

THE METHODIST CHURCH – MANCHESTER CIRCUIT

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023



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THE METHODIST CHURCH - MANCHESTER CIRCUIT

**CHARITY INFORMATION
FOR THE YEAR ENDED AUGUST 31 2023**

TRUSTEES

+ Mary	Adamiak	East Didsbury MCC	
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	
Erinma	Bell	Whalley Range MCC	to 31.08.2023
Jackie	Blackmore	Moston MCC	
Joan	Booth	Edge Lane MCC	to 01.09.22
Sharif	Bukuru	Methodist Centre MCC	
Pru	Cahill	Ex Officio	to 31.08.2023
* 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	to 28.11.2023
Andrew	Edwards	Circuit Steward	to 31.08.2024
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	to 31.08.2023
+ Christine	Grime	Long St MCC	
Andrew Nicholas	Hallett	Didsbury MCC	
Janet	Hardware	Edge Lane MCC	to 01.09.22
Janet	Hignett	Levenshulme MCC	
Catharine	Hughes	ex officio	from 01.09.2022
Robert	Johnson	Edge Lane with Clayton MCC	from 01.01.23
Jenny	Jones	ex officio	from 01.09.2023
John	Kinsey	Levenshulme MCC	
Russell	Kirby	Manley Park MCC	
Lazare	Lufakalyo	Methodist Centre MCC	to 31.12.2022 (died)
Eva	Manley	co-opted as District MWiB president	
Margaret	Morris	Manley Park MCC	
Elizabeth	Moyo	Moston MCC	to 17.09.22
Nick	Palfreyman	Withington MCC	
		LP Secretary	from 01.09.2023
Abigail	Parr	Hope MCC	
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	to 31.08.2023 (died)
John	Roberts	Circuit Steward	to 01.04.2024 (died)

THE METHODIST CHURCH - MANCHESTER CIRCUIT

**CHARITY INFORMATION
FOR THE YEAR ENDED AUGUST 31 2023**

TRUSTEES (continued)

Julie	Rowbotham	Hope MCC	
Steve	Rowe	Chorlton MCC	from 01.09.2023
Sue	Rowe	Ex Officio	
Joy	Rulton	Ex Officio	to 31.08.2024
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/Droyslden MCC	
Alison	Thomlinson	St.Peter's Church	from 01.09.2023
* Elva	Towler	Clayton MCC	
Bernard	Treves Brown	Circuit Steward	
Susan	Watters	Circuit Steward	to 10.01.2023
Paul	Welch	ex officio	from 01.09.2024
Jenny	Went	Withington MCC	
Caroline	Wickens	Ex Officio	
Beverley	Williams	Whalley Range MCC	
Stephen	Williams	Droyslden MCC	
Janet	Yarwood	Hope MCC	

Key

MCC – Methodist Church Council

* As from 23.10.2022, representing the merged church of Edge Lane & Clayton

+ As from 01.09.2023, representing the merged church of United Didsbury

THE METHODIST CHURCH - MANCHESTER CIRCUIT
CHARITY INFORMATION
FOR THE YEAR ENDED AUGUST 31 2023

CIRCUIT COUNCIL and
 Circuit Stewards

Name	Appointment/cessation	Position
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	Died 1/04/24	
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

AUDITORS
 Sumer Auditco Limited
 Gosforth Park Avenue
 Newcastle upon Tyne
 NE12 8EG

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 AUGUST 31 2023**

The Trustees present their Annual Report together with the financial statements for the year ended 31 August 2023.

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.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED AUGUST 31 2023**

ACHIEVEMENT AND PERFORMANCE

Manchester Circuit, The Methodist Church: Achievements and Performance, 2022 - 2023

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 2022 - 2023

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*

The past year has seen consolidation of the process of recovery from the pandemic. All churches are now offering a regular and varied range of public worship face-to-face, subject to ongoing risk assessment. New initiatives have included Bread Church at Withington Methodist Church, Bible study groups in various locations across the circuit and new support groups for older folk, often craft-based. 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 online activities via various platforms and paper copies of services are distributed to the housebound and those unable to access the technology.

