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The Board of Trustees
Bradford North Methodist Circuit
Bradford North Circuit Office
Baildon Methodist Church
Newton Way
Baildon
BD17 5NS

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your independent examination of the charity's financial statements for the year ended 31 August 2021. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1. You acknowledge that the work performed by ourselves is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and that we do not express an audit opinion.
2. You confirm that the charity was entitled to exemption under section 144 of the Charities Act 2011 the requirement to have its financial statements for the financial year ended 31 August 2021 audited.
3. You have fulfilled your responsibilities as trustees as set out in the terms of your engagement letter dated 4 January 2022, under the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

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ACCOUNTANTS

4. You confirm that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.
5. You confirm that all the accounting records have been made available to you for the purpose of your independent examination. You have provided us with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.
6. You confirm that the financial statements are free of material misstatements, including omissions.
7. You confirm that the effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Assets and liabilities

8. You confirm that the charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.
9. You confirm that all actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
10. You have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

11. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

12. The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

13. You have disclosed to us all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

14. You have disclosed to us all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

15. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. You have disclosed to us all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

16. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

17. You believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. You have considered a period of twelve months from the date of approval of the financial statements. You believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

18. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to us. There have been no breaches of terms or conditions in the application of such income.

Financial Statements

19. You confirm that no grant payments were made to Saltaire Chaplaincy in the year, and the amount outstanding at 31 August 2021 of £3,200 remain unchanged from the previous year.

Yours faithfully



Azets Audit Services Limited

We confirm that the above representations are made on the basis of enquiries of trustees, management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation, sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We confirm that we have read and understood the contents of this letter and agree that it accurately reflects the representations made to you by the trustees during the course of the independent examination.

P Drake

Trustee

9 March 2022

Date

Charity Number: 1137672

Bradford North Methodist Circuit

**Trustees' Annual Report and Financial Statements
for the Year Ended 31 August 2021**

Bradford North Methodist Circuit

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Bradford North Methodist Circuit

Charity Information

Administrative Information

The Circuit was registered as a charity with the Charity Commission in England and Wales on 31 August 2010.

Circuit Number: 27/32
Charity Registration Number: 1137672

The Circuit comprised the following 13 churches at 31 August 2021:

Allerton, Baildon, Bolton, Calverley, Christchurch LEP, Crag Road, Haworth Road, Northcliffe LEP, Saltaire, St Andrews (Undercliffe), Thackley, Thornton, Wilsden LEP. The Bradford North Circuit took control of the Sandy Lane building from September 2017, which was sold in October 2020. The Bradford North Circuit took control of the Wrose building from September 2021.

Superintendent Minister: Rev. Philip Drake (appointed September 2021)
Circuit Office
Baildon Methodist Church
Newton Way, Baildon
West Yorkshire BD17 5NH

Circuit Treasurer: John Watmough
11 Guardian Croft
Westcliffe Road
Shipley BD18 3DX

Trustees: The Trustees who are the members of the Circuit Meeting are listed in Note 15.

Leadership Team: Rev. Philp Drake (Superintendent Minister appointed Sep 2021)
Rev. Nicholas Blundell
Rev. Christine Crabtree
Deacon Meredith Evans (appointed Sep 2021)
Rev John Allison (resigned August 2021)
Rev. Keith Knight
Rev. Vicky Atkins
Rev. Derek Hoe
Rev. Mark Watson (resigned August 2021)
Rev. Robert Marsh
Rev. Geoff Reid
Mrs Laura Tunnacliffe (Circuit Youth Worker)
Mrs Clair Schofield (Administrator)
Mrs Nicola Cameron (Finance Officer)

Circuit Stewards: Mr Stuart Ayrton
Mr Clive Grimshaw
Mrs Jennifer Conroy

Lay Employment Officer: Vacant

Local Preachers' Secretary: Mr Stuart Ayrton

Property Officer: Mr Ashley France

Safeguarding Officers: Mrs Jean Morris
Mr Roger Morris
Mr Roger Butterfield

Bradford North Methodist Circuit

Charity Information

Principal address: Baildon Methodist Church
Newton Way
Baildon
Shipley
West Yorkshire
BD17 5NH

