

CHORLEY AND LEYLAND
METHODIST CIRCUIT

TRUSTEES' ANNUAL REPORT & ACCOUNTS

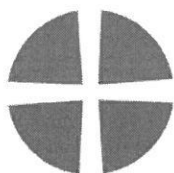
for the year ended

31 AUGUST 2021



Registered Charity No. 1135868

Introduction



Welcome to the 2020-2021 Annual Report for the Chorley & Leyland Methodist Circuit.

According to the Standing Orders of the Methodist Church, *"The Circuit is the primary unit in which Local Churches express and experience their interconnexion in the Body of Christ, for purposes of mission, mutual encouragement and help."* (SO 500 (1)). The Chorley & Leyland Circuit gives a strategic lead in the work of God in and through our 11 churches, and celebrating our four primary schools (Methodist or CofE / Methodist) reaching out in witness and service to our communities.

This report offers insights into the main activities of our Circuit; our local churches produce their own reports

Church Vision & Priorities



During the current year, as with many organisations, our work and ministry was affected by the impact of COVID-19. This however challenged us to continue to look for new ways of to ensure that the Circuit continues to be 'Growing in Christ', both individually and collectively.

Each of the rainbow colours in our logo, introduced during the previous year, represents one of our key priority areas of working, and updates for each of these is provided below.

Ministry of All God's People

We continue to provide training and development opportunities, including quarterly 'Empowering All' events. During this year on-line events were held with key note speakers leading topics on Digital/On-Line Church, Pastoral Discipleship and Prayer. These sessions, held on a Saturday morning, include worship, teaching and collective discussion. We have been please to welcome not only folk from within our church communities, but also from other denominations and circuits.

Around 30 – 40 were in in attendance at these events, and they are helping to shape conversations and decisions for individuals and churches.

The second year-long training programme called 'Growing Leaders', began in the previous year and after a break due to lock down restrictions, was completed on-line. These sessions which use teaching and mentoring to help people grow in the 'influence' they have for the gospel / good news on their own frontlines, as well as in our church communities.

Creative Communication

We have established and are beginning to grow a Circuit Comms Team, from a number of our churches, which is working through a strategy for developing better communication across, within and beyond our Circuit family of churches.

The Covid-19 pandemic continued to mean that most if not all of our communication was on-line – services, prayer times, coffee and chat opportunities, Circuit and local church meetings, outreach, all utilising websites, social media and Zoom.

The Circuit Comms Team have helped us navigate all of this, most excellently and are continuing to develop plans for the new mixed / hybrid economy – where work will happen in buildings and online.

Spiritual Growth

We continue to develop a Spiritual Growth Plan, where a range of opportunities (courses, mentoring, opportunities to serve) are offered as people seek to Grow in Christ. These have included Alpha and Compass Courses, Bible Month, Thy Kingdom Come and other opportunities.

After having made good use of the District's 'Transforming Lives and Communities' in the previous year we then turned to the excellent 'Methodist Way of Life' resources to further develop our own personal and collective discipleship.

Being online presents us with new opportunities to meet virtually with people at all places on the faith journey, and it envisaged that this will continue, as well as providing opportunities for people to gather together in person to explore and develop their own faith journeys.

Physical Presence

Work in this area was inevitably impacted by the pandemic but the Circuit Leadership Team will be focussing on this in the coming year.

Priorities

Contagious Pioneering

In addition to these four key focus areas, the Circuit acknowledges and seeks to develop two further Priorities, and has done so in the last year.



Our Pioneer Ministry Enabler completed his third full year with us (of five funded years), and within this year, has continued to develop a number of projects: Initiated in 2018, the '20 Guitars Project' has turned to be a proven formula in engaging and working with the over 50's age-group. Built around learning and playing guitar together, the groups provide opportunities for those who were not associated with a church to meet and develop relationships with Christians who were also part of the group. Two groups now meet, with a further one planned. These proved invaluable during the year helping many overcome loneliness and social isolation. The project has attracted the attention of the local media with articles appearing in several local newspapers.

The Gregorian Chant Project was initiated in March 2019, and is aimed at reaching, amongst others, those who can't find a place in any of the established Churches, as well as those who define themselves as spiritual but not religious. Whilst it proved impossible to meet in person during the year, rehearsals continued on-line and regular services re-commenced in October 2021.

Music therapy sessions had been established in Buckshaw Retirement Village, and were being very well received by the resident who attended these. However once again COVID intervened until restrictions were lifted late in 2021.

Working alongside Buckshaw Village Church, a project to use rickshaws to transport the elderly in the village had been developed, but was put on hold. During the year, a grant of £1,000 to fund the purchase of two rickshaws was obtained from the Tesco Bags of Help Scheme, and it is planned to re-launch the project in Spring 2022.

Soul Children, a Christian choir for school aged children successfully survived the impact of lockdown with rehearsals continuing on-line, and again face to face sessions have now recommenced.

The Circuit continues to be committed to rolling out a strategy and funding for local churches to pioneer new projects, also over the coming months and years.

Schools Plus



Despite it only being possible to be physically present in our schools for limited times, support and ministry continued throughout the year.

On-line worship was provided both by pre-recorded video which was shared across the classes and also 'live' via Zoom. There were only a few occasions where it was possible to provide worship in person due to the restrictions.

In addition, pastoral support was been provided to staff on a face-to-face basis when the restrictions permitted. This was found to be invaluable as the school staff dealt with the inevitable issues when the children returned to school.

Finally, resources were provided including modern versions of the bible for every classroom, biblical themed reading books, and also Dairy of Disciple, a Scripture Union Resource.

Other Achievements and Performance

Our Circuit has gained a good reputation in being a 'training Circuit', where student ministers have been and are being placed with us. In September 2020 we welcomed Phil Robinson a new student presbyter who will work alongside us for two years, as part of his ongoing training for ministry. The challenges which were felt in all areas of our ministry also impacted this area, as the majority of the work and learning was done on-line.

This is a much appreciated strength of our Circuit, and is an added benefit to us, in that we are so involved in current methods and practises in ministerial formation. During the year our Advent appeal raised money to purchase Bible Society story books as Christmas gifts for every child in our schools. We were also able to purchase books for other schools in our Circuit.

At Easter time an on-line concert was arranged which showcased the gifts and talents of many of our folk across the Circuit. We were also very pleased to raise £2,150 which was donated equally to one of our local hospice charities, St Catherine's, and also to All We Can, the Methodist relief and development charity.

Worship

Public Worship,

Our worship services moved online from March 2020 and this continued to be offered throughout the whole year, followed by coffee and chat' via Zoom. The services are available both on Facebook and You Tube. Prepared by a good number and variety of people from across the Circuit, the services are available both on Facebook and You Tube. Paper copies of services, and CDs / DVDs were distributed weekly to homes where access to online isn't available. This continues to strengthen relationships across the Circuit, and aided our sense of being one.

