

POOLE BAY METHODIST CIRCUIT
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st AUGUST 2023

POOLE BAY METHODIST CIRCUIT

ACCRUALS ACCOUNTS
2022-23

For the year ended 31 August 2023



Part of the Southampton District (26/09)

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Introduction

The Poole Bay Methodist Circuit was formed on 1st September 2014 from the joining together of the former Bournemouth and Poole & Swanage Circuits. The Circuit originally consisted of 12 Churches located in South Dorset spanning from Swanage to Southbourne, which operated under 9 Church Trustee bodies. With the closure of Wareham Church in June 2019 the Circuit now consists of 10 active Churches (exc. St Georges).

Aims and Organisation

The mission of the Circuit is to encourage, facilitate, enable and resource the local Churches to be a Christian discipleship movement within their local communities and in the power of the Holy Spirit to spread God's message of love through action and word.

Review of the year

Income trends

Circuit income was primarily drawn from the Assessments of £329,864 paid by the Circuit Churches, was £12,927 higher than last year's amount of £316,937.

Rental income, which relates to the rental of unoccupied manses of £55,150, was £8,785 higher than the last year's amount of £46,365 due to a new tenancy agreement part way through the year.

The total income for the Circuit for the year ended 31st August 2023 of £437,967 compared with last year's amount of £369,977, an increase of £67,990 due mainly to higher interest rates on bank balances along with the increase to assessments and rental income from unused manses.

Expenditure trends

Total annual stipends & salary costs of £251,991 during the period were £10,727 higher than the previous year total costs of £241,264 due to the uplift to stipends and lay employee wages. During the period there continued to be 5 full time Ministers and 1 part-time Minister.

During the year, the Circuit contributed a total of £109,407 (£127,844 previous year) to the Southampton Methodist District, District Methodist Advanced Fund and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

To help with the cost of living crisis and rise in energy bills £3,000 was paid to each Church.

Sale of Fixed Assets

There were no manses sold during the period.

Wimborne Road manse sale completed after the year end on 11 September 2023. The manse was sold for £450,000 with agent and other fees of £6,732 accrued at the year end. A Connexional Priority

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Fund levy of £153,307 has been marked as a replacement project and Connexional will allocate the funds towards the purchase of another manse.

The sale of Wareham Church has been further delayed due to the outcome of Council planning decisions (declined December 2023). Refer to contingent assets note in the accounts (page 19).

The Trustees agreed the York Road manse was to be sold during the period. The property was sold on 15 December 2023 for £455,000.

Fund balances

As at 31st August 2023 the net current assets of the Circuit were £1,720,799 of which £1,475,196 were unrestricted (exc. designated funds), giving 34 months of cover for total expenditure at current expenditure levels.

Activities

September 2022 to 31 August 2023

The connexional year started with a presentation by one of the ministers on the Methodist Way of Life – Worship, Learning and Caring, Service and Evangelism at the September 2022 circuit meeting with new membership classes and fellowship groups introduced.

The Gather, Grow, Go initiative continues but with more focus this year on 'gather' working with all ages, faiths etc and more work in the community.

A Circuit where Local Churches and all people are welcome to GATHER safely, be accompanied and encouraged to GROW in their Spirituality and understanding of God's love and equipped to GO out to reveal God's Kingdom.

Church life has been busy with increased activities and events held by the churches i.e., Messy Church, Eco Church, 'Godly Play' and 'Meal for Free' schemes.

The Welcome Inn Café at Victoria Park (opened mid-May 2022) has been voted the best community cafe in Bournemouth.

20 years since the rebuild of Broadstone church has been marked with events taking place during the year.

St Georges continues to be used by the Foodbank who help those in the community in need of their services. Faithworks Wessex continued to work out of Winton Church to support addiction and poverty for those people in Bournemouth, and Poole. During the end of 2022 worship services started to be held at St George's Chapel.

As per previous years, the Circuit has been able to finance two Deacons to work with the local communities in Bournemouth and Poole.

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Stationing - For the third year, the Circuit was not matched with a new minister which continued to cause challenges for the ministry team. To assist them in their ministry a retired minister has continued part-time, and a lay pastor has also given his time to help.

There was a continuation of Zoom virtual Worship Services started during the pandemic.

Plans for 2023/24

The Trustees continue to recognise the need to regularly review the Circuit's structure and resources with the aim to provide future stability for the Circuit and its Churches and the need to monitor the finances of its Churches which will affect the future income of the Circuit.

- Meeting in groups is vital to offer support and social contact.
- Be wise with resources – people, skills, money.
- Repurposing of buildings which can be difficult to maintain and not always essential for worship.
- Working with others is the only way forward – Circuit, ecumenical partners, partners in mission.
- Become a hybrid church using Zoom, streamed services, recorded services and face to face worship to include everyone.
- Focus on the younger generation.

The safeguarding training requirements of individuals will continue to be monitored on a regular basis throughout 2022/23.