The subsequent year has seen the merging of Clayton and Edge Lane Methodist Churches to form Edge Lane & Clayton, and Didsbury and East Didsbury to form United Didsbury. There are now 17 churches in the circuit.

The work of student chaplaincy out of St. Peter's House ended with a celebration of the 50 years of its life. The building (50% under the managing trusteeship of the Circuit) will now be sold, along with the circuit's land at Edenfield.

A Worship

Numbers attending face-to-face Sunday worship across the Circuit continue to build back, and many churches are welcoming new people to join worship. Across the circuit, 24 people have become members of our churches over the year. We have seven local preachers in training. 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 said goodbye to Deacon Pru Cahill and was delighted to welcome Deacon Jenny Jones to work principally at Central Hall Manchester.

Subsequently we have appointed Rev. Paul Welch to work at Hope and Edge Lane & Clayton and as a pioneer minister at Trinity Methodist Church. We hope that this appointment will reinforce the circuit's work and worship through fresh strategies for outreach.

B Learning and Caring

Although the proposed Listening Ear project failed to flourish, Ministers, Lay Workers and Pastoral secretaries from the churches have given excellent support to those in need and we continue to be grateful for their work and commitment. We find ourselves increasingly needing to respond to homelessness and hunger in the city, and most churches are actively involved with food banks. At the Wesley Centre, the circuit's community building in Hulme, we offer accommodation to the Manchester South Central foodbank among other charitable organisations. 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 online activities organised by both local churches and the circuit. 2022/23 was the twentieth anniversary of the formation of the Manchester Circuit and was celebrated via a scheme of small grants for activities engaging the community such as play schemes, holiday clubs, community fun days and tea parties.

Children and young people's work is flourishing in various churches, often under the direction of carefully appointed paid lay workers and backed up by input on the circuit's various social media platforms. Such work 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 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 by the circuit's in-house safeguarding team.

The Circuit's environmental policy has enabled some churches to gain eco-awards under the A Rocha scheme and the property team are actively considering ways of reducing the carbon footprint of the circuit's buildings. A stewardship campaign is becoming part of our annual programme and churches are engaging with the need to give sustainably.

Subsequently we have developed further strategies and partnerships to support city folk in particular need, including Monday's Undies to provide adequate underwear for newly-arrived refugees in need.

THE METHODIST CHURCH - MANCHESTER CIRCUIT TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED AUGUST 31 2023

C Service

The Circuit continues actively to support lay workers whose appointments focus on social outreach and service, often through leading a group of volunteers. 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'.

The Wesley Centre, directly managed from within the Circuit, continues to be well-maintained following a quinquennial inspection, under the guidance of the management committee. We said goodbye to the warden as she moved on to a new post, and appointed an administrator, part of whose role is to support the management committee in ensuring the Centre is effectively run. The Centre is now fully occupied by a range of tenants, some commercial, some third-sector.

The Circuit meeting's decision to take on managing trusteeship of Trinity Methodist Church, Ancoats is beginning to bear fruit. Part of the building is now fully renovated and is beginning to be used by the community in this deprived area. The building is managed by an ecumenical team from the Circuit and the local area. The appointment of a minister to have responsibility for this church is a significant commitment to ministry in this area.

The Circuit's policy is to fund staffing for outreach work from its income from the sale of property. This has been supported in this last year by the sale of a manse. As further properties are sold we anticipate that we shall be able to reframe our offer of evangelism and missional outreach.

D Evangelism

Several churches have engaged in the Bags of Hope project, visiting house-to-house in their local neighbourhood, under the guidance of the deputy superintendent, whose role has a focus on mission and 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 benefits from the regular support of one of the ministers. Under her guidance they have evolved an online style of worship called Liquid Church. Our broader 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. Our ongoing commitment to social justice and support for those in need is in line with Connexional strategy and attracts people into our faith communities.

FINANCIAL REVIEW

Overview

The Circuit had a surplus on unrestricted funds, after transfers for the year of c£2.1m (21/22 deficit of £85,850). However, this result was only achieved because of the transfer to the Circuit of the church property at Clayton, the surplus on the disposal of a manse and the surplus on revaluation of current assets. During the year the Circuit received sufficient assurances that land held in fixed assets with a nil value had been successfully rezoned for housing. The Circuit had already resolved to dispose of the site should this be achieved and it is now included in current asset investments.