Bankers: Barclays Bank plc
Shipley Branch
35 Otley Road
Shipley
West Yorkshire
BD18 3QA

Solicitors: Barton Legal Limited
12 New Road Side
Rawdon
Leeds
West Yorkshire
LS19 6HN

Independent Examiner: Jessica Lawrence
Azets Audit Services Ltd
33 Park Place
Leeds
LS1 2RY

Bradford North Methodist Circuit

Trustees' Annual Report for the Year Ended 31 August 2021

Structure, Governance and Management

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Governing Document:	Deed Of Union (1932) and Methodist Church Act (1976)
Constituted:	Act of Parliament
Selection of Trustees:	Appointed by local churches and existing Trustees Ministers are automatically Trustees
Structure:	Part of the West Yorkshire District of the Methodist Church Accountable to the Methodist Conference
Risks:	Considered by the Leadership Team Take professional Advice when required Adopted Safeguarding Policy

The Trustees consider the key management personnel to be the Circuit Leadership Team which consists of all ministers appointed to the Circuit, including supernumeraries, Circuit Stewards, Treasurer, Property Officer, Safeguarding Officers, Local Preachers' Secretary and Circuit Lay employees.

Objectives and Activities

The Bradford (North) Methodist Circuit has worked to the priorities set nationally by the Methodist Church, in response to its understanding of its calling:

"The calling of the Methodist Church is:

- to increase awareness of God's presence and to celebrate God's love.*
- to help people to grow and learn as Christians, through mutual support and care.*
- to be a good neighbour to people in need and to challenge injustice.*
- to make more followers of Jesus Christ.*

Priorities for the Methodist Church:

In partnership with others wherever possible, the Methodist Church will concentrate its prayers, resources, imagination and commitments:

- to proclaim and affirm its conviction of God's love in Christ, for us and for all the world; and*
- to renew confidence in God's presence and action in the world and in the Church.*

As ways towards realising this priority, the Methodist Church will give particular attention to:

- underpinning everything we do with God-centred worship and prayer;*
- supporting community development and action for justice, especially among the most deprived and poor - in Britain and worldwide;*
- developing confidence in evangelism and in the capacity to speak of God and faith in ways that make sense to all involved;*
- encouraging fresh ways of being Church;*
- nurturing a culture in the Church which is people-centred and flexible."*

The Bradford (North) Circuit works to enable the local churches which constitute the Circuit to fulfil their mission and ministry, in the light of the above priorities.

Bradford North Methodist Circuit

Trustees' Annual Report for the Year Ended 31 August 2021

When reviewing the aims and objectives of the charity and planning future activities the Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Achievements and Performance

In the last year we have:

- welcomed the new Deacon into the circuit, and agreed with the Circuit Leadership Team that the focus of the Deacon's work should be with the church and congregation at Crag Road, set in a neighbourhood with a high level of deprivation and social issues;
- continued to support local leadership teams in a significant number of churches;
- begun work drafting a Circuit strategy document to be presented to the Circuit Meeting in March 2022;
- supported church congregations as they continued to cope with circumstances related to the Covid pandemic, and as churches began to re-open for services and community activities;
- monitored our method of determining local church financial contributions to the work of the circuit, and revised contributions appropriately according to changes in circumstance, not least the pandemic;
- monitored to ensure local churches remain GDPR compliant;
- launched a new circuit 'second mile' project to support the work of 'PeerTalk', which was initiated by a Methodist minister in the Yorkshire West District and enables peer support groups for those who have mental health issues;
- enabled three local ecumenical partnerships in the circuit to continue their work while reflecting on future challenges and possibilities;
- supported our circuit prayer network, linking and resourcing the diverse activities of our churches;
- developed online spirituality resources for access during the pandemic, and provided weekly worship material (online and posted out) to support those who could not get to services, or who are housebound;
- supported the establishment of fellowship and bible study groups online during the pandemic;
- worked with the congregation at Wrose Methodist Church as they worked towards closure in order that there might be 'good endings' and an orderly end to congregational life;
- continued to review Circuit property, including manse, with reference to long-term viability and ecological consequence;
- worked with local church pastoral teams to keep contact with people isolating at home due to the pandemic;
- made plans for the resumption of *Creating Safer Space* Refresher Training, for people who work in church life with children and/or vulnerable adults, thus making our churches safer and more welcoming communities;
- continued through the Circuit Youth Worker to keep contact with young people across the circuit via zoom events and social media contact during periods of lockdown;
- took part in Faith Leaders Forum meetings for representatives of different religions in Bradford, organised by the Bishop of Bradford;
- supported the work of the Pioneer Minister in developing ministry relating to well-being and mindfulness;
- made preparations for changes in leadership of the circuit with the appointment of a new Superintendent to begin in September 2021;
- continued to develop our relationship with Bradford South Circuit, through support of the ministry of Rev Graeme Dutton in the city centre (St Arnold's), and also developing online weekly prayers during lockdown;
- supported the provision of new facilities for work with women from other cultures through Touchstone;
- supported the ecumenical chaplaincy to Saltaire World Heritage Site, and the ecumenical work of Shipley Christians Together as they consider how working across traditional church boundaries might more effectively reach people in the area;
- encouraged staff to use the period of lockdown to develop their skills and networking opportunities through taking part in training and information sessions on Zoom.

Bradford North Methodist Circuit

Trustees' Annual Report for the Year Ended 31 August 2021

Financial Review

The Statement of Financial Activities shows net loss for the year, before other recognised losses, of £34,811 after grants paid of £5,400 (Note 5 to the financial statements). The total reserves at 31 August 2021 stand at £1,769,325. The Trustees consider the financial position to be satisfactory.

Principal Funding Sources

Principal funding sources for the year to 31 August 2021 are the Assessments received from the fourteen churches within the Circuit. The principal expenditure was the salary costs of the three Ministers, one Deacon and three lay staff employed by the Circuit and grants committed.

Reserves Policy

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the Circuit are six months of expenditure amounting to £156,526 for the year ended 31 August 2021. At 31 August 2021 the free reserves amounted to £506,827 thus above this target. The reserves policy will be reviewed annually.

Fundraising

We strive to achieve the highest fundraising standards and we value our supportive funders. We stay up to date with developments in charity regulation, data protection and the Fundraising Preference Service (FPS) to make sure we are legally compliant and adhering to all guidelines. We follow the Institute of Fundraising's Code of Practice.

Future Plans

Challenges moving forward continue to include developing team ministry in such ways that local lay leadership and ministries are supported and enabled to develop, and working with local churches to determine, and put into practice, realistic long term strategy for best use of resources for ministry and mission to the communities of North Bradford.

Bradford North Methodist Circuit

Trustees' Annual Report for the Year Ended 31 August 2021

Trustees' Responsibilities

The charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires the Circuit Assembly to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the net income or net expenditure of the Charity for that period. In preparing those financial statements, the Circuit Assembly has:

- selected suitable accounting policies and applied them consistently
- observed the methods and principles in the applicable Charities SORP
- made judgements and estimates that are reasonable and prudent
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Circuit Assembly is responsible for keeping records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations.

It is also responsible for safeguarding the assets of the charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

Approved on 7th March 2022 and signed on behalf of the Circuit by:



Rev. Philip Drake
Superintendent Minister

Bradford North Methodist Circuit

Independent Examiner's Report to the Trustees of Bradford North Methodist Circuit

I report on the financial statements of Bradford North Methodist Circuit for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity Trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my examination work, for this report, or for the statements I have made.


Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jessica Lawrence
Azets Audit Services Ltd
33 Park Place
Leeds
LS1 2RY

15/03/2022

Bradford North Methodist Circuit

Statement of Financial Activities for the Year Ended 31 August 2021

	Note	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	2021 Total	2020 Total
		£	£	£	£	£	£
Income from:							
Donations and legacies							
Donations		1,100	-	-	-	1,100	850
Assessment or Share		265,288	-	-	-	265,288	298,893
Charitable activities							
Transfer from circuit church		5,400	-	-	-	5,400	89,280
Grants		-	-	-	-	-	20,131
Other trading activities							
Lettings		-	-	-	-	-	10,200
Investment Income		232	990	53	1	1,276	3,575
Other Income		2,644	-	-	-	2,644	2,855
Total income		274,664	990	53	1	275,708	425,784
Expenditure on:							
Charitable Activities							
Stipends and staff costs	2	141,741	21,800	-	-	163,541	175,358
District Assessment		52,260	-	-	-	52,260	54,440
Admin, insurance, professional telephone and travel		49,674	7,751	31	-	57,456	64,883
Utilities		13,569	-	-	-	13,569	15,394
Maintenance on manses		12,372	-	-	1	12,373	4,630
Expenditure on other Circuit property		2,872	-	1,100	-	3,972	4,732
Depreciation		1,555	-	-	-	1,555	1,498
Other expenditure		2,924	-	-	-	2,924	1,830
Grants and donations	5	5,400	-	-	-	5,400	34,708
Total expenditure		282,367	29,551	1,131	1	313,050	357,473
Net (expenditure)/Income before other recognised gains		(7,703)	(28,561)	(1,078)	-	(37,342)	68,311
Realised and unrealised gains on investments		-	2,531	-	-	2,531	(247)
Transfers between funds		(77,484)	77,484	-	-	-	-
Net movement in funds		(85,187)	51,454	(1,078)	-	(34,811)	68,064
Funds brought forward		1,615,009	172,944	16,083	100	1,804,136	1,736,072
Funds carried forward		1,529,822	224,398	15,005	100	1,769,325	1,804,136

A comparative Statement of Financial Activities for the year ended 31 August 2021 is shown in Note 18.

There were no recognised gains and losses for 2021 and 2020 other than those included in the Statement of Financial Activities.

The notes on pages 10 to 20 form part of these financial statements.

Bradford North Methodist Circuit

Balance Sheet as at 31 August 2021

	Note	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	Total Funds 2021	Total Funds 2020
		£	£	£	£	£	£
Fixed assets:							
Tangible assets	6	1,226,071	-	-	-	1,226,071	1,226,996
Listed Investments	7	-	16,321	-	-	16,321	13,790
Long Term Loan	8	10,000	-	-	-	10,000	10,000
		1,236,071	16,321	-	-	1,252,392	1,250,786
Current assets:							
Debtors	9	13,204	-	-	-	13,204	15,533
Church held for sale		-	-	-	-	-	89,280
Cash deposits		135,066	224,277	15,005	100	374,448	379,404
Cash at bank and in hand		166,966	-	-	-	166,966	133,383
		315,236	224,277	15,005	100	554,618	617,600
Creditors: Amounts falling due within one year	10	(21,485)	(11,200)	-	-	(32,685)	(49,650)
Net current assets		293,751	213,077	15,005	100	521,933	567,950
Creditors: Amounts falling due after more than one year	10	-	(5,000)	-	-	(5,000)	(14,600)
Total net assets		1,529,822	224,398	15,005	100	1,769,325	1,804,136
Funds of the Circuit							
General Fund	11/12	1,529,822	-	-	-	1,529,822	1,615,009
Circuit Model Trust Fund	11/12	-	224,398	-	-	224,398	172,944
Total Unrestricted Funds		-	224,398	-	-	1,754,220	1,787,953
Restricted Funds	11/12	-	-	15,005	-	15,005	16,083
Endowment Funds	11/12	-	-	-	100	100	100
Total Funds	11/12	1,529,822	224,398	15,005	100	1,769,325	1,804,136

The notes on pages 10 to 20 form part of these financial statements.

These financial statements were approved by the board of Trustees on 7th March 2022 and signed on its behalf.

P Drake

Rev Philip Drake
Superintendent Minister and Chair of Trustees

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charity information

Bradford North Methodist Circuit is a charitable trust registered with the Charity Commission in England and Wales under the registered number 1137672. The principal address is Baildon Methodist Church, Newton Way, Baildon, Shipley, BD17 5NH.

Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

Bradford North Methodist Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

Going concern

The Trustees have prepared financial projections, taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the charity to continue in operational existence for the foreseeable future and have adequate contingency plans in the event that income streams are reduced. Whilst the global economy has been significantly impacted by the COVID-19 virus, the charity still has reserves sufficient to meet its immediate requirements. Consequently, the financial statements have therefore been prepared on the basis that the charity is a going concern.

Bradford North Methodist Circuit meets the definition of a public benefit entity under FRS 102.

Funds

The funds held constitute:

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 represent grants, donations and legacies received which are allocated by the donor for a particular project or activity.

Endowment funds represent gifts, the capital normally being unavailable for spending, and the income from which is either restricted or unrestricted.

Details of each material fund are disclosed in the notes to these Financial Statements.

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Accounting Policies (continued)

Income

Income represents all income which becomes available to the charity but excludes gains on investments. Grants and donations are recognisable when the charity becomes entitled to receive the funds, when it is probable that the funds will be received and that they can be measured with sufficient accuracy. Investment income is recognised on an accruals basis and comprises of interest receivable during the accounting period.

Sale proceeds from the sale of assets not previously capitalised are shown net of the property levy where there is no replacement scheme for those assets.

Expenditure

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which can not be recovered.

Charitable expenditure comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.

Support costs include those costs incurred in supporting the work of the charity.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Circuit to pay out resources.

Tangible fixed assets for use by the Circuit

A tangible fixed asset is capitalised where the cost of an individual asset is £1,000 or more.

The Circuit Meeting has provided a reasonable estimate of the buildings' current value to the circuit. It is the circuit's policy to revalue its buildings on a regular basis. Contents are included in the valuation of each property accordingly no depreciation is provided on freehold property. The Trustees consider the carrying value of the freehold land and buildings to be materially equivalent to the carrying value.

Depreciation rates are as follows:

Manses, furniture and fittings	At valuation
Equipment	25% straight-line basis

Transfer of church buildings into the circuit

Where a church building that is no longer under the stewardship of the church but where responsibility for stewardship has been transferred to the circuit following the closure of the church, the following accounting policy will be adopted. The property will be included as a current asset net of any levy and included in income where an acceptable offer has been made for the building during the accounting period and the sale has been crystallised after the year end.

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.

Deposit Funds, such as TIF (Trustee Interest Fund) held via Trustees for Methodist Church Purposes and the Central Finance Board are shown separately from Cash and Bank in the Balance Sheet.

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Accounting Policies (continued)

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debtors and prepayments

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Creditors, loans, provisions and grants payable

Creditors, loans and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfers of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any discounts which may be due.

Grants

Grants payable are commitments (including payments) made to third parties in the furtherance of the charitable objectives of the charity. Single or multi-year grants are accounted for as grants payable when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charity.

Grants to local churches for property schemes and other purposes are accounted for as liabilities when they receive formal approval by the Circuit Meeting. On some occasions the Circuit Meeting will be asked to indicate whether it would approve a property development or building of a new church when the project is still at a development stage and other partners are still being consulted. The Circuit Meeting usually indicates that it would support the investment of the proceeds of sale of any related properties and how much it would be prepared to give in addition. Such amounts are not considered to be binding obligations on the Circuit until such time as a formal scheme is brought forward and approved by the Circuit Meeting.

Financial liabilities are only derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire.

Pensions and staff costs

The charity makes payments to the Methodist Ministers' Pension Scheme (MMPS) which is a defined benefits scheme operated by The Methodist Church. The Circuit accounts for contributions paid by circuit as defined contribution scheme as the defined benefit liability is that of the Methodist Church not the Circuit.

