



**Circuit  
Accruals Accounts  
2022-2023**

# **THE METHODIST CHURCH REPORT AND ACCOUNTS**

**for the year ended 31 August 2023**

**Tamworth and Lichfield**

**Circuit**

**Registered Charity - Registration number**

**1137326**

**Birmingham**

**District No / Circuit No**

**05/09**

**Ministers**

Revd Joanna Thornton
Revd Wendy Walker
Deacon Joy Sykes

**Circuit Stewards**

David Gowdy
Albert Wright
Robert Share
Carole Share


**Circuit Treasurer**

Paul McDermott
----------------

**Tamworth and Lichfield Methodist Circuit  
Trustee's Annual Report  
for the year ended 31 August 2023**

**Introduction**

The Trustees present their Report and Accounts for the year ended 31 August 2023

**Aims and organisation**

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 along with the Local Preachers meeting and the Circuit Meeting.

**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 Birmingham District and is also accountable to the Methodist Conference.

**Tamworth and Lichfield Methodist Circuit  
Trustees' Annual Report (continued)**

## **Risk Management**

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required.

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 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 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
- 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 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 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 a minimum sum equivalent to six months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manse and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

## **Review of the year**

The financial position of the Circuit remains stable. The task of encouraging and equipping the churches within the Circuit to fulfil the mission of the Methodist Church has continued and is being further developed.

**Tamworth and Lichfield Methodist Circuit**  
**Statement of Financial Activities for the year ended 31 August 2023**

	Note	Unrestricted funds			Total	Total 2022
		General	Circuit Model Trust Fund	Endowment Funds		
		£	£	£	£	£
<b>Income from:</b>						
Assessments		174,528			174,528	162,660
Investments	4	4,093	4,201		8,294	1,386
Other		75	123,134		123,209	
<b>Total</b>		<b>178,696</b>	<b>127,335</b>	<b>0</b>	<b>306,031</b>	<b>164,046</b>
<b>Expenditure on:</b>						
Stipends, salaries, NIC & Pension costs	5	128,819			128,819	105,168
District Assessment		34,908			34,908	34,296
Methodist Church Funds		2,528			2,528	2,662
Telephone & travel' etc		5,961			5,961	4,173
Insurance, utilities, etc		9,368			9,368	8,421
Maintenance of manses		4,647			4,647	11,349
Other Expenditure		6,277	332		6,609	9,538
Grants and Donations		400			400	24,838
Contributions to District Advance Fund			3,331		3,331	4,032
<b>Total</b>		<b>192,908</b>	<b>3,663</b>	<b>0</b>	<b>196,571</b>	<b>204,477</b>
<b>Net income/(expenditure)</b>		<b>-14,212</b>	<b>123,672</b>	<b>0</b>	<b>109,460</b>	<b>-40,431</b>
<b>Transfer between funds</b>		1,050	-1,050			
Gains/(Losses) on investment assets			-167	-368	-537	-843
<b>Net movement in funds</b>		<b>-13,162</b>	<b>122,455</b>	<b>-370</b>	<b>108,923</b>	<b>-41,274</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		616,798	116,612	9,944	743,354	784,628
<b>Total funds carried forward</b>		<b>603,636</b>	<b>239,067</b>	<b>9,574</b>	<b>852,277</b>	<b>743,354</b>

**Tamworth and Lichfield Methodist Circuit**

**Balance Sheet as at 31 August 2023**

		Unrestricted	Circuit Model Trust Fund (Unrestricted)	Endowment Funds	Total	2022
		£	£	£	£	£
<b>Tangible Fixed Assets</b>						
	<b>Notes</b>					
Land & Buildings	6	507,927			507,927	507,927
Investments	7		3,771	9,574	13,345	13,882
<b>Total fixed assets</b>		<b>507,927</b>	<b>3,771</b>	<b>9,574</b>	<b>521,272</b>	<b>521,809</b>
<b>Current Assets</b>						
Debtors and Prepayments	8	10,386			10,386	15,610
Other					0	
Trustees for Methodist Church Purposes deposits			235,296		235,296	112,674
Central Finance Board Deposits		127,570			127,570	135,530
Cash at Bank and in hand		1,291			1,291	4,195
<b>Total current assets</b>		<b>139,247</b>	<b>235,296</b>	<b>0</b>	<b>374,543</b>	<b>268,009</b>
<b>Creditors and Accruals (due within one year)</b>	9	43,538			43,538	46,464
<b>Net current assets (liabilities)</b>		<b>95,709</b>	<b>235,296</b>	<b>0</b>	<b>331,005</b>	<b>221,545</b>
<b>Total assets less current liabilities</b>		<b>603,636</b>	<b>239,067</b>	<b>9,574</b>	<b>852,277</b>	<b>743,354</b>
<b>Net assets</b>		<b>603,636</b>	<b>239,067</b>	<b>9,574</b>	<b>852,277</b>	<b>743,354</b>
<b>Funds of the Circuit</b>						
Unrestricted funds	11	603,636			603,636	616,798
Circuit Model Trust Fund (Unrestricted)			239,067		239,067	116,612
Endowment funds				9,574	9,574	9,944
<b>Total Funds</b>		<b>603,636</b>	<b>239,067</b>	<b>9,574</b>	<b>852,277</b>	<b>743,354</b>

**Tamworth and Lichfield Methodist Circuit**  
**Notes to the Accounts for the year ended 31 August 2023**

**1 Basis of accounting**

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities applicable in the UK (effective from 1 January 2015) – the Charities SORP (FRSSE) – in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein."