The Trustees will be asked to agree the closure of Kinson Church with the last service to be held in June 2024.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31st August 2022 have been prepared under the Charities Act 2011 in accordance with the 2019 version of Accounting and Reporting by Charities; Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 - the Charities SORP (FRS102).

Full name of charity: Poole Bay Methodist Circuit

Registration Charity Number :1136518

Date of registration; 22nd June 2010

Main contact address: The Circuit Office, c/o Winton Methodist Church, Heron Court Road, Bournemouth, BH9 1DE.

The members of the Poole Bay Methodist Circuit meeting are the Charity Trustees, membership being made up of Circuit office holders, Ministers and representatives appointed by the local Churches.

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Circuit Ministers and Officers

Active Circuit Ministers *Rev Tony Cavanagh (Superintendent)*

Rev Roberto Viana

Rev Karen James

Deacon Suzie Viana

Deacon Gill Judge

Rev Chris Moreton

Circuit Officers

Mr Brian Tucknott

Mr Terry Fish

Mr Keshento Burbidge

Ms Naomi Shrimpton

Dr Julian Tawn

Mr Andrew Goodwin

Miss Sarah Joy

Miss Di Baggs

Circuit Office Staff

Michelle Dobson, Office Administrator

Louise Tidd, Finance Administrator

Karen Price, Property Administrator

Investment Bankers Central Finance Board of the Methodist Church

Trustees for the Methodist Church Purposes

Auditor PKF Francis Clark

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Circuit Trustees who served during the period 1 Sept 2022 to 31 August 2023 (with start and end dates, where applicable)

Ministers	Elected	Resigned
Rev Tony Cavanagh (Superintendent)	01.09.2015	
Rev Roberto Viana	01.09.2015	
Deacon Suzie Viana	01.09.2015	
Rev Karen James	01.09.2019	
Deacon Gill Judge	01.09.2020	

Circuit Stewards

Mr Brian Tucknott	01.09.2015	12.09.2023
Mr Andrew Goodwin	12.06.2019	
Dr Julian Tawn	03.12.2019	
Mr Keshento Burbidge	15.09.2020	
Ms Naomi Shrimpton	15.09.2020	
Miss Sarah Joy	13.09.2022	

Circuit Safeguarding Officer

Rev Karen James	10.04.2020
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Circuit Meeting Secretary (shared role)

Miss Di Baggs (Broadstone)	06.12.2022	
Mrs Christine Snape (Upton)	01.09.2017	
Mrs Valerie Wells	13.03.2018	06.12.2022

Local Preachers Secretary

Dr Terry Fish	15.09.2020
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<u>Circuit Church Representatives</u>	Elected	Resigned
Bournemouth		
Mrs Lesley Fernand	17.10.2017	
Mr Tony Fernand	01.09.2017	
Mrs Pat Goodhall	17.10.2017	31.08.2023
Mr Alan McCoy	01.09.2017	
Mrs Ros Murray	01.09.2017	
Mr Ian Underwood	17.10.2017	
Mrs Anita Hazell	23.05.2019	
Mr Paul Thompson	14.02.2022	
Broadstone		
Mrs Edwina Gould	11.06.2019	
Mrs Joan Jackson	11.06.2019	30.04.2023
Mrs Sylvia Kingston	14.05.2023	
Mrs Judith Hewins	01.09.2015	
Kinson		
Mr Mike Glassey	01.09.2015	12.09.2023
Mrs Ann Hughes	01.09.2015	
Lytchett Matravers		
Mr Clive Allen	08.09.2015	
Mrs Sheilah Goddard	08.09.2015	
Mrs Tina Smith	12.06.2018	

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Poole	Elected	Resigned
Mr John Beasley	12.04.2020	
Ms Denise Gibbs	12.06.2018	
Mr Gerald Beddard	13.09.2022	
Mr Eifron Hopper	26.10.2022	

Swanage

Mr Robert Taylor	01.09.2016	
Mrs Annie Fellows	22.10.2020	

Upton

Mrs Katrin Harwood	01.09.2015	
Mrs Sue McCormick	28.04.2016	
Mrs Moira Thompson	14.05.2019	

Wool

Mr Christopher Melhuish	01.09.2015	
Mrs Eileen Osgood	01.09.2015	
Mr Danny Plews (deceased)	01.09.2015	27.04.2023

Aims and Organisation

Charity objective is to act as a Resource provider within the area around Bournemouth, Poole and Purbeck District 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;

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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.

Activities

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.

The large majority of the charity's Trustees take on their responsibility on a voluntary basis. Trustees rely heavily on members of the Circuit Churches to volunteer for specific roles, such as Circuit Stewardships and Local Preachers Trainer.

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 with the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership team along with the Local Preachers Meeting and the Circuit Finance Group.

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" available to all new Circuit meeting members as induction to their roles as Trustees.