Taxation

Bradford North Methodist Circuit is a registered charity and as such is potentially entitled to tax exemption under Section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Accounting Policies (continued)

Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

2. Minister and Lay Staff Information

The average number of clergy and lay staff analysed by function was:

	2021	2020
Clergy	4.0	3.0
Lay staff	3.0	4.5
	7.0	7.5

Ministers and lay staff costs during the year were as follows:

	Clergy 2021 £	Lay staff 2021 £	Total 2021 £	Clergy 2020 £	Lay staff 2020 £	Total 2020 £
Wages and salaries	92,481	35,198	127,679	77,536	63,440	140,976
Social security costs	8,510	1,210	9,720	7,106	3,479	10,585
Pension costs	24,030	2,112	26,142	20,056	3,741	23,797
	125,021	38,520	163,541	104,698	70,660	175,358

No employee earned £60,000 or more during the year (2020: no employee).

The charity considers its key management personnel to be the Circuit Leadership Team as set out on page 1. The remuneration of the Circuit Ministers (clergy) and Lay staff are set out above with further details set out in Note 13. No other members of the Circuit Leadership Team receive remuneration from the Circuit.

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

3. Trustees' Remuneration and Trustees' Expenses

There were no expenses paid to Trustees during the year other than those referred to in Note 13. All salaried ministers' expenses were incurred in carrying out their roles as ministers.

Information on amounts paid to Trustees is included in Note 13.

4. Net Expenditure

This is stated after charging:

	2021 £	2020 £
Independent examiner's remuneration:		
Independent examination fee (including non-recoverable VAT)	1,560	1,548
Depreciation	1,555	1,498

5. Grant Expenditure

Organisation	Commitments unpaid as at 1 September 2020	Commitments made in 2020/2021	Paid in 2020/2021	Commitments unpaid as at 31 August 2021
Bradford South City Centre – St Arnold (payable over 3 years)	6,000	-	3,000	3,000
Touchstone	-	5,400	5,400	-
Chaplaincy Grant (payable over 3 years)	3,200	-	-	3,200
Christians Against Poverty Debt Agency Grant (payable over 3 years)	15,000	-	5,000	10,000
	24,200	5,400	15,000	16,200

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

6. Tangible Fixed Assets

	Property (Manse and internal contents) £	Office equipment £	Total £
Valuation:			
As at 1 September 2020	1,225,000	15,129	1,240,129
Addition of assets	-	630	630
At 31 August 2021	1,225,000	15,759	1,240,759
Depreciation:			
As at 1 September 2020	-	13,133	13,133
Charge for year	-	1,555	1,555
At 31 August 2021	-	14,688	14,688
Net book value:			
At 31 August 2021	1,225,000	1,071	1,226,071
At 31 August 2020	1,225,000	1,996	1,226,996

The historical cost of tangible fixed assets was £1,014,014 (2020 - £1,013,384).

7. Investments

	£
Market value at 31 August 2020	13,790
Realised and unrealised gains	2,531
Market Value at 31 August 2021	16,321

Investments include unitised funds held in the Managed Mixed Fund administered by the Central Finance Board of the Methodist Church.

The historical cost of investments held at market value was £7,918 (2020 - £7,918).

8. Long Term Loan

	2021 £	2020 £
Loan to Yorkshire West Methodist Circuit	10,000	10,000

9. Debtors: Amounts Falling Due Within One Year

	2021 £	2020 £
Prepayments and other debtors	13,204	15,533

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

10. Creditors: Amounts Falling Due Within One Year

	2021 £	2020 £
Assessments in advance	19,545	38,105
Grants payable (Note 5)	11,200	9,600
Creditors and accruals	1,940	1,945
	32,685	49,650

Creditors: Amounts Falling Due Over One Year

	2021 £	2020 £
Grants payable (Note 5)	5,000	14,600

11. Movement in Funds

Current year	Balance 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains £	Balance 31 August 2021 £
Unrestricted funds:						
General Funds	1,615,009	274,664	(282,367)	(77,484)	-	1,529,822
Circuit Model Trust Fund	172,944	990	(29,551)	77,484	2,531	224,398
Total unrestricted funds	1,787,953	275,654	(311,918)	-	2,531	1,754,220
Restricted funds:						
Mabel Goldsborough Bequest	9,366	31	(1,118)	-	-	8,279
Trust 17586 Various Bequests	6,717	22	(13)	-	-	6,726
Total restricted funds	16,083	53	(1,131)	-	-	15,005
Permanent Endowment:						
Edwin Robinson Bequest	100	1	(1)	-	-	100
Total funds	1,804,136	275,708	(313,050)	-	2,531	1,769,325

Restricted funds:

Mabel Goldsborough Bequest is for the upkeep and maintenance of the Circuit's Croft Street Cemetery.