Local churches are responsible for the provision of worship in their buildings but in accordance with guidance provided by The Methodist Church, were required to complete full risk assessments before re-opening for worship. Due to the physical layout of the buildings and local demographics each church took a different approach, with some re-opening at the earliest opportunity and others deciding to delay for several months. This also became 'stop-start' in reaction to the different measures introduced by the Government throughout the year.

During Advent and Easter a series of daily on-line devotions were prepared and offered on Facebook and You Tube.

Staffing

The circuit continued to resource, support and deploy paid staff (six ordained Ministers), its paid, part-time Circuit Administrative Assistant, a full-time Pioneer Ministry Enabler (co-funded by the Lancashire District) and many lay volunteers in work across the circuit and in the community.

This year was the final year in post with us for one of our presbyters, Rev Tony Simpson, moving to a new appointment during summer 2021. We also said farewell to Deacon Sylvie Nicholls, who had been us for the last fifteen years. We were pleased that both the services to say 'farewell' were able to take place in person this year.

During the year we were successful in the Stationing process in attracting Rev'd Helen Millward into the Circuit, and she moved in August, ready to start with us in the new church year from September 2021. Karen will be responsible for Chorley Methodist Church and Spendmore Lane Methodist Church, and will lead the pastoral support for Buckshaw Trinity Methodist/C of E Primary School in Buckshaw Village.

Our Superintendent Minister, Rev Phil Gough is due to leave us in August 2022 to take up a new appointment, so the Circuit Invitations Committee began the work in Summer 2021 to draw the profile together for a new Superintendent to replace Rev Gough.

The Circuit Meeting showed a commitment to explore future volunteer and paid lay work roles across the Circuit, to help deliver on our priorities, as the number of ordained staff is expected to continue to reduce in the coming years.

Ecumenical



We continue to work ecumenically where we can, and our Methodist Churches take a very active role in the work of Churches together in Leyland, in Euxton, and in Chorley.

Outreach

During the year many of our churches continued to reach out to into their local communities, with help-lines being established. Cards were put through doors in neighbourhoods offering support with shopping, chores, phone calls etc., and seeking to put the church family at the heart of a community response. In addition, random acts of kindness were regularly offered and much of this work was done 'behind the scenes, providing comfort and support for those feeling lonely and socially isolated. Our churches continue to support fully the work of local food banks, and are often involved in delivering food parcels and other works of support via our schools.

Governance

The Circuit sought to be fully compliant with all aspects of **Charity Commission** requirements, especially in relation to the Safeguarding of Children, Young People and Vulnerable Adults.

The Circuit's **Safeguarding** Policy was renewed at the start of the year and all necessary training was undertaken by those post holders that the Methodist Church deems necessary. The Circuit coordinates aspects of the work of Safeguarding within the local churches.

The Circuit works closely with the District Safeguarding Officer, the Connexional Methodist Church and Due Diligence Checking (DDC) for DBS checks.

The Circuit acknowledges the importance of the **General Data Protection Regulations (GDPR)** and continues the task of ensuring all its practices and those of the local churches are compliant with regulations.

Trustees for Methodist Church Purposes (TMCP) is the controller and responsible for general data protection issues arising in respect of day to day matters.

Property

The Circuit, through the Circuit Meeting acts as trustees for circuit property.

Circuit Property is primarily the manses provided as homes and working environments for the ministerial staff.

The redundant manse in Coppull continued to be let out on a lease approved by the Trustees for Methodist Church Purposes (TMCP), and vacant manse in Chorley (Warton Place), was also rented out until May 2021. It was then fully renovated ready for the arrival of Rev. Helen Millward in August 2021.

Financial Report

Financial Review

The Circuit's annual Financial Plan for the Operating Account within the General Fund is based on the current strategy of meeting all on-going operating costs by way of Church Assessments, together with a subsidy from Circuit Funds equating to approximately 2.5% of the annual budget.

Non recurring savings were achieved during the year as the result of a time lag in the implementation of the Church Life Review plans (was finalised and agreed in 2019), as a result of COVID-19. These savings, together with unplanned income from a former manse, resulted in a surplus of £51,462 for the year. Of this the Trustees have designated £40,000 for specific purposes. Further details of these funds can be found in Notes 23c and 25.

Income Trends

Total income within the General Fund increased by £6,029 (1.7%) year over year as a result of rental income received from the letting of a vacant manse for part of the year. Income is primarily drawn from the assessment paid by the circuit churches. In 2021 this was £345,463 which represents 95% of the total income. In 2020 it was £345,738, 97% of total income. Despite the challenging circumstances it is pleasing to be able to report that all churches met their assessment, which was maintained at the 2020 level. For details of income received in other funds please see notes 3 to 9.

Expenditure Trends Total expenditure within the General Fund reduced by £54,055 (14.8%) year over year, as a result of the impact of delay in the recruitment of lay employees as part of the implementation of the Church Life Review. Full details of costs incurred can be found in Notes 10 to 14.

Exceptional Items

As part of the manse re-configuration plan, the investment property in James Place, Coppull, and the former manse in Millfield Road, Chorley were placed on the market in January 2022. As a result, and in line with the Charity's accounting policy these manses have been revalued withing the 2020-21 accounts to estimated net sales proceeds, including the impact of the Connexional Levy payable in these circumstances. This has resulted in an exceptional gain of £146,383. See Note 16 for further details.

Reserves

As at 31 August 2021 the total funds of the Circuit were £1,965,086, of which £1,624,276 was held in properties and a further £88,086 in Designated & Restricted Funds. This leaves a total of £252,724 of 'free' reserves in the General Fund. The first call on these funds is to cover the operating expenses of the Circuit and this is covered in the Circuit Reserves policy. See below for the details of this policy.

Plans for 2021/22 and beyond

In May 2021 the Trustees approved a five-year financial strategy designed to create the financial environment to support the key purpose of the Circuit outlined in the Church Life Review, which is to 'go forth and make disciples', whilst at the same time providing a degree of financial stability for the churches. The key elements of the strategy were: a revised staffing plan, a manse re-configuration plan and change in the way that the annual Assessment was allocated to the churches. The latter is designed to maintain stability in the underlying assessment throughout the five-year period.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum of free reserves equivalent to 6 months' average expenditure. Based on the net available funds held in the General Fund as at 31 August 2021 of £252,724 and annual budgeted operating expenditure for 2021-22 of £368,800, the Circuit currently holds reserves equal to 8.2 months of expenditure.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2021 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS) 102

Full Name of Charity: Chorley and Leyland Methodist Circuit

Registration Charity Number: 1135868

Date of registration: 11 May 2010

Main communication address: 25 Canberra Road, Leyland, PR25 3EQ

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

Full membership is shown as Appendix A to this report.