All members of the Circuit Meeting are Trustees of the Poole Bay Methodist Circuit. The membership of the Circuit Meeting is prescribed in the Standing Orders of the Constitutional Practice and discipline of the Methodist Church. Under the Standing Orders all the Circuit's Ministers and Circuit's Stewards are ex officio members of the Circuit Meeting. The Poole Bay Methodist Circuit has further agreed that the Circuit Safeguarding Officer and Local Preacher's secretary are also members and that if possible, each Church can provide 4 representatives, elected from those Churches.

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The managing Trustees must operate within the guidelines of the Methodist Church of Great Britain. The Constitutional Practice and Discipline (CPD) of the Methodist Church lays down how the Circuit should run, and the Methodist Church provides guidance on many of the policies required, such as Safeguarding, employment, recruitment etc.

The remuneration for the Circuit's Ministers is set by Methodist Conference each year. Lay employee's remuneration is discussed by the Circuit Finance Group and a recommendation is put forward to the managing Trustees with the annual budget. The Methodist Church supports the Living Wage Foundation.

Related Parties

The Circuit is part of the Southampton District and is also accountable to the Methodist Conference. The following Methodist Churches are linked to the Circuit:- Broadstone, Kinson, Lytchett Matravers, Poole Town, St George's, Swanage, Trinity, Upton, Victoria Park, Winton and Wool.

The four Churches of St George's, Trinity, Victoria Park and Winton, operate under one governance structure of the Bournemouth Methodists.

Please refer to the following notes to the accounts: 17. Related Parties Transactions on page 29 & 30.

Risk Management

The major risks have been identified and recorded by the Circuit Office Team and have been reviewed by the Circuit's Trustees.

There is a regular annual review process undertaken and recorded.

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

Environmental or External factors

Pandemic

As with the COVID pandemic, all sectors and governments worldwide would face challenges associated with the economic conditions resulting from efforts to address another pandemic. Government safeguarding and other guidelines would be followed by the Circuit. Assistance in the form of grants for loss of income may be available to the churches within the Circuit.

Other external factors

Changes to government policy which may result in a negative impact to the charity i.e. change of regulations, law, taxation. To address this risk the Trustees ensure they remain up to date with changes in legislation and engage professional advisors where appropriate.

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Governance Risks

The Trustees may lack relevant skills or commitment. The Circuit may find it difficult to fill these roles. To address this risk the Methodist Church of Great Britain provides guidance for managing trustees on its website and via the Constitutional Practice & Discipline (CPD) of the Methodist Church.

Operational Risks

Employment issues such as the ability to recruit or retain key staff. To address this risk the Methodist Church of Great Britain provides recruitment advice via its Safer Recruitment guidelines.

Business continuity issues such as the occurrence of incidents that limit the Circuit office's ability to operate as normal. To mitigate these risks the office has surplus IT equipment, up to date antivirus protection is used, storage is mainly server based and office data regularly backed up to a hard drive.

Financial Risks

Loss of assessment income from churches resulting from a fall in church membership numbers and/or the ability to fill key Trustees roles. Also, the loss of income from the closure of a church. To mitigate this the Trustee may consider the option to repurpose a church building for the use of another charitable organisation. The Circuit reserves are monitored by the Trustees. Church Treasurers monitor Church finances and make savings where possible.

Control Risk

Risk of budgets being inaccurate. To address this risk actual costs are measured against budgeted costs by the Financial Administrator bi-annually or more regularly if required.

Inherent Risks

Identifying probable and possible risks the Circuit may face. To address these risks the Methodist Church publish newsletters on its website. Regular office zoom meetings are held to discuss and agree the best course of action to take to reduce risks.

Compliance Risks

Potential non-compliance with legislation. To mitigate this risk by following up to date guidance issued by the Methodist Church and the Charities Commission.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

- The care and nurture of, and respectful pastoral ministry with, all children, young people and adults

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- 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 Poole Bay Methodist Circuit is committed to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the Churches. The Poole Bay Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Reserves Policy

The reserves Policy for the Circuit is to hold in its General Fund a minimum sum equivalent to 6 month's budgeted expenditure i.e. £193,899 (23/24 budget), in line with the Methodist Church of Great Britain and as recommended by the Southampton District.

The Trustees consider this sufficient to meet any unforeseen time of major expenditure in the short term and for funding planned activities in the event of any inability to raise in the short term and for funding planned activities in the event of any inability to raise the full Circuit Assessment from Churches. The net current assets in the general fund balance at 31st August 2023 were £973,267 (inc. Eva D. Clark & Wareham £9).

During the period other funds also held and not included in unrestricted free reserves are:

Property Fund

A property fund of £6,411,000 has been established, equivalent to the value of the Circuit manses held within fixed assets. The manses were valued at market value as at 31st August 2023 (see page 25).

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Circuit Model Trust

Circuit Model Trust monies are unrestricted and can be used for a variety of purposes. The Trust is held by the Trustees for the Methodist Church Purposes (TMCP) as custodian trustees. Closing Balances at 31st August 2023 of £501,929 (inc. accrued manse sales fees of £6,732).

