this work.

**Wesley Limited**

During 2020/21, Manchester Circuit paid rent (including VAT) to Wesley Limited of £3,768 (2022 – none).

**Methodist Chapel Aid Limited**

Andrew Slim, a member of the Circuit Meeting, was a non-executive director of Methodist Chapel Aid Limited throughout the year. As at 31 August 2021, Methodist Chapel Aid Limited held funds on behalf of the Circuit totalling £14,196 (31/08/21 - £14,127).

**Peter Smith Accountancy Services**

Peter Smith (a trustee) trading as Peter Smith Accountancy Services has been appointed to provide professional accountancy and advice services beyond those normally expected of a trustee. Fees for 21/22 are budgeted at £2,500, which is included in accruals.