If it had not been for these items the Circuit would have had a deficit on unrestricted funds of c£75k, which was less than the budgeted figure.

The Circuit is expecting to benefit from future property receipts but is working hard to move to a position where reserves are only used to fund mission focussed expenditure and to ensure that church buildings, manses and other properties are fit for the 21st century.

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. The Circuit has created a new designated fund to provide for future major repairs to the Wesley Centre to which 80% of the surplus from the Centre is added each year.

Wesley Ltd

The subsidiary company has not traded during this or the previous year, and therefore consolidated accounts have not been prepared.

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 31% (2022: 58%) of income, down on the previous year as a percentage due to receipts in respect of properties.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED AUGUST 31 2023**

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.

As at 31 August 2023, the level of free reserves stood at c£2,853k, but there is a commitment to use c£125k to balance 23/24 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.

The Circuit is looking at how the proceeds of sale from current asset investments (the majority of which will not be realised until 2026 or later) can be best be invested in building the Kingdom and thereby respond to the 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.

THE METHODIST CHURCH - MANCHESTER CIRCUIT

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED AUGUST 31 2023

- Continue to develop the mission project based at Trinity Church, Ancoats.
- Complete the sale of current asset investments
- Having purchased a new manse in 22/23, continue to improve the property portfolio.

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 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 2023 (excluding those whose term of office ended on that day) there were 63 members of the Circuit Meeting (2022: 60).

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.

**THE METHODIST CHURCH - MANCHESTER CIRCUIT
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED AUGUST 31 2023**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are 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

Signed by:

4F53474D691A4DD...

REV DR C WICKENS - SUPERINTENDENT MINISTER

Date: 22 July 2025

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF CIRCUIT MEETING OF THE METHODIST CHURCH - MANCHESTER CIRCUIT
FOR THE YEAR ENDED 31 AUGUST 2023**

Opinion

We have audited the financial statements of The Methodist Church – Manchester Circuit (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CIRCUIT MEETING OF THE METHODIST CHURCH - MANCHESTER CIRCUIT FOR THE YEAR ENDED 31 AUGUST 2023

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charitable company and the sector in which it operates, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards and Charity Act 2011, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding, data protection and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert throughout the audit.

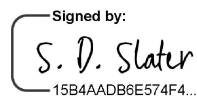
Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence and legal costs incurred; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

15B4AADB6E574F4...

Mr Stephen Slater (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Unit 2
Newcastle upon Tyne
NE12 8EG

Date: 22 July 2025

Sumer Auditco Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE METHODIST CHURCH - MANCHESTER CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED AUGUST 31 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
INCOME						
Donations	2	497,902	1,000	-	498,902	301,028
Charitable activities	3	43,190	-	-	43,190	79,875
Other trading income	4	88,758	-	-	88,758	67,565
Investment income	5	24,412	222	2,545	27,179	6,397
Other income	6	322,717	-	-	322,717	25,565
TOTAL INCOME		<u>976,979</u>	<u>1,222</u>	<u>2,545</u>	980,746	<u>480,430</u>
EXPENDITURE						
Costs of generating funds	7	50,154	19	335	50,508	46,746
Expenditure on charitable activities	8	508,292	250	-	508,542	526,623
TOTAL EXPENDITURE		<u>558,446</u>	<u>269</u>	<u>335</u>	559,050	<u>573,369</u>
Net gains/(losses) on investments	10	1,680,000	-	(7,094)	1,672,906	(6,326)
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS	11	<u>2,098,533</u>	<u>953</u>	<u>(4,884)</u>	2,094,602	<u>(99,265)</u>
Transfers between funds	18	1,654	-	(1,654)	-	-
NET MOVEMENT IN FUNDS	18	<u>2,100,187</u>	<u>953</u>	<u>(6,538)</u>	2,094,602	<u>(99,265)</u>
FUNDS BROUGHT FORWARD	18	<u>2,955,760</u>	<u>10,740</u>	<u>117,135</u>	3,083,635	<u>3,182,900</u>
FUNDS CARRIED FORWARD	18	<u>5,055,947</u>	<u>11,693</u>	<u>110,597</u>	5,178,237	<u>3,083,635</u>

The notes on pages 15 to 27 form part of these financial statements.