Circuit Ministers and Officers

Active Circuit Ministers	Circuit Stewards
Rev P Gough (Superintendent)	Mrs B Frankish
Rev H Millward (Appointed 1 Sep 21)	Mrs C Hothersall
Dcn E Monk-Winstanley	Mr. C Howard
Dcn S Philips	Mr. T Melling
Rev G Welsh	Miss A Cupit
Rev K Hilsden	Mr R Scott (Appointed 16 March 2021)
Rev M Whiffen (Associate)	Mrs L Taylor (Appointed 16 March 2021)
Administrator Mrs Kathryn Townson	Pioneer Ministry Enabler Andrew Kesiak
Mr Tim Melling acted as the principal officer overseeing the day to day financial management and accounting for the circuit during the year.	
Independent Examiner Mrs Jacquie Adams 2 Stable Mews, Withnell Fold, Chorley PR6 8AR	
Investment Bankers Central Finance Board of the Methodist Church, 9 Bonhill Street, London, EC2A 4PE Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester, M1 1JQ	
Other Bankers Co- Op Bank, PO Box 250 Skelmersdale WN8 6WT	
Solicitors Sintons Solicitors LLP The Cube, Barrack Road, Newcastle. NE24	
Property Advisors Peter E Gilkes & Company, 33 Market Street, Chorley, PR7 2SE	

Aims and Organisation

The Charity's objective is to act as a Resource provider within the area around Chorley and Leyland for the Methodist Church:

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

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

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

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

Public Benefit

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management

"The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the Annual Conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership team.

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as trustees.

Related Parties

The Circuit is part of the Lancashire District and is also accountable to the Methodist Conference. The following Methodist Churches are linked to the circuit:

Adlington United Reformed/ Methodist Church	Withnell Fold Methodist Church
Eccleston Methodist Church	Chorley Methodist Church
Heskin Methodist Church	Euxton Methodist Church
Leyland Methodist Church	Hillside Methodist Church
Spendmore Lane Methodist Church	Midge Hall Methodist Church
	Whittle-le-Woods Methodist Church

Risk Management

The major risks are identified and monitored by the Circuit Meeting via the Circuit Stewards. Professional advice from either within the Connexion or if necessary, from external advisors is taken as required.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Safeguarding

Every person has a value and dignity which comes directly from the creation of humans in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Chorley and Leyland Methodist Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Chorley and Leyland Methodist Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children, young people and adults who may be vulnerable.

Approved by the Trustees on 15th March 2022 and signed on their behalf by

Rev G Welsh (Chair)

Appendix A – Full List of Circuit Meeting Members (“Trustees”)

MINISTERS

Rev P Gough (Chair)
 Rev H Millward (Appointed 1 Sep 21)
 Rev K Hilsden
 Dcn E Monk-Winstanley
 Rev G Welsh
 Rev M Whiffen (Associate)

MINISTERS IN OTHER APPOINTMENTS

Dcn D Gallimore (Resigned 16 Sep 20)
 Dcn L Gallimore (Resigned 16 Sep 20)

Circuit Stewards & Meeting Secretary

Miss A Cupit
 Mrs B Frankish
 Mrs C Hothersall
 Mr C Howard
 Mr R Scott (Appointed 16 Mar 21)
 Mrs L Taylor (Appointed 16 Mar 21)
 Mr T Melling (Treasurer)
 Mrs K Townson (Circuit Meeting Secretary)

CIRCUIT LOCAL PREACHERS, WORSHIP LEADERS & CHURCH REPRESENTATIVES

Mrs M Abel	Mr K Ashton	Mrs A Baker (Resigned 13 May 21)	Mrs M Bennett
Mrs M Bibby	Mrs J Davenport	Miss M Dowling	Mrs S Draper
Miss L Duckworth		Mrs F Eccles	Mr D Frost
Mr A Edge	Mr J Fishwick	Mr S Hardacre	
Mrs P Gerrard		Mr G Horton	Mrs M Harris
Mr T Harris	Mrs L Heston	Mr D Leach	Mrs J Horton
Mrs C Hulse	Mr D Hulse	Mrs A Melling	Mr D Kelsall
Mrs N Klunder	Mrs Y Lancaster	Mr C Naylor	
Mrs H Molyneux	Rev A Mashiter	Mrs J Owen	Mrs S Mercer
Mr F Robinson	Mrs R Moss	Mrs C Tetlow	Mrs L Naylor
Mr L Shields	Mr B Noon	Mr W Stafford	Mrs K Owen
Mrs Y Taylor	Mrs C Stafford	Mr G Thomas (Deceased)	Mrs C Shapley
Mr J Whittle	Mr P Wright (Deceased)	Mr A Walmsley (Resigned 31 Aug 21)	Rev R Stubbings

Financial Statements

For the Year Ending 31 August 2021

Statement of Financial Activities for the Year Ending 31st August 2021

		Unrestricted Funds			Restricted & Endowment Funds	Total 2020-21	Total 2019-20
Note No.		General Fund	Circuit Model Trust Fund	Designated Funds			
Income and Endowments							
Donations and legacies	3	654	0	1,500	1,000	3,154	288
Income from monetary investments		25	1,217	137	6	1,384	2,630
Income from investment properties	4	10,033	0	0	0	10,033	10,354
Assessments on Churches	5	345,463	0	0	0	345,463	345,738
Capital Receipts	6	0	0	0	0	0	171,921
Grants received		0	0	11,609	6,000	17,609	11,300
Other charitable activities	7	148	0	0	0	148	409
Total from Charitable Activities		356,322	1,217	13,246	7,006	377,791	542,639
Other income	8	6,133	0	0	0	6,133	4,000
Total Income and Endowments		362,455	1,217	13,246	7,006	383,924	546,639
Expenditure							
Grants and donations	9	1,117	0	1,381	0	2,498	2,057
Salaries and associated costs	10	213,291	0	33,787	0	247,078	274,585
Property	11	23,352	0	25,460	0	48,812	56,504
Connexional assessment		0	0	0	0	0	0
District Assessment & Levy	12	66,698	8,812	8,007	0	83,518	71,557
Depreciation		0	0	0	0	0	0
Office expenses	13	3,289	453	27	0	3,769	4,640
Other outgoings	14	3,245	0	0	8	3,253	7,068
Total Charitable Expenditure		310,993	9,265	68,662	8	388,927	416,411
Net Incoming Resources /(Resources Expended before Investment Gains /(Losses))		51,462	(8,048)	(55,416)	6,998	(5,004)	130,228
Gain/(loss) monetary investments	15	0	4,855	0	0	4,855	(378)
Gain/(loss) investment properties & manses	16	146,383	0	0	0	146,383	390
Reclassification of Funds	17	0	0	0	0	0	(171,921)
Net Income/(Expenditure)		197,845	(3,193)	(55,416)	6,998	146,234	(41,681)
Transfers between funds		(40,000)	0	40,000	0	0	(0)
Other gains/(losses)		0	0	0	0	0	0
Net Movement in Funds		157,845	(3,193)	(15,416)	6,998	146,234	(41,681)
Total funds brought forward		1,504,599	217,749	92,026	4,479	1,818,852	1,860,533
add back Future Instalments of Grants		0	0	0	0	0	0
Grant Instalment Provisions Released		0	0	0	0	0	0
Total Funds Carried Forward		1,662,445	214,555	76,610	11,477	1,965,086	1,818,852
Check to Balance Sheet		1,662,445	214,555	76,610	11,477	1,965,086	1,818,852