Designated Funds

Designated funds are part of the unrestricted funds which the trustees have earmarked for a particular project or use, without restricting or committing the funds legally. The designation may be cancelled by the trustees if they later decide that the charity should not proceed or continue with the project for which the funds were designated.

The Circuit holds designated funds to be held to cover the costs for Education & Youth, Equipment, Mission & Outreach, Training, Ministers, Lay Employees and Manse repairs.

The closing balance of designated funds as at 31st August 2023 was £239,192.

Rev Robert Ferguson Trust

The Rev Robert Ferguson Trust is a restricted fund. It is a legacy left to the Circuit for the support of retired Methodist Ministers. The closing balance was £2,218.

Food Bank

The Food Bank monies were donated by the Church members for the specific funding of the Food Bank that operates from our Church in Boscombe. The closing balance was £3,252.

Benevolent

The Benevolent Fund is a donation from the family of a past member to be used at the discretion of the Superintendent Minister, for those in need. The balance was £556.

Various Studland Bequests

An endowment fund bequeathed to the Circuit or it's Churches that have since closed. The use of interest is unrestricted. The Market Value at 31st August 2023 was £1,752.

Ford Trust

An endowment fund bequeathed to the Circuit or it's Churches that have since closed. The use of the interest is unrestricted. The Market Value at 31st August 2023 was £864.

Wareham Bequest

A fixed interest fund bequeathed to Wareham Church and transferred to the Circuit on closure of the Church. The use of the fund is unrestricted and both capital and interest can be withdrawn. The Market Value of the investment at 31st August 2023 was £217.

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The Circuit Model Trust and designated funds are part of the unrestricted funds which the Trustees retain for circuit activities, without restricting and committing the funds legally.

Trustee Responsibilities

The law applicable to charities in England and Wales required the Trustees of Poole Bay Methodist to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Standing Orders of the Methodist Church and the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity's auditor is unaware;
and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The charity seeks to comply with the requirements of UK legislation, the Charity Commission and the Constitutional Practice and Discipline of the Methodist Church in all areas of its dealings.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting period beginning on or after 1st January 2019.

The Trustees approved this report on 5th March 2024. The report was signed on their behalf by

Tony Cavanagh

Tony Cavanagh
Superintendent and Chair of the Circuit Meeting

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Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2022-23 £	Total 2021-22 £
Income and Endowments from:								
Donations and legacies	4	-					-	110
Income from monetary investments	5	32,430	19,756		41	82	52,309	6,225
Assessments on Churches	6	329,864					329,864	316,937
Other Charitable Income	7	55,394			400		55,794	46,705
Total income		417,688	19,756	-	441	82	437,967	369,977
Expenditure on:								
Donations	8	37,273		-			37,273	988
Salaries, NIC & Pension costs	9	141,726		110,265			251,991	241,264
Property maintenance & other costs		9,709		37,434			47,143	23,347
Expenditure on other Methodist Property		720	6,012				6,732	-
Office expenses		2,498					2,498	3,967
Telephone and Travel		13,831		3,637			17,468	14,420
Insurance, Utilities etc.		31,717		3,172			34,889	35,591
District Assessment & Levy		6,432		5,724			12,156	12,660
Methodist Church Fund		31,848		28,344			60,192	64,104
Contributions to District Advance Fund			37,059				37,059	51,080
Contributions to Methodist Pension Reserve Fund							-	26,100
Professional fees	9	8,994					8,994	8,160
Other outgoings		6,787	1,899	781	657	8	10,132	6,718
Total charitable expenditure		291,535	44,970	189,357	657	8	526,527	488,399
Net expenditure		126,153	-25,214	-189,357	-216	74	-88,560	-118,422
Transfers between funds	15	57,348	-138,938	81,828	-	-238	-	-
Other recognised losses:	11	-17					-17	-41
Losses / gains on revaluation of fixed assets	10	-456,000					-456,000	689,000
Net movement in funds		-272,516	-164,152	-107,529	-216	-164	-544,577	570,537
Total funds brought forward		7,657,000	666,081	346,721	6,242	2,780	8,678,824	8,108,287
Total funds carried forward		7,384,484	501,929	239,192	6,026	2,616	8,134,247	8,678,824

* 2022 SOFA is shown in the notes to the accounts on page 21.