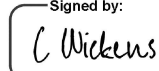
THE METHODIST CHURCH - MANCHESTER CIRCUIT
BALANCE SHEET
AS AT AUGUST 31 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible fixed assets	13		2,126,453		2,334,416
Investments	14		697,263		293,977
			2,823,716		2,628,393
CURRENT ASSETS					
Debtors	15	265,896		198,578	
Investments	16	1,875,000		-	
Cash at Bank and in Hand		256,539		299,655	
		2,397,435		498,233	
CREDITORS					
Amounts falling due in one year	17	42,914		42,991	
NET CURRENT ASSETS			2,354,521		455,242
NET ASSETS			5,178,237		3,083,635
FUNDS					
Unrestricted	18		5,055,947		2,955,760
Restricted	18		11,693		10,740
Endowment	18		110,597		117,135
TOTAL FUNDS			5,178,237		3,083,635

The notes on pages 15 to 27 form part of these accounts.

Approved by the trustees and authorised for issue on: 22 July 2025

And signed on their behalf by:

Signed by:


REV DR C WICKENS - SUPERINTENDENT MINISTER

THE METHODIST CHURCH - MANCHESTER CIRCUIT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31 2023

	Notes	2023 £	2022 £
Cash used in operating activities	23	<u>150,256</u>	<u>(99,203)</u>
Cashflows from investing activities			
Investment income		27,179	6,397
Proceeds of disposal of current asset investment		-	391,887
Proceeds of sale of fixed assets		497,178	-
Purchase of tangible fixed assets		(306,511)	-
Withdrawals from investments		100,846	273,564
Purchase of investments, cash & gains reinvested		(511,226)	(391,977)
Cash provided by/(used in) investing activities		<u>(192,534)</u>	<u>279,871</u>
Cashflows from financing activities			
Proceeds from new borrowings		-	-
Repayment of borrowing		(838)	(743)
Cash used in financing activities		<u>(838)</u>	<u>(743)</u>
Increase/(decrease) in cash & cash equivalents in the year		(43,116)	179,925
Cash and cash equivalents brought forward		299,655	119,730
Cash and cash equivalents carried forward		<u><u>256,539</u></u>	<u><u>299,655</u></u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		256,539	299,655
		<u><u>256,539</u></u>	<u><u>299,655</u></u>

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

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.

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

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.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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.

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 9.

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
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.

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

1 ACCOUNTING POLICIES (continued)

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 14.

Current asset investments

Current asset investments, including properties held for sale, are valued at their expected net sale value, after taking account of selling costs and levies charged by the Methodist Church GB. The Charity relies on the professional valuations as required by the Charities Act in determining sale values of properties.

Cash and cash equivalents

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

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.

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

	2023			2022		
	Unrestricted	Restricted/ endowment	Total	Unrestricted	Restricted/ endowment	Total
2 DONATIONS	£	£	£	£	£	£
Church assessments	302,402	-	302,402	279,492	-	279,492
Donations	-	1,000	1,000	226	-	226
Legacies	500	-	500	-	-	-
HMRC - CJRS grant	-	-	-	45	-	45
Other funds transferred	195,000	-	195,000	21,265	-	21,265
	<u>497,902</u>	<u>1,000</u>	<u>498,902</u>	<u>301,028</u>	<u>-</u>	<u>301,028</u>

3 INCOME FROM CHARITABLE ACTIVITIES

Property Income:

Chatterton Hey	36,979	-	36,979	76,622	-	76,622
Liverpool manse	5,937	-	5,937	-	-	-
Grants for circuit work	-	-	-	-	3,253	3,253
Other income	274	-	274	-	-	-
	<u>43,190</u>	<u>-</u>	<u>43,190</u>	<u>76,622</u>	<u>3,253</u>	<u>79,875</u>