Balance Sheet as at 31 August 2021

		Unrestricted Funds					
	Note No.	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Totals 2021	Totals 2020
Fixed Assets							
Circuit Manses & Equipment	18	1,356,243				1,356,243	1,306,228
Investment properties	18	268,033				268,033	171,665
Investments	19		40,702			40,702	35,847
Total Fixed Assets		1,624,276	40,702			1,664,978	1,513,740
Current Assets							
Debtors	20	18,957				18,957	21,900
Loans by the Circuit	21	5,770				5,770	7,000
Investments with TMCP	19		173,854			173,854	181,901
Central Finance Board Deposits	22	17,527		73,744	4,289	95,560	138,132
Cash at Bank and in hand	22	77,286		11,627	7,188	96,100	60,102
Total Current Assets		119,540	173,854	85,371	11,477	390,241	409,036
Current liabilities							
Creditors (due in under 1 year)	23	81,371		8,762		90,133	103,924
Grants payable within 1 year							
Total Current Liabilities		81,371		8,762		90,133	103,924
Net Current Assets/Liabilities		38,169	173,854	76,610	11,477	300,109	305,112
Total Assets less Current Liabilities		1,662,445	214,555	76,610	11,477	1,965,086	1,818,852
Long term liabilities (due after more than one year)							
Grants payable after 1 year							
Loans to the Circuit							
Net Assets		1,662,445	214,555	76,610	11,477	1,965,086	1,818,852
Funds of the Circuit							
General Fund	24a/26	1,662,445				1,662,445	1,504,599
Circuit Model Trust Fund	24b/26		214,555			214,555	217,749
Designated Funds	24c/26			76,610		76,610	92,026
Total Unrestricted Funds						1,953,610	1,814,374
Restricted & Endowment Funds	25/26				11,477	11,477	4,478
Total Funds		1,662,445	214,555	76,610	11,477	1,965,086	1,818,852

1) Basis of Accounting and Accounting Policies

a) Accounting Standard

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), effective from 1 January 2015. (Charities SORP (FRS102)).

b) Public Benefit Entity

The Chorley & Leyland Methodist Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

c) Basis

These accounts have been prepared on the basis of historical cost except that the investments are shown at their market value at the end of the year. The accruals basis has been used and the Trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

d) Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £sterling, rounded to the nearest pound.

e) Going Concern

Based on the monetary assets and human resources available at 31 August 2021, the trustees believe that the Circuit is a going concern.

f) Consolidation

The Circuit and denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of the Churches within the Circuit are not consolidated into these financial statements. The income and expenditure relating to the Women's Network – Chorley & Leyland Circuit are consolidated into these financial statements as this group does fall within the overall governance of the Trustees.

g) Income Recognition

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming.

Individual amounts categorised as *Other Income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in three matters:

- The collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church, known as 'Connexional Funds'.
- The administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexional.
- The collection from Churches and payment over of their contributions to the Circuit nominated 'Charity of the Year'.

In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or the Churches as appropriate. Instead, the transactions are disclosed in the Notes to the Accounts as required by SORP(FRS102), module 19.12

In accordance with the Charities SORP (FRS 102) the time of volunteers is not recognised. Further information on this matter is provided in the Trustees Annual Report. If goods are donated, a value will be shown in the SOFA or Notes where the value is considered material.

h) Expenditure

Expenditure is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

i) Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant without performance conditions or as and when the Circuit accepts that there is a legal or operations obligation to make the payment if it is subject to performance conditions. When the grant to be accrued is recurrent over more than one year, the balance payable in future years, discounted to net present value where the difference is material, is treated as a provision for future commitments in the balance sheet against the appropriate fund. The provision is then released in future years in accordance with the originally agreed terms. Any future payment provision is applied to the fund from which the grant will be ultimately be paid

j) VAT

As the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

k) Tangible Fixed Assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000.

Freehold property owned as at 31st August 2015 is shown in the accounts at 2015 deemed values based on insured amounts. Property acquired after that date is shown at cost. No depreciation is provided because the Trustees consider the current residual value of the properties in their present condition to be not less than their historical cost and, in the absence of any material impairment, any depreciation provision for the building component of the properties would be immaterial. From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At the time the property is recognised as an asset at its anticipated net sale proceeds as determined by a professional valuation and after taking into consideration the levy to be charged by the Connexion. Any expenditure of such assets, that is likely to enhance sale value, is capitalised at the time the expenditure is incurred.

Tangible Fixed Assets cont.

Manse which are no longer required and subsequently offered for sale are revalued at its anticipated net sale proceeds as determined by a professional valuation and after taking into consideration, disposal costs and the levy to be charged by the Connexion.

l) Monetary Investments

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102, and are held by the Trustees for Methodist Church Purposes ("TMCP") as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains or losses arising on investments at the end of the year are shown in the SOFA and in Note 16 below.

m) Investment Property

From time to time the Circuit may hold residential property (formally manse) which is either surplus to its normal staffing requirements or is not currently required due to different living arrangements for one or more of the presbyters. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of two years, the property is classified as Investment Property (whether let out or not). Any letting arrangements are at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives.

n) Receivables and Payables; Bank and Cash (Basic Financial Instruments)

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

o) Funds

The trustees have adopted a policy for all unrestricted reserves which is to maintain a minimum of six months cover for Operating Expenses together with specific designated funds for Major Manse Repairs and Ministers Removal Costs. Further details can be found in Note 24

p) Ministers Manse Costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families, and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, council tax and water charges. These figures are not separately disclosed as benefits in kind as HMRC does not seek to tax these receipts in the hands of the ministers.

2) Glossary of Terms

CFB: Central Finance Board of the Methodist Church – manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain, and provides investment advice to those entities.

Church: a group of members from fewer than 10 to more than 300.

Circuit: a group of Methodist Churches near each other, typically between 10 and 30.

Circuit Leadership Team (CLT): a group (comprising mostly, but not exclusively) of Circuit trustees responsible for the day administration and policy formulation of the Circuit. Generally, the CLT comprises the Presbyters and Deacons stationed within the Circuit, together with the Circuit Stewards, of which the Circuit Treasurer is one.

Circuit Meeting: The Trustees of the Circuit, most of whom are appointed by their local Churches and others by virtue of a role they undertake for the Circuit and/or their local Churches.

Connexion: The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches.

Connexional Funds: The Designated and/or Restricted Funds held and administered by the Connexion in furtherance of its charitable and mission objectives.

District: a group of contiguous circuits usually between 15 and 30.

FRS: Financial Reporting Standard.

FTE: Full time equivalent. Used in the expression of staffing levels when not all staff are employed on a full-time basis.

HMRC: Her Majesty's Revenue & Customs

Lay Employees: Personnel employed by the Church on generally accepted commercial employment terms.

