

THE METHODIST CHURCH

MILTON KEYNES

Circuit

ACCRUALS ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NORTHAMPTON

District

Circuit no

23/26

Registered Charity - Charity Registration number

1137998

If not a registered charity **Her Majesty's Revenue and Customs Gift Aid number**

(The HMRC number is equivalent to a registered charity number in terms of evidence of charitable status and may be used to give to donors or grant funders wishing to see evidence of the organisation's charitable status. Methodist charities in England and Wales that are not registered charities are excepted from registration under Statutory Instrument 2014 No.242)

Ministers:

Rev Nicola Martyn-Beck

Rev Edson Dube

Rev Barry Lotz

Rev Nicola Vidamour

Circuit Stewards:

Katy Gillam

Treasurer:

David Harbey

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2021 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 14 April 2022

Name and address of treasurer – David Harbey, 38 Boyce Crescent, Old Farm Park, Milton Keynes MK7 8PF

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 will be presented to the Circuit meeting held on 15 June 2022

Signature of the Chair of the meeting 

Name of the Chair of the meeting Rev Edson Dube Date 15 June 2022

Independent Examiner's Report to the Trustees of the

Milton Keynes Methodist Circuit

Charity Number 1137998

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Milton Keynes Methodist Circuit for the year ended 31 August 2021 set out on pages 4 to 10. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Circuit's accounts carried out under section 145 of the 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.

Independent Examiner's Statement

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- 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
- the trustees' annual report is not consistent with the accounts

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.

I have obtained independent verification of all investments, 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.

Signed
Mr JC Vowles FCA

JVCA Ltd, Chartered Accountants
114 High Street
Cranfield
MK43 0DG

Statement of Financial Activities (SOFA) for the year ended 31 August 2021

Notes to

the

accounts

Income

1 Donations and legacies	-	-	-	-	-	-	-
2 Income from monetary investments	49	421	-	-	7	476	-
3 Income from investment properties	-	-	-	-	-	-	-
4 Assessments on Churches	236,074	-	-	-	-	236,074	-
5 Capital Receipts	-	-	-	-	-	-	-
6 Grants received	-	-	-	-	-	-	-
7 Other charitable income	2,540	-	-	1,314	-	3,853	-
8 Total income	238,662	421	-	1,314	7	240,404	-

Expenditure

9 Grants and donations	8,350	-	-	-	-	8,350	-
10 Salaries and associated costs	154,689	-	-	-	-	154,689	-
11 Property maintenance	19,325	-	-	-	-	19,325	-
12 Connexional assessment & model trust levy	39,007	-	-	-	-	39,007	-
13 District Assessment & Levy	9,156	3,239	-	-	-	12,395	-
14 Depreciation	-	-	-	-	-	-	-
15 Office expenses	498	-	-	-	-	498	-
16 Other outgoings	10,500	255	-	4,954	2	15,711	-
17 Total charitable expenditure	241,525	3,494	-	4,954	2	249,976	-
18 Gains/(losses) on monetary investments	-	-	-	-	(19)	(19)	-
19 Gains/(losses) on investment properties	-	-	-	-	-	-	-
20 Net income/(expenditure)	(2,863)	(3,073)	-	(3,640)	(15)	(9,591)	-
21 Transfers between funds	487	-	(482)	-	(5)	-	-
22 Other gains/(losses)	-	-	-	-	-	-	-
23 Net movement in funds	(2,376)	(3,073)	(482)	(3,640)	(19)	(9,591)	-
24 Total funds brought forward	1,403,766	127,622	482	3,894	1,051	1,536,815	-
25 Total funds carried forward	1,401,390	124,549	(0)	254	1,032	1,527,224	-