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Balance Sheet as at 31 August 2023

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Fixed Assets								
Land & Buildings	10	6,411,000					6,411,000	6,867,000
Investments	11	217				2,231	2,448	2,465
Total fixed assets		6,411,217	0	0	0	2,231	6,413,448	6,869,465
Current Assets								
Debtors and Prepayments	12	42,091		0			42,091	37,039
Loan by the Circuit to Poole Methodists		64,000					64,000	64,000
Cash at Bank and in hand		93,333		0	4,727		98,060	63,519
Trustees for Methodist Church Purposes deposits		5,347	507,941	0	1,299	385	514,972	672,845
Central Finance Board Deposits		782,906		239,192			1,022,098	981,735
Total current assets		987,677	507,941	239,192	6,026	385	1,741,221	1,819,138
Current Liabilities								
Creditors and Accruals (due in under 1 yr)	13	14,410	6,012	0	0		20,422	9,779
Total current liabilities		14,410	6,012	0	0	0	20,422	9,779
Net current assets		973,267	501,929	239,192	6,026	385	1,720,799	1,809,359
Total assets less current liabilities		7,384,484	501,929	239,192	6,026	2,616	8,134,247	8,678,824
Net assets		7,384,484	501,929	239,192	6,026	2,616	8,134,247	8,678,824
Funds of the Circuit								
Unrestricted funds	15	7,384,484	501,929	239,192			8,125,605	8,669,802
Restricted funds					6,026		6,026	6,242
Endowment funds						2,616	2,616	2,780
Total Funds		7,384,484	501,929	239,192	6,026	2,616	8,134,247	8,678,824

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Statement of cashflow		2023	2022
	Note	£	£
Cash flow from operating activities	16	-135,278	-127,777
Interest received		<u>52,309</u>	<u>6,225</u>
Net cash flow from operating activities		<u>-82,969</u>	<u>-121,552</u>
 Cash flow from investing activities		 <u>0</u>	 <u>0</u>
 Cash flow from financing activities		 <u>0</u>	 <u>0</u>
Net decrease in cash and cash equivalents		-82,969	-121,552
Cash and cash equivalents at 01/09		<u>1,718,099</u>	<u>1,839,651</u>
 Cash and cash equivalents at 31/08		 <u>1,635,130</u>	 <u>1,718,099</u>
Cash at bank and in hand		1,120,158	1,045,254
Short term deposits		514,972	672,845
Cash and cash equivalents at 31/08		<u>1,635,130</u>	<u>1,718,099</u>

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Notes to the Accounts

Accounting framework and accounting policies

1. Basis of accounting

Poole Bay Methodist Circuit is a registered charity, registration number 1136518, registered in the United Kingdom. The address of the charity is given in the trustees' report on page 4 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees Annual Report.

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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Public benefit entity

The Poole Bay Circuit meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes below.

3. Accounting policies

Basis

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

The financial statements have been prepared on a going concern basis. The Trustees have considered the uncertainty caused in the current year by the coronavirus pandemic restrictions which started in March 2020 and continued until they were finally lifted in July 2021 and how this along with the increase in energy and other running costs will impact on the charity's operations and finances in the short to medium term. In the opinion of the Trustees, with proactively managing cash-flow the charity has sufficient working capital to continue to meet its financial obligations and pay its liabilities as they fall due for the foreseeable future and therefore the financial statements have been prepared on a going concern basis. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Content

The financial information presented is relevant, reliable, comparable and complete. The accounts are expressed in £Sterling, rounded to the nearest pound.

FRS102 SORP2019

These accounts are compliant with FRS102 and with FRS102 SORP 2019.

Income recognition

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

sufficient reliability. Assessment income received from Churches is also included on this basis. No attempt is made to measure the value of services donated by volunteers.

Expenditure

This is recognized when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognized as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

Donations

Donations made by the Circuit are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the donation is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

VAT

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

Tangible fixed assets for use by the Circuit

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

The freehold property is shown in the accounts at the current market values. All properties are owned by the Methodist Church of Great Britain. The Circuit Trustees are the Managing Trustees. In adherence to Methodist regulations, each property is surveyed by a qualified surveyor every five years and property inspections are carried out by the Circuit. The results of these surveys form the basis of the planning and budgeting for remedial works along with regulatory requirements such as boiler inspections and electrical testing.

During 2019/20 there was an accounting policy change to the method used to value the manse properties from insurance valuation to the use of market values. The market values are reviewed annually to reflect the current market.

Contingent Assets

Wareham Church was closed in June 2019 and the Church was put on the open market for £335,000. An offer was accepted during 2020 pending planning permission. After planning delays, planning permission was declined in December 2023. The Church has been disclosed in the accounts as a contingent asset due to uncertainty of the sale of the church building and the capital amount to be received by the Circuit on any future sale.

Investment Properties

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

Investments

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

Debtors and Prepayments

Debtors are stated at the amounts owed to the Circuit or prepaid. The liquid funds of bank balances and deposit account balances are shown at realisable values.

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

Creditors

Creditors are initially recognised at settlement amount after trade discounts, where normal credit terms apply or amount advanced to the Circuit. Subsequently, creditors that are current liabilities are measured at the cash or other consideration expected to be paid.

Loans

Concessionary loans include those receivable from/ made to third parties which are interest free or below market rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers are not employees of the Church. For simplicity, however, when dealing with National Insurance contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body. Lay employees, however, are contractually employees and have the option of joining The Pensions Trust. This is a defined contribution scheme. The Connexion accounts for MMPS and shows the figures in the annual Methodist Church of Great Britain accounts.