Manse: Accommodation provided by the Circuit for the Presbyters for the period that they are stationed within the circuit

MMPS: Methodist Ministers' Pension Scheme

PASLEMC: Pensions and Assurance Scheme for Lay employees of the Methodist Church

Presbyters: Probationer or Ordained Methodist Ministers and/or Deacons who have pastoral and administrative responsibility for the Churches within the Circuit

Quinquennial Report: a report prepared every five years by an architect or qualified building surveyor on each manse and church within the Circuit outlining (in priority order) any major repairs needed to the building

SOFA: Statement of Financial Activities.

SORP: Statement of Recommended Practice.

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

3) Donations and Legacies

The Circuit received donations of £3,154 during the year (2020, £288), as shown below.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	Total 2019-20
Christmas Books for Schools	654				654	0
Digital Enabler Fund				1,000	1,000	0
Other			1,500		1,500	288
Total	654	0	1,500	1,000	3,154	288

4) Income from Investment Properties

The trustees have determined that the former manse situated in James Place, Coppull will not be returned to use as a manse in the foreseeable future and have therefore classified it as an Investment Property. Letting income of is shown gross of fees and commissions which are accounted for in Property Expenses (see Note 10b), and £10,033 was received in the year (2020, £10,352)

5) Assessments on Churches

The Circuit comprises 11 churches and each is assessed for a contribution to meet the overall net operating costs of the Circuit. The calculation is based on a formula which used a combination of previous years income and normalised attendance over a four-month period, for each church. Assessments are payable quarterly in advance.

	General Fund	
	2020-21	2019-20
Adlington	7,600	7,600
Chorley Methodist	55,485	55,083
Eccleston	21,364	21,364
Euxton	33,090	32,280
Heskin	6,395	8,526
Hillside	55,680	55,740
Leyland Methodist	96,944	96,944
Midge Hall	28,844	28,140
Spendmore Lane	21,506	21,506
Whittle	12,691	12,691
Withnell Fold	5,864	5,864
Total	345,463	345,738

6) Capital Receipts

There were no capital receipts in the year ended 31st August 2021. In 2020 there were net capital receipts of £171,921 from the sale of the former manse at Royal Avenue, Leyland which was sold on 10th December 2019

Notes to the Accounts for the Year Ending 31 August 2021

7) Income from Other Charitable Activities

Women's Network – this group exists to promote and encourage fellowship across the churches within our circuit. The largest part of its income arises from the Easter Offering across all churches within the Circuit which is specifically for the Methodist Church World Mission Fund. This is not included in the income of the Circuit as it is for a specific fund. Please see note 27. The income included in the table above is from non-specific donations which are then passed on to other charitable causes, including some Methodist Church Funds

Messy Church – no sessions were held during the year due to the COVID-19 restrictions – the receipts in the year relate to previous year sessions. When sessions are run contributions are received towards the costs incurred which are reported in Note 19 Other Outgoings.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	Total 2019-20
Women's Network				0	0	226
Messy Church	148				148	183
Total	148	0	0	0	148	409

8) Other Income

A total of £6,133 was received in the year, (2020 £4,000). In 2021 this was rental income from Warton Place, in the period which it was vacant from September 2020 to April 2021. The income received in 2020 was as a result of the RBS 'Business Banking Switch' initiative. The Trustees determined that this will be placed in a Designated Fund to be used for unexpected/unplanned expenditure in the future.

9) Grants & Donations Made

The grants and donations listed below were agreed and made during the year. The grants for contactless giving were made from a newly created Designated Fund to encourage and support the churches to introduce new methods of giving when returning after the closure resulting from COVID-19

From General Funds	Agreed This Year			Agreed Previous Year			Total
	Agreed	Paid This Year	Carried Forward	Unpaid b/f	Paid This Year	Carried Forward	Paid This Year
St Johns School, Brinscall	1,117	(1,117)	0			0	(1,117)
		0	0			0	0
Total	1,117	(1,117)	0	0	0	0	(1,117)

From Designated Funds	Agreed	Paid This Year	Carried Forward	Unpaid b/f	Reversed This Year	Carried Forward	Paid This Year
Contactless Giving			0			0	0
Other	1,381	(1,381)	0	0		0	(1,381)
Total	1,381	(1,381)	0	0	0	0	(1,381)

Overall Total	2,498	(2,498)	0	0	0	0	(2,498)
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10) Stipends, Salaries & Associated Costs**a) Presbyters & Deacons**

Stipends were paid to 6 Presbyters & Deacons (5.5 fte), (2019-20 (6.5 fte)).

	Full Time	Part Time	General	Designated	2021	2020
Stipends	136,513	13,094	149,607		149,607	166,496
National Insurance	11,354	524	11,877		11,877	14,765
Pensions	31,469	3,147	34,616		34,616	43,454
Total Employment Costs	179,336	16,765	196,100	0	196,100	224,715
Telephone & Internet	2,916	286	3,202		3,202	3,362
Travelling	4,255	150	4,405		4,405	10,307
Removal & Relocation	0		0	3,360	3,360	3,060
Total	186,507	17,201	203,708	3,360	207,068	241,444

b) Administration

The Circuit currently employs two lay members of staff (1.45fte), (2020 1.45fte), one (0.45fte) providing Administration support to the Circuit, and the second (1.0 fte) in a Pioneer Ministry role. From March 2020 the Circuit Administrator works an additional 2hrs per week for the Lancashire District and this cost is recharged. The costs below are shown net of this recharge.

	Full Time	Part Time	General	Designated	2021	2020
Salary		8,895	8,895	26,037	34,932	32,475
National Insurance		19	19	2,377	2,397	0
Pensions		537	537	1,364	1,901	0
Total Employment Costs	0	9,451	9,451	29,779	39,230	32,475
Telephone & Internet		51	51	532	583	666
Travelling		81	81	115	197	
Total	0	9,584	9,584	30,427	40,010	33,141

Totals

	Full Time	Part Time	General	Designated	2021	2020
Stipends, Salaries & Associated Costs	186,507	26,784	213,291	33,787	247,078	274,585

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

c) Pensions

All ordained Presbyters & Deacons are members of the Methodist Ministers' Pension Scheme (MMPS), which is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term was deemed to include presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand, lay employees are contractual employees and do have the option of joining an occupational pension scheme.

Financial details of the MMPS can be found in the note to the Consolidated Report and Financial Statements of The Methodist Church

d) Cost of Superintendent, Presbyters, Deacons & Trustees

The Superintendent of the Circuit, the other Presbyters and Deacons and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent chairs CLT and Circuit Meetings. The members of the Circuit Meeting are the Trustees of the Circuit. The stipends, employer's NIC and employers pension contributions and other expenses of the Presbyters and Deacons of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the property. Council tax and water charges are paid by the Circuit, but as HMRC does not regard this a benefit in kind the values are not disclosed here.

Each Presbyter and Deacon is entitled to a three-month sabbatical. Expenses incurred during this are met by the Connexion, with the Circuit continuing to pay the stipend. During the year there have been no sabbaticals. There are no additional costs incurred as a result of sabbaticals as the remaining Presbyters and Deacons cover the work without additional payment.