4 OTHER TRADING INCOME

Rental income re surplus manses	13,517	-	13,517	24,652	-	24,652
Rents receivable re Wesley centre	52,791	-	52,791	42,913	-	42,913
Rent and room hire Trinity	22,450	-	22,450	-	-	-
	<u>88,758</u>	<u>-</u>	<u>88,758</u>	<u>67,565</u>	<u>-</u>	<u>67,565</u>

5 INVESTMENT INCOME

Income from fixed asset investments	13,342	2,767	16,109	42	1,096	1,138
Bank interest	11,070	-	11,070	5,259	-	5,259
Total for Circuit	<u>24,412</u>	<u>2,767</u>	<u>27,179</u>	<u>5,301</u>	<u>1,096</u>	<u>6,397</u>

6 OTHER INCOME

Insurance claim	16,206	-	16,206	25,565	-	25,565
Proceeds of sale of manse	306,511	-	306,511	-	-	-
	<u>322,717</u>	<u>-</u>	<u>322,717</u>	<u>25,565</u>	<u>-</u>	<u>25,565</u>

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

7 COSTS OF GENERATING FUNDS

	2023			2022		
	Unrestricted	Restricted/ endowment	Total	Unrestricted	Restricted/ endowment	Total
	£	£	£	£	£	£
Investment management charges	476	354	830	147	402	549
Agents & other fees re rental income	2,002	-	2,002	2,810	-	2,810
Property & other costs						
Wesley Centre	35,312	-	35,312	27,351	-	27,351
Staff costs re Wesley Centre	5,868	-	5,868	10,291	-	10,291
Support costs	6,496	-	6,496	5,745	-	5,745
Total for Circuit	50,154	354	50,508	46,344	402	46,746

8 CHARITABLE EXPENDITURE

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Stipends, salaries & pensions	240,290	-	240,290	266,962	3,253	270,215
Expenses and training costs	7,854	-	7,854	6,572	-	6,572
Grants to Circuit Churches	21,421	-	21,421	-	-	-
Grant to SPH Chaplaincy Centre		-	-	10,000	-	10,000
Grant to Nexus CCS		-	-	4,810	-	4,810
Manse costs	32,653	-	32,653	57,227	-	57,227
Trinity property costs	33,941	-	33,941	23,883	-	23,883
Other direct costs	3,429	-	3,429	3,654	-	3,654
District & Connexional assessments	79,005	-	79,005	77,243	-	77,243
District Advance Fund levy	5,846	-	5,846	1,214	-	1,214
Benevolent fund payments	-	250	250	-	250	250
Depreciation charitable properties	17,296	-	17,296	17,649	-	17,649
Support costs	66,557	-	66,557	53,906	-	53,906
Total for Circuit	508,292	250	508,542	523,120	3,503	526,623

9 SUPPORT AND GOVERNANCE COSTS

	2023			2022		
	Fundraising	Charitable	Total	Fundraising	Charitable	Total
	£	£	£	£	£	£
Support costs						
Staff costs	1,774	15,967	17,741	1,709	15,385	17,094
Office costs	2,176	19,585	21,761	2,241	20,166	22,407
Professional costs	2,546	22,915	25,461	1,795	16,155	17,950
	6,496	58,467	64,963	5,745	51,706	57,451
Governance costs						
External scrutiny	-	8,090	8,090	-	2,200	2,200
	6,496	66,557	73,053	5,745	53,906	59,651

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

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

10 GAINS AND LOSSES ON INVESTMENTS

	Unrestricted funds £	Restricted Funds £	Endowment funds £	2023 £
Unrealised gains/(losses) on revaluation of fixed asset investments	-	-	(7,094)	(7,094)
Realised gain on disposal of investments	-	-	-	-
Unrealised gain on assets held for sale	1,680,000	-	-	1,680,000
	<u>1,680,000</u>	<u>-</u>	<u>(7,094)</u>	<u>1,672,906</u>
	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	-	-	-	-
	<u>6,887</u>	<u>-</u>	<u>(13,213)</u>	<u>(6,326)</u>