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

11. Movement in Funds (continued)

Prior year	Balance 1 September 2019	Income	Expenditure	Transfers	Loss	Balance 31 August 2020
	£	£	£	£	£	£
Unrestricted funds:						
General Funds	1,476,564	403,550	(275,105)	10,000		1,615,009
Circuit Model Trust Fund	242,337	2,063	(61,209)	(10,000)	(247)	172,944
Total unrestricted funds	1,718,901	405,613	(336,314)	-	(247)	1,787,953
Restricted funds:						
Mabel Goldsborough Bequest	10,398	89	(1,121)	-	-	9,366
Trust 17586 Various Bequests	6,673	57	(13)	-	-	6,717
Northcliffe Evangelist	-	20,024	(20,024)	-	-	-
Total restricted funds	17,071	20,170	(21,158)	-	-	16,083
Permanent Endowment:						
Edwin Robinson Bequest	100	1	(1)	-	-	100
Total funds	1,736,072	425,784	(357,473)	-	(247)	1,804,136

12. Analysis of Net Assets by Fund

Current Year	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets	1,226,071	-	-	1,226,071
Listed Investments	16,322	-	-	16,322
Long term loan	10,000	-	-	10,000
Net current assets	506,827	15,005	100	521,932
Creditors over 1 year	(5,000)	-	-	(5,000)
	1,754,220	15,005	100	1,769,325
Prior Year	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets	1,226,996	-	-	1,226,996
Listed Investments	13,790	-	-	13,790
Long term loan	10,000	-	-	10,000
Net current assets	551,767	16,083	100	567,950
Creditors over 1 year	(14,600)	-	-	(14,600)
	1,787,953	16,083	100	1,804,136

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

13. Related Party Transactions

Ministers

Stipends and allowances for presbyters and deacons (collectively ministers) are set annually by the Methodist Conference, and the Circuit is responsible for meeting those costs for all ministers appointed by the Conference to the Circuit.

The following ministers received the basic stipend of £25,524 (2020: £24,852)

Rev N Blundell
Rev P Drake
Rev C Crabtree

Deacon M Evans is employed at 50% and receives the basic stipend of £12,762 (2020: nil)

Ministers and Deacons are provided living accommodation as required by the church's Standing Orders.

In addition to the basic stipend the following Connexionally agreed additional allowances were paid:

Rev N Blundell: Superintendent Minister's allowance of £2,552 (2020: £2,485).

Lay employees

The following members of the Circuit Meeting are also employees of the Circuit and are in receipt of salaries for the work they undertake in the capacities indicated. They do not receive payment for acting as Trustees:

Name	Position	2021 £	2020 £
Clair Schofield	Administrator	9,868	9,608
Nicola Cameron	Finance Officer	10,091	9,826
Laura Tunnacliffe	Children's Ministry Enabler	15,238	14,835

Other related party transactions

Ashley France who is a Trustee of the circuit, is a chartered surveyor employed by Batty France, chartered quantity surveyors. Batty France provided professional services totalling £7,810 (2020: £12,352) to the circuit during the year in relation to a number of properties held by the charity. There was £nil outstanding balance to Batty France at 31 August 2021 (2020: £nil). He was also paid £352 for expenses relating to manse repairs (2020: £nil).

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

14. Pension Schemes

The charity makes payments to the Methodist Ministers' Pension Scheme (MMPS) which is a defined benefit scheme. The Circuit accounts for contributions paid to the scheme as if the scheme were a defined contribution scheme and amounts are recognised in the income statement. The Circuit is not a participating employer in the scheme and the liability sits with the Methodist Church. The circuit contributes 26.9% (2020: 26.9%) of ministers' stipends which are paid the Methodist Church.

