

CHORLEY AND LEYLAND
METHODIST CIRCUIT

TRUSTEES' ANNUAL REPORT & ACCOUNTS

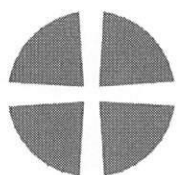
for the year ended

31 AUGUST 2022



Registered Charity No. 1135868

Introduction

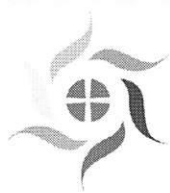


Welcome to the 2021-2022 Annual Report for the Chorley & Leyland Methodist Circuit.

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



As with many organisations, we were pleased that our work and ministry was able to begin to resume 'post COVID', enabling gathered worship and 'in person' events and gatherings. However, again like many other organisations we continue to offer on-line worship each week, which enables many people to worship with us in their own time and in their own place. The Circuit continues to be 'Growing in Christ', both individually and collectively.

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

Ministry of All God's People/Spiritual Growth

We continue to develop a Spiritual Growth plan that will be offered across the Circuit. Unfortunately, our plan to make this happen in 2022 had to be postponed but work on this has commenced in January 2023, and is being led by Deacon Ellen Monk-Winstanley

The program will be offered across the Circuit, enabling all ages to engage in courses, Quiet Days, Empowering All Events which will encourage their Spiritual Growth.

Across the Circuit there are ongoing courses including Growing Leaders, Advent and Lenten courses. Some of these were also provided online, so that the things we learned about connection with those we serve online could be continued.

Looking ahead we aim to provide training and opportunities that will encourage the churches to grow both across the Circuit and at a local level.

Creative Communication

The Circuit Communications Team, gathered from a number of our churches, continues its work to put together a strategy for developing better communication across, within and beyond our Circuit family of churches. There has been Investment in improved equipment to enable 'on-line' transmission of worship, meetings and other events, especially focussing on 'hybrid' events.

Physical Presence

During the year we were saddened to see that two of the churches within our Circuit, Heskin and Withnell Fold, ceased to meet. We recognise and give thanks for the faithful service of these worshipping communities over many years.

In November 21 the Trustees approved a grant of £10,000, together with a loan of £85,000, to Leyland Methodist Church as part of the funding for a replacement roof and lighting in their community centre. Without this work being done Leyland faced the possibility of having to close the centre, which is a valuable and much used community resource in Leyland.

Priorities

Contagious Pioneering

In addition to these four key focus areas, the Circuit acknowledges and seeks to develop two further Priorities.



Our Pioneer Ministry Enabler completed his fourth full year with us (of five funded years), and has, along with the rest of the circuit welcomed the opportunity to resume face to face sessions.

The '20 Guitars Project' has continued to thrive, and during the year the group led part of the worship at the Circuit wide service held in Chorley Town Hall in May 2022.

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. These continued to prove 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.

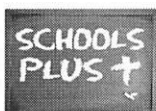
The Gregorian Chant Project, launched in March 2019, is aimed at reaching, amongst others, those who can't find a place in any of the established Churches, as well as those who define themselves as spiritual but not religious. Regular services recommenced in October 2021, in the beautiful setting of the chapel at Lisieux Hall.

The music therapy sessions in Buckshaw Retirement Village were also able to resume in late 2021 and continue to be well received by the residents who attend.

Working alongside Buckshaw Village Church, and Buckshaw Retirement Village a project to use rickshaws to transport the elderly in the village was developed pre Covid. This had to be put on hold, but in September 2022 the order was placed for two rickshaws to be built in Poland. Delivery is expected in spring 2023. During the year fundraising proceeds of nearly £17,600 were transferred to the circuit, having been previously held by Buckshaw Village Church

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



We have 4 Methodist or Church of England/Methodist schools in our Circuit, serving over 1200 children and their families. We also have connections to many community schools where lessons have been shared around Christianity. As we have emerged from the Pandemic, we have slowly seen things open up again. We are now offering regular worship, guidance and planning around RE, and support to staff and families as they negotiated some of the “catching up” concerns from the Pandemic. We have an active Open the Book team that serves in several of our schools and are planning to train more people to share this around our other schools. We have offered support to staff and senior leadership through Ofsted inspections as well as in day- to- day school life. Class worship has been held in church once again, allowing children and their families to design worship and share it with the larger community.