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

Notes to
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	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total £	2019-20 £
Income							
1 Donations and legacies	-	-	-	-	-	-	-
2 Income from monetary investments	281	1,195	-	-	8	1,484	1,484
3 Income from investment properties	-	-	-	-	-	-	-
4 Assessments on Churches	222,214	-	-	-	-	222,214	222,214
5 Capital Receipts	-	-	-	-	-	-	-
6 Grants received	-	-	-	-	-	-	-
7 Other charitable income	1,009	-	-	1,221	-	2,230	2,230
8 Total income	223,504	1,195	-	1,221	8	225,928	225,928
Expenditure							
9 Grants and donations	8,310	3,812	-	-	40	12,162	12,162
10 Salaries and associated costs	151,678	-	-	-	-	151,678	151,678
11 Property maintenance	18,905	-	-	-	-	18,905	18,905
12 Connexional assessment & model trust levy	37,708	4,885	-	-	-	42,593	42,593
13 District Assessment & Levy	8,611	-	-	-	-	8,611	8,611
14 Depreciation	-	-	-	-	-	-	-
15 Office expenses	685	-	-	-	-	685	685
16 Other outgoings	9,447	321	-	4,672	8	14,448	14,448
17 Total charitable expenditure	235,344	9,018	-	4,672	48	249,082	249,082
18 Gains/(losses) on monetary investments	-	-	-	-	9	9	9
19 Gains/(losses) on investment properties	-	-	-	-	-	-	-
20 Net income/(expenditure)	(11,840)	(7,823)	-	(3,451)	(31)	(23,145)	(23,145)
21 Transfers between funds	25,000	(25,000)	-	-	-	-	-
22 Other gains/(losses)	335,000	-	-	-	9	335,009	335,009
23 Net movement in funds	348,160	(32,823)	-	(3,451)	(22)	311,864	311,864
24 Total funds brought forward	1,055,605	160,444	482	7,344	1,073	1,224,948	1,224,948
25 Total funds carried forward	1,403,766	127,622	482	3,894	1,051	1,536,815	1,536,815

Balance Sheet as at 31 August 2021

Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2020/21	Totals 2019/20
	£	£	£	£	£	£	£
Fixed Assets							
Circuit Manses & Equipment	1,365,000					1,365,000	1,365,000
Investment properties	0			0	0	0	0
Investments	0	0	0	0	0	0	0
Total fixed assets	1,365,000	0	0	0	0	1,365,000	1,365,000
Current Assets							
Debtors	11,950	0	0	0	0	11,950	11,809
Loans by the Circuit	0	0	0	0	0	0	0
Investments with TMCP	0	124,548	0	0	1,009	125,557	128,650
Central Finance Board Deposits	31,742	0	0	0	0	31,742	33,376
Cash at Bank and in hand	15,219	0	0	254	23	15,496	19,555
Total current assets	58,911	124,548	0	254	1,032	184,745	193,390
Current liabilities							
Creditors (due in under 1 year)	22,521	0	0	0	0	22,521	21,575
Grants payable within 2020-21	0					0	0
Total current liabilities	22,521	0	0	0	0	22,521	21,575
Net current assets/liabilities	36,390	124,548	0	254	1,032	162,224	171,815
Total assets less current liabilities	1,401,390	124,548	0	254	1,032	1,527,224	1,536,815
Long term liabilities (due after more than one year)							
Grants payable after 2020-21	0	0	0	0	0	0	0
Loans to the Circuit	0	0	0	0	0	0	0
Net assets	1,401,390	124,548	0	254	1,032	1,527,224	1,536,815
Funds of the Circuit							
General Fund (Unrestricted)	1,401,390					1,401,390	1,403,766
Circuit Model Trust Fund (Unrestricted)		124,548				124,548	127,622
Designated Funds (Unrestricted)			0			0	482
Total Unrestricted Funds						1,525,938	1,531,870
Restricted Funds				254		254	3,894
Endowment Funds					1,032	1,032	1,051
Total Funds	1,401,390	124,548	0	254	1,032	1,527,224	1,536,815

Milton Keynes Methodist Circuit
Year ending 31st August 2021

Notes to the Accounts

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 FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

2 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 which are held for a narrower purpose. 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.