11 NET INCOMING RESOURCES AFTER TRANSFERS

	2023 £	2022 £
This is stated after charging/(crediting):		
Audit fee	9,300	-
Independent examiners' fees	-	2,200
Independent examiners' fees over accrued prior year	(1,210)	-
Depreciation of fixed assets	17,296	17,648
Trustees' remuneration as trustees	-	-
Trustees' expenses as trustees	<u>-</u>	<u>-</u>

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

12 STAFF INFORMATION

	2023	2022
	£	£
a Staff costs		
Stipends and salaries	212,692	208,680
Apprenticeship levy	1,037	1,136
Pension contributions - Methodist Ministers Scheme	36,218	45,113
MMPF reserve	-	25,000
Pension contributions - other	466	1,494
Employer's NI contributions	13,486	16,177
	<u>263,899</u>	<u>297,600</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>224,524</u>	<u>257,083</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:-

	2023	2022
	Average	Average
	number	number
Ordained staff (office holders not employees)	6.0	7.0
Lay employees	6.0	6.0
	<u>12.0</u>	<u>13.0</u>

d Additional pension contribution

In 2021/22 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 in that year (22/23 - £nil).

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

13 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Long leasehold properties £	Fixtures Fittings & Equipment £	Total £
Cost				
As at September 1 2022	1,864,935	572,000	19,012	2,455,947
Disposals	(200,000)	-	-	(200,000)
As at August 31 2023	<u>1,664,935</u>	<u>572,000</u>	<u>19,012</u>	<u>2,255,947</u>
Depreciation				
As at September 1 2022	62,920	40,180	18,431	121,531
Charge for the year	10,995	5,720	581	17,296
Disposals	(9,333)	-	-	(9,333)
As at August 31 2023	<u>64,582</u>	<u>45,900</u>	<u>19,012</u>	<u>129,494</u>
Net book value				
As at August 31 2023	<u>1,600,353</u>	<u>526,100</u>	<u>-</u>	<u>2,126,453</u>
As at August 31 2022	<u>1,802,015</u>	<u>531,820</u>	<u>581</u>	<u>2,334,416</u>

The net book value of equipment held on finance leases was £nil (2022 - £581).

14 FIXED ASSET INVESTMENTS

	2023 £	2022 £
Market value brought forward	293,977	188,777
Income re-invested	13,548	90
Additions at cost	497,678	391,887
Disposals at carrying value	(100,846)	(273,564)
Net gain/(loss) on revaluation	(7,094)	(13,213)
Market value carried forward	<u>697,263</u>	<u>293,977</u>
Investments at fair value comprise:		
CFB Managed funds	90,975	98,069
Cash held within investment portfolio	606,288	195,908
	<u>697,263</u>	<u>293,977</u>

	Unrestricted funds		Restricted funds		Endowment funds	
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Market value brought forward	169,919	51,554	6,924	6,911	117,134	130,312
Income & gains re-invested	12,789	42	202	13	557	35
Additions at cost	497,678	391,887	-	-	-	-
Disposals/withdrawals						
at carrying value	(100,846)	(273,564)	-	-	-	-
Net gain/(loss) on revaluation	-	-	-	-	(7,094)	(13,213)
Market value carried forward	<u>579,540</u>	<u>169,919</u>	<u>7,126</u>	<u>6,924</u>	<u>110,597</u>	<u>117,134</u>
CFB Managed funds	-	-	-	-	90,975	98,069
Cash held within investment portfolio	579,540	169,919	7,126	69,824	19,622	19,065
	<u>579,540</u>	<u>169,919</u>	<u>7,126</u>	<u>69,824</u>	<u>110,597</u>	<u>117,134</u>

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

	2023	2022
	£	£
15 DEBTORS		
Loans to Circuit Churches	37,208	17,208
Amounts due from Wesley Limited	11,083	11,691
Prepayments & other debtors	217,605	169,679
	<u>265,896</u>	<u>198,578</u>
16 CURRENT ASSET INVESTMENTS		
Property and land held for resale	1,875,000	-
	<u>1,875,000</u>	<u>-</u>
17 CREDITORS falling due within one year		
Assessments in advance	16,251	29,039
Income and grants in advance	1,060	3,989
Funds in trust	1,360	-
Social security and other taxes	308	315
Finance lease creditor	222	1,060
Creditors & accruals	23,713	8,588
	<u>42,914</u>	<u>42,991</u>