Other

Worship

Following the relaxation of the lock down restrictions, the majority of our churches began to meet and worship together again ‘face to face’, but at the same time the Circuit continues to provide on-line worship on a weekly basis. This is available both on Facebook and You Tube, and ensures that connection is maintained with those members who didn’t feel able to physically return to their own place of worship, as well as those who engaged for the first time during lock-down as a result of the on-line worship.

We were very pleased to hold, for the first time, a circuit wide Sunday morning service in May 2022, when over 300 members attended our service held at the Town Hall in Chorley.

Unfortunately, due to the number and demographic of their membership, Heskin and Withnell Fold have now ceased to meet. We recognise and give thanks for the faithful service of these worshipping communities over many years.

Staffing

The circuit continued to resource, support and deploy paid staff (five 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 our Superintendent, Phil Gough, moving to a new appointment as Chair of the Lancashire District during summer 2022. We also said goodbye to Rev’d Phil Robinson as he left us to join the Banbury Circuit to take up his first appointment as a probationary minister

During the year we were successful in the Stationing process in attracting Rev’d Gordon Gresswell into the Circuit as our new Superintendent, and he and his wife, Sue, moved in August, ready to start with us in the new church year from September

2022. Gordon will be responsible for Eccleston, Whittle and Euxton Churches as well as his duties as Superintendent.

Deacon Ellen Monk-Winstanley will be relinquishing the pastoral care of Midge Hall Church during the coming year so she can concentrate on Circuit development work. Rev'd Gillian Welsh will be taking over pastoral care for Midge Hall and in order to assist her with the increased work load the Circuit is actively seeking to employ a pastoral lay worker to start early in the new Church year.

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, Euxton, and Chorley.

Outreach

During the year many of our churches continued to reach out to into their local communities, building on and further developing the work that had been done during lock-down.

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 Managing Trustees for circuit property, which is primarily the manse provided as homes and working environments for the ministerial staff.

The redundant manse in Coppull was let out on a lease until February 2022, and was placed on the market in January 2022. After attracting an offer which was acceptable, the potential purchasers then withdrew this in April 2022. No further offers were forthcoming at that time so the property was withdrawn from the market, so that it could be potentially available as a temporary solution for our new Superintendent Minister and his wife who were joining us in August 2022.

Thankfully this was not necessary, as after a long search a modern and more suitable property was located and acquired in Arley Wood Drive, Chorley.

Canberra road, the home of Rev'd Phil Gough and his family for the past fifteen years, was vacated in August 2021, as Rev'd Gough took up the position of Chair of the Lancashire District. As part of the Circuit's manse rationalisation and modernisation programme this property will now be sold.

Financial Report

Financial Review

Income for the General Fund for the year ended 31st August 2022 was £282,301 and expenditure £298,601, resulting in a deficit of £16,300, which was lower than the planned deficit of £33,272, by £16,973. This was due to the proportion of the costs of 2 lay workers which were included in the plan as being funded from circuit reserves. The £33,025 savings as a result of this delay which were planned to be funded via the church assessments, were refunded to the churches and hence have no impact on the reported deficit.

The Circuit Model Trust fund shows a reduction of £17,356, which is due to a grant of £10,000 to Leyland Methodist Church and the CMTF levy minus income from investments.

Details of income and expenditure on Designated and Restricted/Endowment Funds can be found in Notes 23c, 24 & 25.

Exceptional Items

As part of the manse re-configuration plan, at the time of writing this report the Charity currently has 3 former manses available for sale. Therefore, in line with accounting policy K ii found on page 18 of this report, these manses have been revalued as at 31st August 2022 to estimated net sales proceeds, including the impact of the Connexional Levy payable. This has resulted in an exceptional loss of £25,491. See Note 16 for further details.