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2021-22 £	Total 2020-21 £
Income and Endowments from:								
Donations and legacies	4	110					110	440
Income from monetary investments	5	3,900	2,303		7	15	6,225	3,996
Assessments on Churches	6	316,937					316,937	316,936
Other Charitable Income	7	46,581			124		46,705	47,293
Total income		367,528	2,303	-	131	15	369,977	368,665
Expenditure on:								
Donations	8	838		150			988	73,302
Salaries, NIC & Pension costs	9	136,957		104,307			241,264	254,103
Property maintenance & other costs		4,378		18,969			23,347	27,792
Expenditure on other Methodist Property		-					-	66,270
Office expenses		3,967					3,967	4,660
Telephone and Travel		11,820		2,600			14,420	11,807
Insurance, Utilities etc.		33,060		2,531			35,591	32,555
District Assessment & Levy		7,788		4,872			12,660	16,236
Methodist Church Fund		39,444		24,660			64,104	85,056
Contributions to District Advance Fund		-	51,080				51,080	19,893
Contributions to Methodist Pension Reserve Fund		26,100					26,100	-
Professional fees	9	8,160					8,160	7,920
Other outgoings		4,468	1,086	581	575	8	6,718	8,228
Total charitable expenditure		276,980	52,166	158,670	575	8	488,399	607,822
Net income/(expenditure)		90,548	-49,863	-158,670	-444	7	-118,422	-239,157
Transfers between funds	15	-93,575	-35,790	129,365	-		-	-100
Other recognised losses/gains:	11					-41	-41	-5
Gains on revaluation of fixed assets	10	689,000					689,000	536,000
Net movement in funds		685,973	-85,653	-29,305	-444	-34	570,537	296,738
Total funds brought forward		6,971,027	751,734	376,026	6,686	2,814	8,108,287	7,811,549
Total funds carried forward		7,657,000	666,081	346,721	6,242	2,780	8,678,824	8,108,287

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

4. Donations and legacies	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Donations	0				0	110
Total	0	-	-	-	0	110

5. Income from monetary investments	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Central Finance Board CFB	32,188				32,188	3,870
TMCP	171	19,756	41	82	20,050	2,349
CAF	71				71	6
Total	32,430	19,756	41	82	52,309	6,225

6. Assessments on Churches	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Bournemouth Methodists	106,178				106,178	102,017
Broadstone	58,659				58,659	56,360
Kinson	27,558				27,558	26,479
Lytchett Matravers	7,553				7,553	7,257
Poole	69,974				69,974	67,232
Swanage	32,584				32,584	31,307
Upton	20,263				20,263	19,469
Wool	7,095				7,095	6,816
Total	329,864	-	-	-	329,864	316,937

Note: Bournemouth Methodists include: St George's, Trinity, Victoria Park and Winton churches.

7. Other Charitable Income	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Lettings (Fernside Road)	18,600				18,600	18,600
Lettings (Headswell Avenue)	18,550				18,550	18,000
Lettings (St Lukes Road tenancy from December 2022)	18,000				18,000	0
Lettings (Wimborne Road) tenancy ended March 2022	0				0	9,765
Other	244		400		644	340
Total	55,394	-	400	-	55,794	46,705

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

8 Donations and legacies	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Donation to SeaChange Management Ltd - Kids Go Free meal initiative	2,000				2,000	0
Donation to Poole Methodists to cover unpaid historic hall letting debtors	5,273				5,273	0
Donations to Circuit Churches towards energy bills:-						
Poole Methodists	3,000				3,000	388
Bournemouth Methodists	9,000				9,000	0
Broadstone	3,000				3,000	0
Swanage	3,000				3,000	600
Kinson	3,000				3,000	0
Upton	3,000				3,000	0
Lytchett Matravers	3,000				3,000	0
Wool	3,000				3,000	0
Total	37,273	0	0	0	37,273	988

Each church received a payment of £3,000 towards energy bills due to the cost of living crisis.

Last year, Poole Methodists received small grants of £150 (Gather, Grow & Go training) and £238 (Playtime National Conference). Swanage received a small grant of £600 towards IT equipment.

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

9. Salaries & Associated Costs

Staff Costs paid during the year were:

Gross wages, salaries and benefits in kind
Employer's National Insurance costs
Pension costs
Administration costs inc. apprenticeships levy

Total staff costs

Stipends
Stipends - housing/living allowance

Total (Inc. stipends)

	2023 Total	2022 Total
	£	£
£	33,116	31,528
£	1,035	705
£	1,734	1,341
£	1,523	1,607
£	37,408	35,181
£	203,583	195,083
£	11,000	11,000
£	251,991	241,264

Stipend salaries relate to the employees of the central Methodist and costs are recharged to Poole Bay Circuit. No employees earn in excess of £60,000.