The total employment costs for Presbyters and Deacons can be found in Note 11a above

e) Payments to Trustees

It is not generally Circuit policy to reimburse the lay members of the CLT or Circuit Meeting members for expenditure properly incurred in carrying out their duties. However as outlined above the Presbyters, Deacons, and the Administration Assistant are paid by the Circuit for their work within the Circuit. In addition, payments (fees and/or travel expenses) are made to two Supernumerary Ministers (who are Trustees), for preaching duties they undertake within the churches of the Circuit. These costs are reported as 'Other Outgoings' and details are outlined below:

Minister	2020-21	2019-20
Rev M Randle	187	476
Rev R Stubbings	0	175
Total	187	651

The travel cost of the Presbyters & Deacons who attend CLT and Circuit Meetings is included within their overall travel expenses and is not separately determined.

11) Property Expenses

The Circuit is Managing Trustee for 5 manses (2020, 6), of which 4 of which were occupied during the year by the Presbyters and one of the Deacons stationed in the Circuit. One was vacant therefore was let out on a short term basis. The circuit is also Managing Trustee for a former manse which is designated as an investment property.

In the previous year as a result of the changes in ministerial roles effective from 1st September 2019 the Trustees decided to re-configure the manse provision, which resulted in the purchase of a new property in Little Close, Leyland in July 2019, and the sale of an existing property in Royal Avenue, Leyland, which was completed in December 2019. Details of the capital values in respect of this transaction can be found in Note 7.

The cost of on-going maintenance and improvements to all properties is current funded on an 'as incurred' basis from the General Fund. Any major/one-off repairs or maintenance are funded from the reserve held in Designated Funds.

The Circuit is also responsible for any property related expenses in respect of closed churches, as well as Quinquennial Reports for all Churches and Manses within the circuit

a) Expenditure on Manses`

General Fund								
Manse	Council Tax	Insurance	Repairs, Maint & Improv	Maintenance Contracts	Water	Other	Total 2020-21	Total 2019-20
Canberra Road	1,721	454	588	85	465	0	3,314	3,724
Little Close	2,400	388	540	0	545	0	3,872	6,091
Millfield Road	2,769	577	30	42	384	0	3,802	4,370
Royal Avenue							0	0
Warton Place	107	427	34	635	39	1,260	2,501	7,773
Windsor Drive	1,530	418	1,148	75	670	0	3,841	12,620
Total General Funds	8,527	2,263	2,341	837	2,103	1,260	17,331	34,579
Designated Funds								
Windsor Drive			3,810				3,810	14,114
Warton Place			21,650				21,650	
Total Designated Funds	0	0	25,460	0	0	0	25,460	14,114
Total - Manses	8,527	2,263	27,801	837	2,103	1,260	42,791	48,693

b) Expenditure on Other Property

Description	General Fund		Designated Funds	
	2020-21	2019-20	2020-21	2019-20
Investment Properties	5,171	6,066		
Church Quinquennial Reports	850	1,155		
Office Set Up & Running Costs		590		
Total	6,021	7,811	0	0

c) Total Expenditure on Property

	General Fund		Designated Funds		Total Funds	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Manses	17,331	34,579	25,460	14,114	42,791	48,693
Other Property	6,021	7,811	0	0	6,021	7,811
Total	23,352	42,390	25,460	14,114	48,812	56,504

12) District Assessment & Levy

The District Assessment is calculated relative to the proportion of Staffing (Presbyters, Deacons and Mission staff) of all Circuits within the Lancashire District. Presbyters & Deacons, attract a weighting of 1.50 per Fte and Mission Staff a weighting of 1.0 per Fte. The amounts included in Designated Funds relate to the Pioneer Minister role. The Circuit Model Trust levy is calculated on a sliding scale percentage of the Circuits CMTF account balance as at 31 August in the previous accounting year.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	Total 2019-20
District Expenses	7,259		871		8,130	6,007
Methodist Church Fund	59,439		7,136		66,575	64,188
Levy - Circuit Model Trust Funds	0	8,812	0	0	8,812	1,361
Total	66,698	8,812	8,007	0	83,518	71,557

13) Office & Administration Expenses

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	Total 2019-20
Payroll Admin charge	480				480	480
Computer Levy - Ministers	1,014				1,014	1,155
TMCP Investment Management Fees		453			453	109
Printer Cartridges	685				685	827
Conference Minutes & CPD	531				531	237
Office Equipment	140				140	213
Photocopying					0	351
Circuit Website	249				249	249
Telephone/Broadband					0	479
Other Admin Costs	191	0	27	0	218	541
Total	3,289	453	27		3,769	4,640

14) Other Outgoings

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	Total 2019-20
Mission, Preaching & Worship						
Supernumery Preacher Expenses	187				187	651
Preaching Plan/Newsshare					0	185
Messy Church - Buckshaw					0	288
Resources	1,793		0		1,793	1,241
Other Expenditure						
Training Courses & Events					0	441
Apprenticeship Levy	1,003				1,003	918
Staff Retreat/CLT Away Day					0	2,173
Professional Fees					0	546
Other	262	0	0	8	270	625
Total	3,245			8	3,253	7,068

The professional fees incurred in 2019-20 relate to advice sought prior to signing an ecumenical document in respect of Trinity Buckshaw School.

15) Investment Management

During the year the Circuit paid TMCP, the custodians of the Circuits investments, management charges based on 0.2% of the value of the funds as at the beginning of the financial year. Details of these by fund are listed below. None of the individual amounts are considered material but the totals by Fund category are shown in Note 13 above.

Realised and Unrealised gains/(losses) in invested funds are listed below.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	Total 2019-20
CFB Corporate Bond		(93)			(93)	105
CFB Managed Mixed Fund		4,952			4,952	(484)
CFB Managed Fixed Interest Fund		(4)			(4)	2
Total		4,855	0	0	4,855	(378)

16) Gain/(loss) on Investment Properties & Manse

2020-21 £146,383, (2020 £390). In January 2022 the investment property in James Place, Coppull, and the former manse in Millfield Road, Chorley were placed on the market. As a result, and in line with the Charity's accounting policy these have been revalued to estimated net sale proceeds, taking account of the valuations contained in the Qualified Surveyor reports net of costs of disposal, including the Connexional Levy payable. Total net sales proceeds are estimated to be £644,208 and carrying value is £497,825, resulting in the revaluation gain of £146,383. In 2019-20 the sale of Royal Avenue in December 2019 resulted in a gain on disposal of £390. The property had a carrying value of £171,759 and net sale proceeds received were £171,921.

17) Reclassification of Funds

2020-21 0. 2020 (£171, 921). In 2020 as a result of the sale Royal Avenue in December 2019, sale proceeds of £171,921 were received into the Circuit Model Trust fund, (see Capital Receipts Note 6). Property carrying values are held as General Funds therefore a transfer equal to the net sale proceeds was made to correctly record this transaction.