Reserves

As at 31 August 2022 the total funds of the Circuit were £1,886,470, of which £1,736,001 was held in properties (gross value less loans outstanding) and a further £76,103 in Designated & Restricted Funds. This leaves a total of £74,366 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 2022/23 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. This five year plan is updated and reviewed each year.

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 2022 of £120,813 and annual budgeted operating expenditure for 2022-23 of £384,300, the Circuit currently holds reserves equal to 3.8 months of expenditure. This is a short-term issue brought about by the delay in the sale of the former manse in Millfield Road. This sale was completed on 30th September 2022 and increased reserves to £536,000, equivalent to 16.8 months 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: 5 Arley Wood Drive, Chorley, PR7 2FS

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 G Gresswell (Superintendent)	Mrs B Frankish
Rev H Millward	Mr. C Howard
Dcn E Monk-Winstanley	Mr. T Melling
Rev G Welsh	Miss A Cupit
Rev K Hilsden	Mr R Scott
Rev M Whiffen (Associate)	Mrs L Taylor
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 16th March 2023 and signed on their behalf by



Rev G Gresswell (Chair)

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

MINISTERS

Rev G Gresswell (Chair) (Appointed 1 Sept 22)

Rev H Millward

Rev K Hilsden

Dcn E Monk-Winstanley

Rev G Welsh

Rev M Whiffen (Associate)

MINISTERS IN OTHER APPOINTMENTS

None

Circuit Stewards & Meeting Secretary

Miss A Cupit

Mrs B Frankish

Mrs C Hothersall (Resigned 31/08/2022)

Mr C Howard

Mr R Scott

Mrs L Taylor

Mr T Melling (Treasurer)

Mrs K Townson (Circuit Meeting Secretary)

CIRCUIT LOCAL PREACHERS, WORSHIP LEADERS & CHURCH REPRESENTATIVES

Mrs M Abel	Mr K Ashton	Mrs M Bennett	Mrs M Bibby
Rev J Clasper (Appointed 15/03/2022)	Mrs J Davenport (Resigned 31/08/2022)	Mrs S Draper	Miss L Duckworth
Mrs F Eccles	Mr A Edge	Mr J Fishwick	Mr D Frost
Mrs P Gerrard	Mr S Hardacre	Mrs M Harris	Mr T Harris
Mrs L Heston	Mr G Horton	Mrs J Horton	Mrs C Hulse
Mr D Hulse	Mr D Kelsall	Mrs N Klunder	Mrs Y Lancaster
Mr D Leach	Rev A Mashiter	Mrs A Melling	Mrs S Mercer
Mrs H Molyneux	Mrs R Moss	Mr C Naylor	Mrs L Naylor
Deacon S Nicholls	Mr B Noon	Mrs J Owen	Mrs K Owen
Mr F Robinson	Mrs A Sandham	Mr M Saunders	Mrs C Shapley
Mr L Shields	Mrs C Stafford	Mr W Stafford	Rev R Stubbings
Mrs Y Taylor	Mrs C Tetlow	Mr J Whittle	