Average number of lay employees employed during the year were:

Average Full Time Equivalent (FTE) number of lay employees employed during the year were:

Average number of Ministers stationed during the year were:

Average Full Time Equivalent (FTE) number of Ministers

3	3
1.0	1.1
6	6
5.5	5.5

Payment to Trustees

Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting. Trustees are also authorised to purchase items for the Church's use and were reimbursed the cost of those items.

	This year	Last year
£	17,936	12,298

Number of trustees who were paid expenses

7	6
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Nature of the expenses : Mileage, Telephone & Business Expenses incurred by Ministers and Stewards and the cost of small tokens to Circuit Stewards and Ministers.

Water & sewage bills - Palmer Road

£	0	1,697
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Total amount paid

£	17,936	13,995
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Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts

Other professional fees (eg: advice, accountancy services)

£	8,994	7,560
£	0	600

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

10. Tangible Fixed Assets

Cost or valuation

	Manses £	Other non investment land and buildings £	Total £
Balance brought forward	6,867,000	0	6,867,000
Additions			0
Revaluations (+/-)	-456,000		-456,000
Disposals (-)			0
Transfers * (+/-)		-	0
Balance carried forward	6,411,000	-	6,411,000

Net book value

Brought forward	6,867,000	-	6,867,000
Carried forward	6,411,000	-	6,411,000

The Manse properties have been revalued at Market Value on 31st August 2023 was based on Zoopla estimates as at 8 November 2023, the trustees don't believe the difference in value between the balance sheet date and date of the Zoopla estimates to be material.

If the Manse properties had continue to be revalued on 31st August 2023 based on the insurance valuations of £4,189,529 provided by Methodist Insurance in November 2023 the total valuation would have been £2,221,471 lower than by using market values.

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

11. Investments

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and 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 that, through providing guidance and acting under their direction, the Managing Trustees comply with Charity Law and Methodist Law and policy as determined by the Methodist Conference.

Analysis of investment movements

	This year £	Previous year £
Other investments	2,448	2,465
Change in investment values	£	£
Carrying (market) value at beginning of year	2,465	2,506
Add: additions to investments at cost	0	0
Less: disposals at carrying value		
Net: (loss)/gain on revaluation	-17	-41
Carrying (market) value at end of year	2,448	2,465

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

12. Analysis of current assets

	This year £	Last year £
Debtors and prepayments		
Prepayments	18,432	18,773
Accrued income - lettings	1,550	16,832
Accrued income - church assessments	19,574	0
Other church debtors - church wages	2,535	29
Other church debtors (see note 17)	64,000	65,405
Total debtors and prepayments	106,091	101,039

Disclosure of debtors recoverable in more than 1 year (included in other church debtors above)

5 year interest free loan to Poole Methodists (payment suspended)	48,000	48,000
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Analysis of cash at bank

Bank balance held in CAF Current Account	95,585	60,538
Bank balance held in CFB Ops and Reserves	1,022,098	981,735
Bank balance held in TMCP Funds - Poole Bay	451,028	610,785
Bank balance held in TMCP Fund - Poole Bay Reserves	56,914	55,296
Bank balance held in TMCP Fund - Robert Ferguson Trust	1,299	1,262
Bank balance held in TMCP Fund - Studland	130	81
Bank balance held in TMCP Fund - Fords' Trusts	254	230
Bank balance held in TMCP Fund - Legacy Wareham	9	4
Bank balance held in TMCP Fund - E D Clarke	5,338	5,187
Cash held - Minister Imprest	0	363
Cash held - Foodbank	45	228
Other Accounts held by Internal Organisations	2,430	2,390
Total Cash and Bank	1,635,130	1,718,099

13. Analysis of current liabilities and long term creditors

Sundry Creditors	16,380	9,551
Church Creditors - Connexional	4,042	0
Other Church Creditors	0	228
Total Creditor and Accruals	20,422	9,779

14. Capital commitments and contingent liabilities

At the 31st August 2023 the Circuit has no capital commitments.
No Contingent liabilities were identified at 31st August 2023.

POOLE BAY METHODIST CIRCUIT
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st AUGUST 2023

15. Detailed analysis of individual fund movements

Unrestricted Funds

Fund Name	Opening Balance	Income	Expenditure	Transfers	Revaluation gains/losses	Closing Balance	Purpose of the fund
General	784,814	417,516	-291,520	57,110		967,920	General Mission
Eva Doris Clark	5,186	167	-15			5,338	From Corfe Mullen - general mission
Property	6,867,000				-456,000	6,411,000	Provision of Manses for Minister use
Poole Bay Model Trust Fund	666,081	19,756	-44,970	-138,938		501,929	Mission
Mission funds (designated)	8,415					8,415	Mission
Education & Youth Fund (designated)	3,651					3,651	Education & Youth
Equipment (designated)	4,752			500		5,252	Provision of Equipment
Mission & Outreach (designated)	41,752					41,752	Various mission & outreach projects
Ministers removal (designated)	-2,431			2,400		-31	To assist ministers when moving
Deacons Fund (designated)	111,746		-107,236			4,510	To cover future Deacons costs
Lay Employee Fund (designated)	61,009		-44,688	35,278		51,599	To cover Lay employee costs
Manse Repairs (designated)	116,353		-37,433	43,650		122,570	To cover manse repair costs
Training (designated)	1,474					1,474	Training
Totals	8,669,802	437,439	-525,862	0	-456,000	8,125,379	