18) Manses & Other Property

Buildings comprise 5 (6 in 2018-19) manses located in Chorley, Leyland & Brinscall. Investment property comprises a manse at St James Place, Coppull,

a) Cost or Valuation

	Investment Properties	Land	Buildings	Fixtures, Fittings and Equipment	Assets under Construction	Total
Balance brought forward	171,665		1,306,228			1,306,228
Additions in the year						0
Revaluations	96,368		50,015			50,015
less Disposals in the year	0					0
Transfers between Categories						0
Total	268,033	0	1,356,243	0	0	1,356,243

Accumulated depreciation and impairment provisions

Balance brought forward	0		0			0
Depreciation charge for the year	0		0			0
Impairment provisions						0
Revaluations						0
Disposals						0
Transfers						0
Total	0	0	0	0	0	0

b) Net book value

Brought Forward	171,665	0	1,306,228	0	0	1,306,228
Carry Forward	268,033	0	1,356,243	0	0	1,356,243

c) Schedule of Assets

Property						
Canberra Road (Manse)			231,878			231,878
James Place (Manse)	268,033					0
Little Close (Manse)			295,000			295,000
Millfield Road (Manse)			376,175			376,175
Warton Place (Manse)			223,162			223,162
Windsor Drive (Manse)			230,028			230,028
Total	268,033	0	1,356,243	0	0	1,356,243

* Little Close is subject to a 999 lease of which there were 981 years remaining as at 31st August 2021

19) Investment Assets, including Trustees for Methodist Church Purposes

The funds that support the Circuit Model Trust Fund (as listed below) are held by TMCP in Trustees Interest, Managed Equity or Corporate Bond Funds on which interest or dividends are credited to the accounts either monthly or quarterly. These are regarded as medium to long term investments.

TMCP is the legal owner and custodian trustee of all Methodist model trust property, including legacies, endowments and accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property. TMCP ensure, through providing guidance and acting under their direction, that the managing trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

Investment Fund Details		Trust Fund - Details				
Name	Number	Number of Units	Closing Price - £s	CMTF - Trust 9540	Total 2021	2020
CFB Managed Mixed Fund	2C100	5,698	5.498	31,328	31,926	26,974
CFB Managed Fixed Int. Fund	2C122	92	2.141	197	196	200
CFB Corporate Bond	2C128	5,825	1.482	8,633	8,580	8,673
Trustees Interest Fund	2C110	n/a				0
Total Investments				40,157	40,702	35,847
Trustees Interest Fund	2C110	n/a		173,854	173,854	181,901
Total				214,011	214,555	217,749

20) Debtors & Prepayments

All items shown as Debtors as at 31 August 2020 were received during the current financial year. All sums paid in advance at 31 August 2020 have been released in 2020-21, with the exception of a deposit payment of £250 in respect of a CLT Retreat. This event was cancelled at the last minute and the funds are being held by the provider non account' for a future event. It is expected that at all other sums paid in advance at 31 August 2021 will be released in 2021-22

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2021	2020
Trade Debtors						
Other	133	0	0		133	0
Total Debtors	133	0	0	0	133	0
Prepayments						
Stipends, Pension & NI	15,113				15,113	19,223
Property Insurance	1,374				1,374	1,662
Council Tax & Water Charges	937				937	362
CLT Retreat	818				818	250
Other	583				583	403
Total Prepayments	18,824	0	0	0	18,824	21,900

21) Loans to Churches

Loans to churches within the Circuit may be granted by the trustees for a variety of purposes. All loans are interest free. The agreed repayment period (if set) is shown in the table below. Both loans to Leyland were to provide short term liquidity and it is expected that the loan granted on 15th August 2021 will be repaid within the agreed term.

Church	Date Granted	Amount	Period	Balance b/f	Granted This Year	Repaid This Year	Balance c/f
Leyland Methodist Church	06/05/20	7,000	1 Year	7,000		(7,000)	0
Leyland Methodist Church	15/08/21	5,770	1 Year		5,770		5,770
Total				7,000	5,770	(7,000)	5,770

22) Central Finance Board (CFB) and Bank Balances

Monetary balances held at the Central Finance Board of the Methodist Church, The Co-op Bank and at the Royal Bank of Scotland plc are all available on demand without loss of interest. Where possible the Restricted Funds are all held in specific bank accounts. The allocation of the balances across General and Designated Funds is arbitrary, but wherever possible balances are not shown as negative

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	2020
Central Finance Board	17,527		73,744	4,289	95,560	138,132
Co-op Bank	77,284		11,627	6,682	95,593	59,587
Royal Bank of Scotland	2		0	506	507	515
Total	94,813	0	85,371	11,477	191,660	198,234

23) Creditors, Accruals and Income in Advance

It is expected that all sums accrued at 31 August 2021 will be paid during the year to 31 August 2022. The accrual for the District Assessment relates to the Pioneer Ministry post which commenced on 1st September 2018 and is a five-year fixed term post. The formula to determine the amount payable for the District Assessment works one year in arrears, therefore the actual amount due as a result of the increased headcount is payable for five years from 1st September 2019.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2019-20	2019
Income in Advance						
Assessments received in advance	79,132				79,132	86,521
Third Party Fundraising				0	0	386
Other	0				0	0
Total Income in Advance	79,132		0	0	79,132	86,906
Creditors & Accruals						
Minister & Staff expenses	0				0	267
Ministers Removal Expenses					0	0
District Assessment			792			7,533
Manse Repairs/Council Tax etc. etc.	911		0		911	6,573
Other	1,327		7,970		9,297	2,645
Total Creditors & Accruals	2,239		8,762		10,209	17,017
Total Creditors (due in under 1 year)	81,371	0	8,762	0	89,341	103,924

24) Unrestricted Funds**a) General Fund**

	31-Aug-21	31-Aug-20
Balance	1,662,445	1,504,599

The purpose of this fund is for use at the discretion of the trustees in furtherance of the general objectives of the Circuit, and which have not been designated for other purposes. As at 31 August 2021 82% of this fund is held as freehold and long leasehold properties, being manses for ministers and investment properties. Details of grants and donations made from the General Fund during the year can be found in Note 9.

The Trustees are aware that grant applications must demonstrate public benefit and this is true for this fund.

b) Circuit Model Trust Fund

	31-Aug-21	31-Aug-20
Balance	214,555	217,749

The purpose of this fund is for use at the discretion of the trustees in furtherance of the general objectives of the Circuit. Its main source of income is from the sale of church buildings in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Trustees, Methodist Standing Orders 930, 931 and 917(2) do contain some restrictions on the use of the fund.

c) Designated Funds

	31-Aug-21	31-Aug-20
Balance	76,610	92,026

These funds are to serve specific purposes, but are not restricted by any document or deed to that purpose alone. Details of the specific funds are as follows:

Manse Major Repair/Improvement Fund – this is a historical fund, established over time by transferring funds from the General Fund. The fund balance at 31 August 2021 now stands at £9,886, after charging £14,114 in the year.

Presbyters & Deacons Removal Fund – used to meet the removal costs of new presbyters & deacons joining the circuit, and was established over time by designating funds previously held in the General Fund. The fund balance at 31 August 2021 now stands at £1,621, after charging £2,560 in the year.