Financial Statements

For the Year Ending 31 August 2022

Statement of Financial Activities for the Year Ending 31st August 2022

		Unrestricted Funds					
	Note No.	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
Income and Endowments							
Donations and legacies	3	14	0	2,000	17,581	19,595	3,154
Income from monetary investments		336	1,483	0	18	1,838	1,384
Income from investment properties	4	5,766	0	0	0	5,766	10,033
Assessments on Churches	5	276,136	0	0	0	276,136	345,463
Capital Receipts	6	0	0	0	0	0	0
Grants received		0	0	10,927	0	10,927	17,609
Other charitable activities	7	0	0	0	0	0	148
Total from Charitable Activities		282,251	1,483	12,927	17,599	314,261	377,791
Other income	8	50	0	0	0	50	6,133
Total Income and Endowments		282,301	1,483	12,927	17,599	314,311	383,924
Expenditure							
Grants and donations	9	1,117	10,000	3,217	0	14,333	2,498
Salaries and associated costs	10	200,226	0	32,011	0	232,237	247,078
Property	11	19,888	0	1,744	0	21,633	48,812
Connexional assessment		0	0	0	0	0	0
District Assessment & Levy	12	66,239	8,228	8,029	0	82,496	83,518
Depreciation		0	0	0	0	0	0
Office expenses	13	2,675	611	908	0	4,195	3,769
Other outgoings	14	8,457	0	99	500	9,057	3,253
Total Charitable Expenditure		298,601	18,839	46,009	500	363,950	388,927
Net Incoming Resources /(Resources Expended before Investment Gains /(Losses))		(16,300)	(17,356)	(33,082)	17,099	(49,639)	(5,004)
Gain/(loss) monetary investments	15	0	(3,485)	0	0	(3,485)	4,855
Gain/(loss) investment properties & manses	16	(25,492)	0	0	0	(25,492)	146,383
Reclassification of Funds	17	0	0	0	0	0	0
Net Income/(Expenditure)		(41,792)	(20,841)	(33,082)	17,099	(78,616)	146,234
Transfers between funds		81,000	(85,000)	4,000	0	0	0
Other gains/(losses)		0	0	0	0	0	0
Net Movement in Funds		39,208	(105,841)	(29,082)	17,099	(78,616)	146,234
Total funds brought forward		1,662,445	214,555	76,610	11,477	1,965,086	1,818,852
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		1,701,653	108,714	47,528	28,575	1,886,470	1,965,086

Balance Sheet as at 31 August 2022

		Unrestricted Funds			Restricted & Endowment Funds	Totals 2022	Totals 2021
Note No.		General Fund	Circuit Model Trust Fund	Designated Funds			
Fixed Assets							
Circuit Manses & Equipment	18	1,729,622				1,729,622	1,356,243
Investment properties	18	248,658				248,658	268,033
Investments	19		37,217			37,217	40,702
Total Fixed Assets		1,978,280	37,217			2,015,497	1,664,978
Current Assets							
Debtors	20	24,548		800		25,348	18,957
Loans by the Circuit	21	90,770				90,770	5,770
Investments with TMCP	19		71,498			71,498	173,854
Central Finance Board Deposits	22	25,973		52,294	4,307	82,573	95,560
Cash at Bank and in hand	22	78,374		4,000	24,268	106,642	96,100
Total Current Assets		219,666	71,498	57,094	28,575	376,832	390,241
Current liabilities							
Creditors (due in under 1 year)	23	496,293		9,566		505,859	90,133
Grants payable within 1 year							
Total Current Liabilities		496,293		9,566		505,859	90,133
Net Current Assets/Liabilities		(276,627)	71,498	47,528	28,575	(129,027)	300,109
Total Assets less Current Liabilities		1,701,653	108,714	47,528	28,575	1,886,470	1,965,086
Long term liabilities (due after more than one year)							
Grants payable after 1 year							
Loans to the Circuit							
Net Assets		1,701,653	108,714	47,528	28,575	1,886,470	1,965,086
Funds of the Circuit							
General Fund	24a/26	1,701,653				1,701,653	1,662,445
Circuit Model Trust Fund	24b/26		108,714			108,714	214,555
Designated Funds	24c/26			47,528		47,528	76,610
Total Unrestricted Funds						1,857,895	1,953,610
Restricted & Endowment Funds	25/26				28,575	28,575	11,477
Total Funds		1,701,653	108,714	47,528	28,575	1,886,470	1,965,086

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 2022, 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

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

- iii. Manses 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 manses) 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

Notes to the Accounts for the Year Ending 31 August 2022

3) Donations and Legacies

The Circuit received donations of £19,595 during the year (2021, £3,154), as shown below.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
Christmas Books for Schools	14				14	654
Digital Enabler Fund				0	0	1,000
Buckshaw Rickshaw Project				17,581	17,581	
Other			2,000		2,000	1,500
Total	14	0	2,000	17,581	19,595	3,154

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 is shown gross of fees and commissions which are accounted for in Property Expenses (see Note 10b), and £5,766 was received in the year (2021, £10,033). The property was put on the market for sale but as yet has not been sold.