**2 Funds**

The funds held may include: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There are also the following Endowment funds as listed. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

**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.

**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 sufficient reliability.

**Resources Expended**

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised 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.

**Grants**

Grants made by the Circuit from its own funds 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 grant 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**

The freehold property is shown in the accounts at 2015 deemed values. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings to be not less than its balance sheet value. Any depreciation would not be material. The property has been reviewed for impairment.

**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 include the payment of the September stipend in August.

**Creditors**

Creditors include both sundry expenses and specifically the 1st quarter assessment received in August.

**Tamworth and Lichfield Methodist Circuit**  
**Notes to the Accounts for the year ended 31 August 2023**

4. Investment income	Unrestricted	Circuit Model Trust Fund	Restricted	2023 Total	2022 Total
	£			£	£
Central Finance Board	3824			3,824	752
Other	269	4,201		4,470	634
<b>Total</b>	<b>4,093</b>	<b>4,201</b>	<b>-</b>	<b>8,294</b>	<b>1,386</b>

**5. Paid Employees**

**Staff costs paid during the year were:**

	Total	2022 Total
	£	£
Gross stipends and salary	96,697	79,634
Employer's national insurance contributions	9,200	6,381
Pension costs	22,446	18,753
Apprenticeship levy	476	400
<b>Total</b>	<b>128,819</b>	<b>105,168</b>
Average number of staff employed during the year	4	3

**6. Tangible Fixed Assets**

	Manses £	Equipment £	Total £
Cost/valuation brought forward	507,927	6,392	514,319
Cost/valuation carried forward	507,927	6,392	514,319
Accumulated depreciation brought forward	0	6,392	6,392
Depreciation charge for the year	0	0	0
Accumulated depreciation carried forward	0	6,392	6,392
<b>Net Book Value 31 August 2023</b>	<b>507,927</b>	<b>0</b>	<b>507,927</b>

The insurance value of the three manses was £851,163

**7 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 polity as determined by the Methodist Conference.

Analysis of investment movements	2023 Total £	2022 Total £
Investments held in common investment funds	3,771	3,938
<b>Changes in investment values</b>		
Market value at beginning of year	3,938	4,202
Net gain/(loss on revaluation)	-167	-264
Market value at end of year	3,771	3,938

**Tamworth and Lichfield Methodist Circuit**  
**Notes to the Accounts for the year ended 31 August 2023**

<b>8 Current Assets</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Debtors and prepayments</b>		
		0
Miscellaneous debtors	10,386	15,610
	<u>10,386</u>	<u>15,610</u>
<b>Cash at bank</b>		
Bank balance held at Lloyds Bank	1,291	4,195
	<u>1,291</u>	<u>4,195</u>
<b>9 Creditors and accruals</b> (due within one year)		
Prepaid assessments	43,538	37,469
Other creditors		8,995
	<u>43,538</u>	<u>46,464</u>

**10 Capital commitments and contingent liabilities**

At 31 August 2023 the Circuit had no capital commitments and no known contingent liabilities.

<b>11 Fund Movements</b>	<b>Opening</b>				<b>Closing</b>	
	<b>Balance</b>	<b>Income</b>	<b>Expended</b>	<b>Revaluation</b>	<b>Balance</b>	<b>Purpose of fund</b>
<b>Unrestricted funds</b>						
General	616,798	178,696	191,858		603,636	General purposes
CMTF	116,612	127,335	4,713	-167	239,067	General purposes
	<u>733,410</u>	<u>306,031</u>	<u>196,571</u>	<u>-167</u>	<u>842,703</u>	
<b>Endowment funds</b>						
<b>Endowment Name</b>	<b>How Invested</b>		<b>Capital Value</b>	<b>Annual Income</b>	<b>Income Used For</b>	
Arthur Roland Evetts	Endowment		3,821	106	General Fund	
Tolson Fund	Endowment		4,116	115	General Fund	
Mrs E Deakin Gift	Gift in Memory		437	12	General Fund	
Various Bequests	Model Trust Bequest		1,200	36	General Fund	
			<u>9,574</u>	<u>269</u>		

**12 Pension Fund Commitment**

The Circuit has in the past participated in a multi-employer scheme for two past employees. This scheme is currently in deficit and the Circuit is paying an annual sum to meet its share of this deficit under an arrangement designed to eliminate the deficit by 2025. At 31 August 2023 the net present value of the payments to be made was £481 (2022 - £791)



**Tamworth and Lichfield Methodist Circuit**

**DECLARATIONS**

**Treasurer**

I confirm that these accrual based accounts for the year ended 31 August 2023 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 of Treasurer

Address

**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 Aug 2023 were presented to the Circuit Meeting at its meeting on

**13-Feb-24**

and were approved.

Signature of the Chair of the meeting

Name of the Chair of the meeting

Date

**Independent Examiner's Report to the Trustees of the**

**Circuit**

This Report is on the Circuit Accounts for the year ended 31<sup>st</sup> August

**Respective responsibilities of Trustees and Examiner**

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2023 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 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

## Tamworth and Lichfield Methodist Circuit

### 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 presented 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.
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have 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.

Name of independent examiner

J H Willis

Signature of independent examiner

Relevant Professional qualification of independent examiner

Chartered Accountant

Name of firm (where appropriate)

Address

134 Beacon Park Village, Lower Sandford Street, Lichfield, Staffs. WS13 6JZ

Date

20 December 2023