Restricted Funds

Fund Name	Opening Balance	Income	Expenditure	Transfers	Revaluation gains/losses	Closing Balance	Purpose of the fund
Rev. Robert Ferguson Trust	2,181	41	-4			2,218	To support retired Ministers
Int. Org. Food Bank	3,395	400	-543			3,252	Internal Org. Provide food to those in poverty
Benevolent	666		-110			556	For use at Superintendent's discretion for those in need
Totals	6,242	441	-657	0	0	6,026	

Investment Funds

Fund Name	How the Capital is invested	Current Value	Annual Income	What was income used for
Various Studland Bequests - Capital with restrictions	Trustee for Methodist Purposes	1,752	50	added to fund value
Fords Trust - Endowment		864	25	added to fund value
Wareham Bequests -unrestricted		226	5	added to fund value
Totals		2,842	80	

POOLE BAY METHODIST CIRCUIT
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st AUGUST 2023

16. Reconciliation of net income & expenditure to net cash flow from operating activities

	2023	2022
	£	£
Net Movement in funds per SOFA	-544,577	570,537
Interest receivable	-52,309	-6,225
Revaluation of tangible fixed assets	456,000	-689,000
Losses on investments	17	41
Increase / decrease in debtors	-5,052	2,577
Increase / decrease in creditors	10,643	-5,707
Net cash outflow from operating activities	-135,278	-127,777

These accounts are compliant with FRS102 and with FRS102 SORP 2019.

17. Related party transactions

This year

Name of related party	Relationship	Description of transaction	Repayment due date	Amount B/Fwd	Repayment in Year	Loans to related party during the year	Amounts owed by related party on 31-Aug-2023
				£	£	£	£
Rev R Viana	Minister	Non-secured loan	December 2022	505	505		0
Deacon S Viana	Minister	Non-secured loan	February 2023	900	900		0
Poole Methodists	Circuit Church	Non-secured loan	suspended	64,000	0		64,000
Total				65,405	1,405	0	64,000

Poole Methodists - there have been no loan instalment payments in the year.

Circuit office rent of £1,080 was paid to Winton Methodist Church (YE21-22 £2,590).

A donation of £2,000 was paid to Sea Change Management Ltd who run Wesley's Café at The Spire, Poole Methodist church.

Last year

Name of related party	Relationship	Description of transaction	Repayment due date	Amount B/Fwd	Repayment in Year	Loans to related party during the year	Amounts owed by related party on 31-Aug-2022
				£	£	£	£
Rev R Viana	Minister	Non-secured loan	December 2022	2,305	1,800		505
Deacon S Viana	Minister	Non-secured loan	February 2023	2,700	1,800		900
Poole Methodists	Circuit Church	Non-secured loan	August 2026	80,000	16,000		64,000
Total				85,005	19,600	0	65,405

POOLE BAY METHODIST CIRCUIT
ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2023

Related parties

Mr Andrew Goodwin, Trustee was also appointed a Director of Sea Change Management Company Limited on 18 November 2022 and resigned on 16 October 2023. Sea Change Management Company Limited is a company limited by guarantee that provides facilities management services for Poole Methodists.

DECLARATIONS

Financial Representative

I can confirm that I have prepared the accounts from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of the Financial Representative

Louise Tidd

Date: 29 February 2024

Name

Louise Tidd

Address

Poole Bay Methodist Circuit
The Circuit Office
Winton Methodist Church
Heron Court Road
Bournemouth
BH9 1DE

Presentation to the Circuit Meeting for approval.

I confirm that the accounts have been presented to the Circuit Meeting on the 5 March 2024 and were approved.

Signature of the Chair of the meeting

Tony Cavanagh

Name of the Chair at the meeting

Rev A J Cavanagh

Date

5 March 2024

Independent Auditor's Report to the Members of Poole Bay Methodist Circuit

Opinion

We have audited the financial statements of Poole Bay Methodist Circuit for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Poole Bay Methodist Circuit

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the sector in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity. As part of this, we reviewed the Methodist Church website for an indication of any regulations in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity legislation, health and safety regulations and employment law. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities SORP - FRS 102.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Independent Auditor's Report to the Members of Poole Bay Methodist Circuit

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and trustees regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year.
- Discussed with management if any health and safety incidents have been recorded during the year.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Reviewed Board minutes.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Reviewed estimates and judgements made in the accounts for any indication of bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the Trustees those matters we are required to state to Trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Francis Clark LLP

Francis Clark LLP, Statutory Auditor
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Date: 22 April 2024

Francis Clark LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.