5) Assessments on Churches

	General Fund	
	2021-22	2020-21
Adlington	6,007	7,600
Chorley Methodist	43,757	55,485
Eccleston	18,747	21,364
Euxton	25,171	33,090
Heskin		6,395
Hillside	43,887	55,680
Leyland Methodist	74,072	96,944
Midge Hall	28,370	28,844
Spendmore Lane	19,444	21,506
Whittle	11,932	12,691
Withnell Fold	4,749	5,864
Total	276,136	345,463

The Circuit comprises 10 churches (2021, 11) and each is assessed for a contribution to meet the overall net operating costs of the Circuit. The calculation is based on the budget for the year and assessed based on ordained and lay worker time allocated. Due to the delay in the recruitment of a budgeted lay worker the Trustees approved a rebate of approximately 11%, which is reflected in the 2021-22 figures above.

6) Capital Receipts

There were no capital receipts in the year ended 31st August 2022 (2021, 0)

Notes to the Accounts for the Year Ending 31 August 2022

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.

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.

8) Other Income

A total of £50 was received in the year, (2021 £6,133). In 2021, this was rental income from Warton Place, in the period which it was vacant from September 2020 to April 2021, prior to it being occupied again in August 2021.

9) Grants & Donations Made

The grants and donations listed below were agreed and paid during the year. The grants for contactless giving are to encourage and support the churches to introduce new methods of giving. As at 31st August 2022 four churches had taken up this opportunity. In addition, a grant of £10,000 was also approved for Leyland Methodist Church for their replacement roof project. In addition, a loan of a further £85,000 granted for the same project. See Note 21 below for further details.

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	465	(465)	0	0		0	(465)
Other	3,353	(3,353)	0	0		0	(3,353)
Total	3,818	(3,818)	0	0	0	0	(3,818)

Overall Total	4,935	(4,935)	0	0	0	0	(4,935)
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From CMTF	Agreed	Paid This Year	Carried Forward	Unpaid b/f	Reversed This Year	Carried Forward	Paid This Year
Leyland Roof Project	10,000	(10,000)	0	0		0	(10,000)
Other	0	0	0	0		0	0
Total	10,000	(10,000)	0	0	0	0	(10,000)

Overall Total	16,051	(16,051)	0	0	0	0	(16,051)
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10) Stipends, Salaries & Associated Costs**a) Presbyters & Deacons**

Stipends were paid to 5 Presbyters & Deacons (5.0 fte), (2021 (5.5 fte)).

	Full Time	Part Time	General	Designated	2022	2021
Stipends	134,202	0	134,202		134,202	149,607
National Insurance	12,847	0	12,847		12,847	11,877
Pensions	34,733	0	34,733		34,733	34,616
Total Employment Costs	181,783	0	181,783	0	181,783	196,100
Telephone & Internet	2,799	0	2,799		2,799	3,202
Travelling	5,483	0	5,483		5,483	4,405
Removal & Relocation	0		0	4,734	4,734	3,360
Total	190,066	0	190,066	4,734	194,800	207,068

b) Lay Workers & Administration

The Circuit currently employs two lay members of staff (1.45fte), (2021 1.45fte), one (0.45fte) providing Administration support to the Circuit, and the second (1.0 fte) in a Pioneer Ministry role. 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	2022	2021
Salary		9,186	9,186	23,577	32,762	34,932
National Insurance		63	63	1,810	1,873	2,397
Pensions		551	551	1,258	1,809	1,901
Total Employment Costs	0	9,800	9,800	26,645	36,445	39,230
Telephone & Internet		205	205	387	592	583
Travelling		155	155	245	400	197
Total	0	10,160	10,160	27,277	37,437	40,010

c) Totals

	Full Time	Part Time	General	Designated	2022	2021
Stipends, Salaries & Associated Costs	190,066	10,160	200,226	32,011	232,237	247,078

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.

d) 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

e) 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 properties. 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, every seven years. 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

f) 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 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	2021-22	2020-21
Rev A Mashiter	561	0
Rev R Stubbings	175	0
Dcn S Nicholl	179	0
Total	915	0

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 6 manses (2021, 6), of which 4 were occupied during the year by the Presbyters. One (Millfield Road) was vacant pending being sold, and another (Arley Wood Drive) was acquired in July 2022, as part of the Circuit Manse rationalisation/upgrade programme. The circuit is also Managing Trustee for a former manse which is designated as an investment property.