Pioneer Ministry Fund – this fund was established during 2017-18 to provide funding for a 1.00 fte Lay Ministry post for a period of 5 years from 1st September 2018. Additional funding was provided on 31 August 2019 to cover the increased District Assessment payable as a result of this post. The balance as at 31st August 2020 of £107,131 is now considered sufficient to fund the remaining 3 years of this post.

Contactless Giving Fund – established during 20-21 to provide funding for the churches to try out new forms of giving, including for example a contactless collection plate.

Training & Development Fund - established during 20-21 to provide support for individuals who are looking to further develop their own faith life with specific training.

25) Restricted and Endowment Funds

	31-Aug-21	31-Aug-20
Balance	11,477	4,478

The restricted and endowment funds exist to support the causes below. The funds held as Investments within the Balance sheet are managed by TMCP. In the SOFA the investment income and charges for these funds are recorded to the relevant fund and then a fund transfer is recorded to reflect the fact that the net income from these funds (after charges) is credited to the CMTF, which is an Unrestricted Fund. The funds held on deposit with the Central Finance Board ("CFB") are managed by the CFB and the interest is credited to the relevant account. Each fund is listed below and is categorised according to the following key:

EE – Expendable Endowment – Capital available with restrictions

PE – Permanent Endowment – Capital unavailable

RL – Locally Restricted – Capital and interest available

Digital Enabler (RL) – a grant (from All Churches Trust) and donation received in the year, to be used for equipment and resources for the newly created Digital enabler post

Buckshaw Rickshaw Project (RL) – a grant received in the year from the Tesco Bags of Life Scheme, to be used to support the Buckshaw Rickshaw project.

Local Preachers(RL) – to be used to support those following their calling to be local preachers

St Johns School(RL) – available to fund any emergency repairs at the joint Church of England/Methodist primary school in Brinscall

26) Summary of Fund Movements

	Balance at 1 Sep 2020	Income	Expenditure	Transfers	Gains/ Losses	Balance at 31 Aug 2021
General	1,504,599	362,455	(310,993)	(40,000)	146,383	1,662,445
Circuit Model Trust	217,749	1,217	(9,265)	0	4,855	214,555
Total Unrestricted & Undesignated	1,722,348	363,672	(320,258)	(40,000)	151,238	1,877,000
Manse Major Repair/Improvement	9,886	0	(25,460)	30,621	0	15,047
Presbyters & Deacons Removal	1,621	0	(3,360)	3,379	0	1,640
Pioneer Ministry	74,499	11,746	(38,461)	0	0	47,784
Contactless Giving	0	0	(1,381)	6,000	0	4,619
Training & Development Fund	0	0	0	6,020	0	6,020
Other Designated	6,020	1,500	0	(6,020)	0	1,500
Total Designated	92,026	13,246	(68,662)	40,000	0	76,610
Digital Enabler	0	6,000	0	0	0	6,000
Buckshaw Rickshaw Project	0	1,000	0	0	0	1,000
Local Preachers	2,880	4	0	0	0	2,883
St Johns School	1,571	2	0	0	0	1,573
Network	28	0	(8)	0	0	20
Total Restricted	4,479	7,006	(8)	0	0	11,477
Total of All Funds	1,818,852	383,924	(388,927)	0	151,238	1,965,086

27) Analysis of Net Assets Between Funds

Fund balances at 31 August 2021 are represented by:

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2020-21	2020
Tangible Fixed Assets	1,356,243	0	0	0	1,356,243	1,306,228
Fixed Asset investments	268,033	0	0	0	268,033	171,665
Investments	0	40,702	0	0	40,702	35,847
Current Assets	119,540	173,854	85,371	11,477	390,241	409,036
Current Liabilities	(81,371)	0	(8,762)	0	(90,133)	(103,924)
Creditors Due After One Year					0	0
Total Fund Value	1,662,445	214,555	76,610	11,477	1,965,086	1,818,852

28) Related Parties

Related parties include the Methodist Connexion, the Lancashire District and Churches within the Circuit, other Methodist Circuits and Districts, CFB and TMCP. All of these entities have their own Trustees or directors.

The majority of the Circuit Trustees are members of one of the Churches within the Circuit and maybe Trustees in their Churches.

The receipts and payments to related parties shown below do not appear elsewhere in the accounts

29)

	Receipts	Payments	Balance due (from) / to Circuit - 31 Aug 21
Mission in Britain Fund	1,405	(1,405)	0
Property Fund	970	(970)	0
World Mission Fund	200	(200)	0
Presbyters and Deacons Fund	545	(545)	0
Training Fund	577	(577)	0
JMA	1,400	(1,400)	0
District Training Fund	386	(386)	0
Harvest Appeal - All We Can	520	(520)	0
Easter Concert - All We Can	1075	-1075	0
Total	7,078	(7,078)	0

30) Agency Collections & Payments

During the year the circuit acted as Agent for the collection of monies for the charity listed below.

	Balance due (from)/ to Circuit - 31 Aug 20	Receipts	Payments	Balance due/(from)/ to Circuit - 31 Aug 21
Easter Concert - St Catherines Hospice		1075	(1,075)	0
Total	0	1,075	(1,075)	0

31) Volunteer Contributions

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. The Presbyters and Deacons are supported by local preachers and supernumerary ministers to ensure that worship can be held at all the churches every Sunday. In addition, many people contribute by serving on committees/and or working in teams that deal with planning, mission, manses, finance, and safeguarding.

32) Capital Commitment and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2019-20 nil).

33) Lease commitments

On 26th July 2019 the Circuit acquired a property in Little Close, Leyland as a replacement manse. This property is subject to a 999 year lease with effect from 1st January 2000. The annual ground rent payable is £85. The Circuit has no other long-term lease obligations. There are short term obligations for telephones at the Circuit Manses. The total annual cost of these is not considered material.

34) Independent Examiner

The independent examiner provided no additional services during the year.

35) Post Balance Sheet Event

At a meeting held on 25th November 2021, the Trustees agreed to grant a loan of £105,000 to Leyland Methodist Church together with a grant of £10,000, to enable major roof repairs to commence as soon as possible in 2022. The loan is repayable on receipt of grant funding and fundraising receipts.

Declarations and Scrutiny

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

Signature of treasurer TJ Melling Date 14/3/22

Name and address of treasurer. Timothy J Melling, F.C.C.A.

16 Millwood Close, Withnell Fold, Chorley, PR6 8AR.....

Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were presented to the Circuit Meeting on 15th March 2022.....

Signature of the Chair of the meeting: G Welsh

Name of the Chair of the meeting: Rev G Welsh:..... Date: 15th March 2022.....

Independent Examiner's Report to the Trustees of the Circuit, named above

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2021 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

* delete or circle as appropriate

Name of Circuit: Chorley & Leyland..... No: 21/10.....

Basis of Independent Examiner's Report

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

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act 2011
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- (3) I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner: 

Name of independent examiner: Jacqueline M Adams

Relevant professional qualification of independent examiner: N/a

Address: 2 Stable Mews, Millwood Close, Withnell Fold, Chorley, PR6 8AR

Date: 04/04/2022