The cost of the pension scheme to the circuit for the year ended 31 August 2021 was £24,031 (2020: £20,056). At the 31 August 2021 £1,881 was prepaid in respect of the scheme (2020: £2,003).

Three of the Lay Employees are members of The Pensions Trust, which is a defined contribution scheme. The cost of the pension scheme to the circuit for the year ended 31 August 2021 was £2,112 (2020: £3,741).

15. Trustees

The following Trustees have held office since 1 September 2020:

John Anderson	Jenny Ambler (appointed 01/09/20)
Stuart Ayrton	Heather Ayrton
Linda Bairstow (appointed 01/09/20)	Viki Atkins (appointed 01/09/20)
Martin Bashforth	Allan Barker
Tim Billingsley	Janet Bell
Anthony Butterfield (appointed 01/09/20)	Rev Nick Blundell
Nicola Cameron	Geoffrey Briggs
Rev Christine Crabtree	Roger Butterfield
Ian Dobson	June Carter
Shelia Dunn	Jennifer Conroy
John Fisher	John Denton
Ashley France	Rev Philip Drake
Alun Griffiths	Meredith Evans (appointed 01/09/20)
Nigel Hainsworth	Rev Lyn Gregg
Rev Derek Hoe	Clive Grimshaw
David Hogg	Janet Harper
Dee Kesler (appointed 01/09/20)	Judith Herne
Margaret Mallinson	Diana Hogg
Bob Marsh	Helen Hoyle
Jean Morris	Peter Jackson
Jeremy Parker	Laurence Mann
Trevor Roberts	Colleen Middleton
Joyce Rossington	Roger Morris
Laura Tunnacliffe	Gary Picken (appointed 01/09/20)
John Watmough	Rev Geoff Reid
Carol Whitrick	Norman Roper
Clair Schofield	

16. Financial Commitments

There were no financial commitments at the 31 August 2021 (2020: none).

17. Contingent Liabilities

There were no contingent liabilities as at 31 August 2021 (2020: £none).

Bradford North Methodist Circuit

Notes to the Financial Statements for the Year Ended 31 August 2021

18. Comparative Statement of Financial Activities for the Year Ended 31 August 2020

	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	2020 Total
	£	£	£	£	£
Income from:					
Donations and legacies					
Donations	850	-	-	-	850
Assessment or Share	298,893	-	-	-	298,893
Charitable activities					
Transfer from circuit church	89,280	-	-	-	89,280
Grants	107	-	20,024	-	20,131
Other trading activities					
Lettings	10,200	-	-	-	10,200
Investment Income	1,365	2,063	146	1	3,575
Other income	2,855	-	-	-	2,855
Total income	403,550	2,063	20,170	1	425,784
Expenditure on:					
Charitable Activities					
Stipends and staff costs	133,534	21,800	20,024	-	175,358
District Assessment	54,440	-	-	-	54,440
Admin, insurance, professional telephone and travel	54,748	10,101	34	-	64,883
Utilities	15,394	-	-	-	15,394
Maintenance on manses	4,629	-	-	1	4,630
Expenditure on other Circuit property	3,632	-	1,100	-	4,732
Depreciation	1,498	-	-	-	1,498
Other expenditure	1,830	-	-	-	1,830
Loss on sale of tangible fixed assets	-	-	-	-	-
Grants and donations	5,400	29,308	-	-	34,708
Total expenditure	275,105	61,209	21,158	1	357,473
Net (expenditure) before other recognised gains	128,445	(59,146)	(988)	-	68,311
Realised and unrealised gains on investments	-	(247)	-	-	(247)
Gains on revaluation of fixed assets	-	-	-	-	-
Transfers between funds	10,000	(10,000)	-	-	-
Net movement in funds	138,445	(69,393)	(988)	-	68,064
Funds brought forward	1,476,564	242,337	17,071	100	1,736,072
Funds carried forward	1,615,009	172,944	16,083	100	1,804,136