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 2021-22	Total 2020-21
Arley Wood Drive	60	13	0	0	0	0	73	
Canberra Road	1,785	425	965	145	455	0	3,775	3,314
Little Close	2,080	340	241	136	536	0	3,333	3,872
Millfield Road							0	3,802
Warton Place	1,392	393	444	153	253		2,634	2,501
Windsor Drive	1,469	394	710	33	45	0	2,650	3,841
Total General Funds	6,786	1,564	2,360	466	1,289	0	12,464	17,331
Designated Funds								
Arley Wood Drive			570				570	
Windsor Drive							0	3,810
Warton Place			1,174				1,174	21,650
Total Designated Funds	0	0	1,744	0	0	0	1,744	25,460
Total - Manses	6,786	1,564	4,104	466	1,289	0	14,208	42,791

b) Expenditure on Other Property

Description	General Fund		Designated Funds	
	2021-22	2020-21	2021-22	2020-21
Investment Properties	0	5,171		
Church Quinquennial Reports	0	850		
Total	0	6,021	0	0

Total Expenditure on Property

	General Fund		Designated Funds		Total Funds	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Manses	12,464	17,331	1,744	25,460	14,208	42,791
Other Property	0	6,021	0	0	0	6,021
Total	12,464	23,352	1,744	25,460	14,208	48,812

Notes to the Accounts for the Year Ending 31 August 2022

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 2021-22	Total 2020-21
District Expenses	9,525		1,155		10,680	8,130
Methodist Church Fund Levy - CMTF	56,714	8,228	6,874	0	63,588	66,576
Total	66,239	8,228	8,029	0	82,496	83,518

13) Office & Administration Expenses

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
Payroll Admin charge	480				480	480
Computer Levy - Ministers	855				855	1,013
TMCP Investment Management Fees		611			611	453
Printer Cartridges	436		114		550	685
Conference Minutes & CPD	288				288	531
Office Equipment	182		770		952	140
Circuit Website	249				249	249
Other Admin Costs	185	0	24	0	209	218
Total	2,675	611	908	0	4,195	3,769

14) Other Outgoings

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2021-22	Total 2020-21
Mission, Preaching & Worship						
Supernumery Preacher Expenses	1,808				1,808	187
Messy Church - Buckshaw					0	0
Resources	466		0	500	967	1,793
Other Expenditure						
Training Courses & Events					0	0
Apprenticeship Levy	856				856	1,003
Staff Retreat/CLT Away Day	2,465				2,465	0
Stationing Expenses	625					
Professional Fees	1,420				1,420	0
Other	817	0	99	0	916	270
Total	8,457		99	500	8,431	3,253

The professional fees incurred relate to the acquisition of Arley Wood Drive.

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 2021 - 22	Total 2020 - 21
CFB Corporate Bond		(1,450)			(1,450)	(93)
CFB Managed Mixed Fund		(2,006)			(2,006)	4,952
CFB Managed Fixed Interest Fund		(29)			(29)	(4)
Total		(3,485)	0	0	(3,485)	4,855

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

2021-22 £ (25,491) (2021 £146,234). In January 2022, the investment property in James Place, Coppull, and the former manse in Millfield Road, Chorley were placed on the market. In addition, the manse at Canberra Road became vacant in August 2022. The former Manse in Millfield Road was sold in September 2022, and the other 2 properties are on the market. In line with the Charity's accounting policy the carrying values of these properties have been revalued to estimated or actual 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 £850,594 and carrying value is £876,086, resulting in the revaluation loss of £25,491. In 2020-21 James Place & Millfield Road were revalued which result in the surplus of £156,234.

