

Circuit
Accruals Accounts
2023-2024

THE METHODIST CHURCH REPORT AND ACCOUNTS

for the year ended 31 August 2024

Tamworth and Lichfield

Circuit

Registered Charity - Registration number

1137326

Birmingham

District No / Circuit No

05/09

Ministers

Rev'd Joanna Thornton
Rev'd Wendy Walker
Deacon Joy Sykes

Circuit Stewards

Mark Hambly
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 2024**

Introduction

The Trustees present their Report and Accounts for the year ended 31 August 2024

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 manses 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 2024

	Note	Unrestricted funds				Total
		General	Circuit Model Trust Fund	Endowment Funds	Total	2023
		£	£	£	£	£
Income from:						
Assessments		157,147			157,147	174,528
Investments	4	7,020	12,824		19,844	8,294
Other		29,932	10,000		39,932	123,209
Total		194,099	22,824		216,923	306,031
Expenditure on:						
Stipends, salaries, NIC & Pension costs	5	130,916			130,916	128,819
District Assessment		34,908			34,908	34,908
Methodist Church Funds		2,197			2,197	2,528
Telephone & travel’ etc		4,315			4,315	5,961
Insurance, utilities, etc		15,935			15,935	9,368
Maintenance of manses		2,505			2,505	4,647
Other Expenditure		7,900	681		8,581	6,609
Grants and Donations		1,350			1,350	400
Contributions to District Advance Fund			9,454		9,454	3,331
Total		200,026	10,135		210,161	196,571
Net income/(expenditure)		-5,927	12,689		6,762	109,460
Transfer between funds		40,200	-40,200			
Gains/(Losses) on investment assets			292	641	933	-537
Net movement in funds		34,273	-27,219	641	7,695	108,923
Reconciliation of funds:						
Total funds brought forward		603,636	239,067	9,574	852,277	743,354
Total funds carried forward		637,909	211,848	10,215	859,972	852,277

Tamworth and Lichfield Methodist Circuit

Balance Sheet as at 31 August 2024

		Unrestricted	Circuit Model	Endowment	Total	2023
			Trust Fund	Funds		
			(Unrestricted)			
		£	£	£	£	£
Tangible Fixed Assets						
	Notes					
Land & Buildings	6	507,927			507,927	507,927
Investments	7		4,062	10,215	14,277	13,345
Total fixed assets		507,927	4,062	10,215	522,204	521,272
Current Assets						
Debtors and Prepayments	8	6,352			6,352	10,386
Other						
Trustees for Methodist Church						
Purposes deposits			207,786		207,786	235,296
Central Finance Board Deposits		153,431			153,431	127,570
Cash at Bank and in hand		5,850			5,850	1,291
Total current assets		165,633	207,786		373,419	374,543
Creditors and Accruals (due within one year)	9	35,652			35,652	43,538
Net current assets (liabilities)		129,981	207,786		337,767	331,005
Total assets less current liabilities		637,908	211,848	10,215	859,971	852,277
Net assets		637,908	211,848	10,215	859,971	852,277
Funds of the Circuit						
Unrestricted funds	11	637,909			637,909	603,636
Circuit Model Trust Fund (Unrestricted)			211,848		211,848	239,067
Endowment funds				10,215	10,215	9,574
Total Funds		637,908	211,848	10,215	859,972	852,277

Tamworth and Lichfield Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

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 2024

4. Investment income	Unrestricted	Circuit Model	Restricted	2024	2023
		Trust Fund		Total	Total
	£		£	£	£
Central Finance Board	6729			6,729	3,824
Other	291	12,824		13,115	4,470
Total	7,020	12,824	-	19,844	8,294

5. Paid Employees

Staff costs paid during the year were:

	2024	2023
	Total	Total
	£	£
Gross stipends and salary	98,606	96,697
Employer's national insurance contributions	9,095	9,200
Pension costs	22,656	22,446
Apprenticeship levy	559	476
Total	130,916	128,819

Average number of staff employed during the year	4	4
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6. Tangible Fixed Assets

	Manse	Equipment	Total
	£	£	£
Cost/valuation brought forward	507,927	6,392	514,319
Cost/valuation carried forward	<u>507,927</u>	<u>6,392</u>	<u>514,319</u>

Accumulated depreciation brought forward		6,392	6,392
Depreciation charge for the year			
Accumulated depreciation carried forward		<u>6,392</u>	<u>6,392</u>

Net Book Value 31 August 2024	<u>507,927</u>	<u>507,927</u>
The insurance value of the three manse was £1,054,262		

7 Investments

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	2024	2023
	Total	Total
	£	£
Investments held in common investment funds	4,062	3,771
Changes in investment values		
Market value at beginning of year	3,771	3,938
Net gain/(loss on revaluation)	291	-167
Market value at end of year	<u>4,062</u>	<u>3,771</u>

Tamworth and Lichfield Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

8 Current Assets

	2024	2023
	£	£
Debtors and prepayments		

Miscellaneous debtors	6,352	10,386
	<u>6,352</u>	<u>10,386</u>

Cash at bank

Bank balance held at Lloyds Bank	5,850	1,291
	<u>5,850</u>	<u>1,291</u>

9 Creditors and accruals

(due within one year)

Prepaid assessments	35,549	43,538
Other creditors	103	
	<u>35,652</u>	<u>43,538</u>

10 Capital commitments and contingent liabilities

At 31 August 2024 the Circuit had no capital commitments and no known contingent liabilities.

11 Fund Movements

	Opening Balance	Income	Expended	Transfers & Revaluation	Closing Balance	Purpose of fund
Unrestricted funds						
General	603,636	194,099	200,026	40,200	637,909	General purposes
CMTF	239,067	22,824	10,135	-39,908	211,848	General purposes
	<u>842,703</u>	<u>216,923</u>	<u>210,161</u>	<u>292</u>	<u>849,757</u>	

Endowment funds

Endowment Name	How Invested	Capital Value	Annual Income	Income Used For
Arthur Roland Evetts	Endowment	4,117		5 General Fund
Tolson Fund	Endowment	4,427		115 General Fund
Mrs E Deakin Gift	Gift in Memory	471		12 General Fund
Various Bequests	Model Trust Bequest	1,200		60 General Fund
		<u>10,215</u>	<u>192</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 2024 the net present value of the payments to be made was £262 (2023 - £481)

Tamworth and Lichfield Methodist Circuit

DECLARATIONS

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2024 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

06/11/24

Name of Treasurer

P McDermott

Address

13 Blackthorne Road, Lichfield, WS14 9YJ

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

16-Oct-24

and were approved.

Signature of the Chair of the meeting



Name of the Chair of the meeting

Revd Joanna Thornton

Date

20.1.25

Independent Examiner's Report to the Trustees of the

Tamworth and Lichfield Methodist

Circuit

This Report is on the Circuit Accounts for the year ended 31st August

2024

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 2011;
- 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

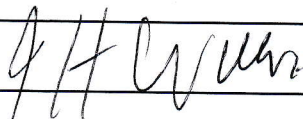
(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(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

11/12/2024