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

18 STATEMENT OF FUNDS

	2021/22					2022/23				
	01/09/2021	Income	Expenditure	Gains & losses	Transfers	Income	Expenditure	Gains & losses	Transfers	31/08/2023
	£	£	£	£	£	£	£	£	£	£
Unrestricted funds:										
General fund	2,973,674	476,081	(569,464)	6,887	646	976,979	(558,446)	1,680,000	(6,248)	4,980,109
Designated Funds:										
Wesley sinking fund	-	-	-	-	-	-	-	-	7,902	7,902
Property projects	67,936	-	-	-	-	-	-	-	-	67,936
Total unrestricted funds	3,041,610	476,081	(569,464)	6,887	646	976,979	(558,446)	1,680,000	1,654	5,055,947
Restricted Funds:										
Grants received for Circuit work	60	3,253	(3,253)	-	-	-	-	-	-	60
Christmas Cheer	478	-	-	-	-	-	-	-	-	478
Benevolence fund	2,401	-	(250)	-	-	1,000	(250)	-	-	2,901
Sunday School work	1,128	-	-	-	-	-	-	-	-	1,128
Gorton roofing fund	6,911	32	(20)	-	-	222	(19)	-	-	7,126
Total restricted funds	10,978	3,285	(3,523)	-	-	1,222	(269)	-	-	11,693
Endowments										
Ethel Smedley Bequest	111,282	975	(328)	(13,213)	(646)	1,933	(280)	(7,094)	(1,654)	90,975
Evelyn Gledhill Bequest	19,030	89	(54)	-	-	612	(55)	-	-	19,622
Total endowment funds	130,312	1,064	(382)	(13,213)	(646)	2,545	(335)	(7,094)	(1,654)	110,597
	3,182,900	480,430	(573,369)	(6,326)	-	980,746	(559,050)	1,672,906	-	5,178,237

Transfers

Ethel Smedley Bequest net income is transferred each year to the general fund. At the year end £7,902 was transferred to the Wesley sinking fund in line with the agreed policy to provide for the future maintenance of the property.

Restricted funds

Grants received for Circuit work balance of grant for project "apart together" will be spent in 23/24.

Christmas Cheer 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.

Benevolence fund To provide immediate relief to those in need, and will be utilised as required.

Sunday School work To support Sunday School work. The trustees are considering how best to apply these funds

Gorton roofing fund To meet the repair needs associated with the buildings at the Gorton LEP. Will be used as needed.

Endowments The income only is available for the charity's general purposes, but reinvested for Evelyn Gledhill Bequest.

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

19 ANALYSIS OF COMPANY NET ASSETS BETWEEN FUNDS

Fund balances at August 31 2023 are represented by:-

	Unrestricted		Restricted	Endowment	
	General	Designated	Funds	Funds	Total
	Funds	Funds			
	£	£	£	£	£
Tangible fixed assets	2,126,453	-	-	-	2,126,453
Fixed asset investments	527,986	51,554	7,126	110,597	697,263
Net current assets	2,325,670	24,284	4,567	-	2,354,521
Creditors due in more than one year	-	-	-	-	-
	<u>4,980,109</u>	<u>75,838</u>	<u>11,693</u>	<u>110,597</u>	<u>5,178,237</u>

Fund balances at August 31 2022 are represented by:-

Tangible fixed assets	2,334,416	-	-	-	2,334,416
Fixed asset investments	109,919	60,000	6,923	117,135	293,977
Net current assets	443,489	7,936	3,817	-	455,242
	<u>2,887,824</u>	<u>67,936</u>	<u>10,740</u>	<u>117,135</u>	<u>3,083,635</u>

20 TAXATION

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

21 CAPITAL COMMITMENTS

There were no capital commitments authorised and contracted for at the end of the year (2022 £nil).