17) Reclassification of Funds

2021-22 Nil, (2021, Nil)

Notes to the Accounts for the Year Ending 31 August 2022

18) Manses & Other Property

Buildings comprise 6 (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	268,033		1,356,243			1,356,243
Additions in the year			379,496			379,496
Revaluations	(19,375)		(6,117)			(6,117)
less Disposals in the year						0
Transfers between Categories						0
Total	248,658	0	1,729,622	0	0	1,729,622

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	268,033	0	1,356,243	0	0	1,356,243
Carry Forward	248,658	0	1,729,622	0	0	1,729,622

c) Schedule of Assets

Property					
Arley Wood Drive (Manse)		379,496			379,496
Canberra Road (Manse)		186,654			186,654
James Place (Manse)	248,658				0
Little Close (Manse) *		295,000			295,000
Millfield Road (Manse)		415,282			415,282
Warton Place (Manse)		223,162			223,162
Windsor Drive (Manse)		230,028			230,028
Total	248,658	0	1,729,622	0	1,729,622

* Little Close is subject to a 999 lease of which there were 980 years remaining as at 31st August 2022

Notes to the Accounts for the Year Ending 31 August 2022

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 2022	2021
CFB Managed Mixed Fund	2C100	5,698	5.251	29,920	29,920	31,926
CFB Managed Fixed Int. Fund	2C122	92	1.811	167	167	196
CFB Corporate Bond	2C128	5,825	1.224	7,130	7,130	8,580
Total Investments				37,217	37,217	40,702
Trustees Interest Fund	2C110	n/a		71,498	71,498	173,854
Total				108,714	108,714	214,556

20) Debtors & Prepayments

All items shown as Debtors as at 31 August 2021 were received during the current financial year. All sums paid in advance at 31 August 2021 have been released in 2021-22, 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 'on account' for a future event. It is expected that all other sums paid in advance at 31 August 2022 will be released in 2022-23

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total 2022	2021
Trade Debtors						
Assessments	770				770	0
Other	195	0	0		195	133
Total Debtors	965	0	0	0	965	133
Prepayments						
Stipends, Pension & NI	19,202				19,202	15,113
Property Insurance	1,808				1,808	1,374
Council Tax & Water Charges	526				526	937
CLT Retreat	0				0	818
Other	2,048	0	800	0	2,848	583
Total Prepayments	23,584	0	800	0	24,384	18,824
Total Debtors & Prepayments	24,548	0	800	0	25,348	18,957

Notes to the Accounts for the Year Ending 31 August 2022

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	6-May-20	7,000	1 Year	5,770			5,770
Leyland Methodist Church	15-Aug-21	5,770	1 Year				0
Leyland Methodist Church	25-Nov-21	85,000			85,000		85,000
Total				5,770	85,000	0	90,770

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	2021
Central Finance Board	25,973		52,294	4,307	82,573	95,560
Co-op Bank	78,373		4,000	23,763	106,135	95,593
Royal Bank of Scotland	2		0	506	507	507
Total	104,347	0	56,294	28,575	189,216	191,660

22) Creditors, Accruals and Income in Advance

It is expected that all sums accrued at 31 August 2022 will be paid during the year to 31 August 2023. The loan due in less than one year is a bridging loan taken out to finance the purchase of the Arley Wood Drive manse. This was necessary because of the delay in selling James Place & Millfield Road. The loan was repaid in full from the sale proceeds of Millfield Road on 30th September 2022.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted & Endowment Funds	Total	2021
Income in Advance						
Assessments received in advance	113,714				113,714	79,132
Other	0				0	0
Total Income in Advance	113,714				113,714	79,132
Creditors & Accruals						
Loans due in <1yr	379,496					
Minister & Staff expenses	1,429				1,429	911
Ministers Removal Expenses			600		600	0
District Assessment			7,970		7,970	7,970
Manse Repairs/Council Tax etc. etc.	1,150		0		1,150	1,588
Other	504	0	996	0	1,500	532
Total Creditors & Accruals	382,579		9,566		12,649	11,001
Total Creditors (due in under 1 year)	496,293	0	9,566	0	126,363	90,133

23) Unrestricted Funds**a) General Fund**

	31-Aug-22	31-Aug-21
Balance	1,701,653	1,662,445

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 2022, 79% of this fund is held as freehold and long leasehold properties (net of loans outstanding), 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-22	31-Aug-21
Balance	108,714	214,555

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-22	31-Aug-21
Balance	47,528	76,610

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 2022 now stands at £13,33026, after charging £1,744 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 2022 now stands at £9061, after charging £4,734 in the year, and transferring in £4,000 from General Funds

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 2022 of £23,161 is now considered sufficient to fund the remaining 1 year 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.

Other Designated Fund – this is used to fund 'one-off' items that wouldn't be classed as normal operating expenditure or be covered by one of the other designated funds. The balance as at 31st August 2022 was £2,271, after charging £1,229 and crediting £2,000 of gifts/donations which weren't given for a specific purpose but the Trustees decided should not just be 'consumed' in general unrestricted funds.

24) Restricted and Endowment Funds

	31-Aug-22	31-Aug-21
Balance	28,575	11,477

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) – Grants and donations received in 2020-21 for equipment and resources to enable digital ministry

Buckshaw Rickshaw Project (RL) – Grants and fundraising to be used to support the Buckshaw Rickshaw project. This now includes £17,781 transferred from Buckshaw Village Church during the current financial year.

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

25) Summary of Fund Movements

	Balance at 1 Sep 2021	Income	Expenditure	Transfers	Gains/ Losses	Balance at 31 Aug 2022
General	1,662,445	282,301	(298,601)	81,000	(25,492)	1,701,653
Circuit Model Trust	214,555	1,483	(18,839)	(85,000)	(3,485)	108,714
Total Unrestricted & Undesignated	1,877,000	283,785	(317,441)	(4,000)	(28,977)	1,810,367
Manse Major Repair/Improvement	15,047	0	(1,744)	0	0	13,302
Presbyters & Deacons Removal	1,640	0	(4,734)	4,000	0	906
Pioneer Ministry	47,784	10,927	(35,550)	(0)	0	23,161
Contactless Giving	4,619	0	(2,615)	0	0	2,004
Training & Development Fund	6,020	0	(137)	0	0	5,883
Other Designated	1,500	2,000	(1,229)	0	0	2,271
Total Designated	76,610	12,927	(46,009)	4,000	0	47,528
Digital Enabler	6,000	0	(500)	0	0	5,500
Buckshaw Rickshaw Project	1,000	17,581	0	0	0	18,581
Local Preachers	2,883	11	0	0	0	2,895
St Johns School	1,573	7	0	0	0	1,580
Network	20	0	0	0	0	20
Total Restricted	11,477	17,599	(500)	0	0	28,575
Total of All Funds	1,965,086	314,311	(363,950)	(0)	(28,977)	1,886,470

26) 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 2021-22	2021
Tangible Fixed Assets	1,729,622	0	0	0	1,729,622	1,306,228
Fixed Asset investments	248,658	0	0	0	248,658	171,665
Investments	0	37,217	0	0	37,217	35,847
Current Assets	219,666	71,498	57,094	28,575	376,832	409,036
Current Liabilities	(496,293)	0	(9,566)	0	(505,859)	(103,924)
Creditors Due After One Year	0	0	0	0	0	0
Total Fund Value	1,701,653	108,714	47,528	28,575	1,886,470	1,818,852

Check to Above	1,701,653	108,714	47,528	28,575	1,886,470
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27) 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

	Receipts	Payments	Balance due (from) / to Circuit - 31 Aug 22
Mission in Britain Fund	1,260	(1,260)	0
Property Fund	880	(880)	0
World Mission Fund	200	(200)	0
Presbyters and Deacons Fund	1,546	(1,546)	0
Training Fund	1,230	(1,230)	0
JMA	5,116	(5,116)	0
Total	10,232	(10,232)	0

28) 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.

29) Capital Commitment and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2021 nil).

30) 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.

31) Independent Examiner

The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting

Signature of treasurer  Date..... 

Name and address of treasurer. 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 2022 were

presented to the Circuit Meeting on 16th March 2023.....

Signature of the Chair of the meeting: 

Name of the Chair of the meeting: Rev G Gresswell..... Date: 16th March 2023.....

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 2022 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: 22/3/2023