22 LEASE COMMITMENTS

Finance lease commitments

The Circuit had the following commitments under finance leases:

	2023	2022
	£	£
Not later than one year	222	1,160
Later than one year and not later than five years	-	-
	<u>222</u>	<u>1,160</u>
Less interest charges	-	(100)
Per creditors notes	<u>222</u>	<u>1,060</u>

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

23 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income/(expenditure) before transfers	2,094,602	(99,265)
Add back depreciation on fixed assets	17,296	17,648
Deduct property transferred to Circuit	(195,000)	-
Deduct/(add) unrealised gains/(losses) on investments	(1,672,906)	6,326
Deduct interest income shown in investing activities	(27,179)	(6,397)
Deduct profit/add back losses on disposals of FA	-	-
Decrease/(increase) in debtors	(67,318)	(20,623)
Increase/(decrease) in creditors	761	3,108
Net cash generated from/(used in) operating activities	150,256	(99,203)

24 NET MOVEMENT IN DEBT

	At 31/8/22	cashflows	finance lease repaid	other non cash	at 31/08/23
Cash and cash equivalents					
Cash at bank and in hand	299,655	(43,116)	-	-	256,539
Debt					
Finance lease obligations	1,060	(838)	-	-	222
Cash and cash equivalents net of debt	298,595				256,317

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

25 PROPERTIES RENTED OUT

Chatterton Hey (house and gardens)

Chatterton Hey house and gardens are rented to the Langley Hall Trust on a twenty five year lease that expires in September 2027. Although this is a market rent, the Circuit believes that the arrangement is in furtherance of its charitable objectives.

Rent due one year 33,410

Rent due 2 – 5 years 100,230

The net book value include in freehold properties at the year end was £68,716.

The Wesley Centre

The Circuit owns and operates the Wesley Centre in Hulme which provides a base for the Circuit office. In order to cover the costs of the property the Circuit rents offices and other space on tenancies at will to other charities, communities and business.

Manses

When manses are not currently occupied by a minister but the Circuit believes that they will be required in the future then they are let on assured short hold tenancies of no more than 12months at a time.

During the year the income was £13,437.

The Manchester and Stockport Methodist District was unable to fund the capital purchase of a manse, and in order to assist it the Circuit acquired a manse for it and agreed a below market rent of £6,000 pa. The arrangement was terminated at 31/12/24.

Trinity Ancotes

The Circuit acts as at managing trustees of the former church in Ancoats, which is being used to deliver a range of community and mission projects. During the year the only rental income was from casual hires.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31 2023**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 (£26,928; 2022: £25,524): Deacon Pru Cahill, Revd C Hughes (22/23 only), Revd Krystyna Kwarciak (21/22 only), Rev Sharon Read, Revd. Joy Rulton, Revd. Ken Stokes, Revd. Caroline Wickens.

And the following minister received half stipend in 2021/22: Revd Sue Williams.

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 £2,692 (2022: £2,582) was paid to Revd Caroline Wickens in 2022/23 and 2021/22.

Other ministers who are resident in the Circuit, for the purposes of the Methodist stations and are not retired, 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.

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. Liz Stuart took no part in the decision to re-employ her. Neither person received payment for acting as trustees. The amounts paid as salary were as follows:

Name	Position	2023 £	2022 £
Angela Doyle	Circuit Administrator to January 2023	5,472	13,229
Liz Stuart	Lay employee (not employed in 21/22)	5,915	0

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 2022/23 amounted to £5,389 (2022: £3,833).

Wesley Limited

The subsidiary company did not trade in either this or the previous year.

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 2023, Methodist Chapel Aid Limited held funds on behalf of the Circuit totalling £14,243 (31/08/22 - £14,196).

Peter Smith Accountancy Services

Peter Smith (a trustee) trading as Peter Smith Accountancy Services was appointed to provide professional accountancy and advice services beyond those normally expected of a trustee. Fees for 21/22 were budgeted at £2,500, (which were included in accruals) and the actual fees charged and paid were £2,100. An accrual in respect of work on the 22/23 is included in these accounts for £2,200.