Incoming Resources

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.

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

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £500. The freehold property is shown in the accounts at 2020 deemed values –

47 Buckingham Road	£355,000
23 White Horse Drive	£410,000
5 Plowman Close	£250,000
5 Longfellow Drive	£350,000

No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. Any depreciation would not be material. The properties have been reviewed for impairment.

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

The prepayment included in the accounts is in stipends for ministers for September 2021.

Creditors

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

Milton Keynes Methodist Circuit
Year ending 31st August 2021

4 Payment to Trustees

There were no payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting, this excludes stipends.

Trustee expenses

	2020/21	2019/20
Number of Trustees	48	12
Total amount	£0	£0

Expense payments primarily relate to reimbursement for travel and computing costs

5 Fees for examination or audit of the accounts

	2020/21 £	2019/20 £
Independent examiner's or auditors' fees for reporting on the accounts	£720	£960
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	Nil	Nil

6 Paid employees

Staff Costs paid during the year were:

Gross wages, salaries and benefits in kind
Employer's National Insurance costs
Pension costs
Total staff costs

	2020/21	2019/20
£	8,561	8320
£	0	0
£	0	0
£	8,561	8320
Average number of full-time equivalent employees in the year were:	0.4	0.4

7 Capital Commitments and Contingent Liabilities

At the 31st August 2021

there are no capital commitments.

No Contingent liabilities were identified at 31st August 2021.

8 For information only, Money received and passed on to External Organisations

	2020/21	2019/20
	£	£
Balance brought forward from last year	0	0
Offerings/Gifts - received for External Organisations	0	0
Offerings/Gifts - passed to External Organisations	0	0
Balance carried forward	0	0

Milton Keynes Methodist Circuit
Year ending 31st August 2021

9 Tangible Fixed Assets

Cost or valuation

	Land £	Manse £	Other buildings £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward		1,365,000				1,365,000
Additions						
Revaluations (+/-)						
Disposals (-)						
Transfers * (+/-)						
Balance carried forward		1,365,000				1,365,000

Accumulated depreciation

Balance brought forward						
Depreciation charge for year (-)						
Revaluations (+/-)						
Disposals (-)						
Transfers* (+/-)						
Balance carried forward						

Net book value

Brought forward		1,365,000				1,365,000
Carried forward		1,365,000				1,365,000

10 Investment assets

The circuit has no Investment properties

The circuit has no common investment fund holdings

11 Loans

The Circuit currently has no loans

12 Related party transactions

During the year £48,163 was paid to the Northampton Methodist District, a circuit in which a Trustee of the Milton Keynes Circuit is also a Trustee, (2019/20: £46,318).

Milton Keynes Methodist Circuit
Year ending 31st August 2021

13 Restricted Funds

	B/Fwd	Receipts in Advance	Income	Expended	Transfers	C/Fwd
	1 Sep 2020					31 Aug 2021
Benevolence Fund	254					254
Mission in Britain						0
World Mission			45	45		0
Fund for Property			650	650		0
Fund for Presbyters and Deacons						0
All We Can			618	618		0
Wesley Premises	3,640			3,640		0
	3,894		1,313	4,953		254

The following payments were made directly to Connexional Funds

- £281.25 – Christ the King, Kents Hill to Mission in Britain Fund
- £281.25 - Christ the King, Kents Hill to World Mission

The Circuit maintains the following funds:

Restricted Funds

- Benevolence Fund - Monies collected from churches and individuals to be used for charitable purposes at the Superintendent Ministers' discretion
- Mission in Britain, Overseas Mission, Fund for Property, Fund for Presbyters and Deacons, All We Can - Monies collected from churches for onward transmission to specific funds operated by the Methodist Church at connexional level
- Local Preachers Travel - Funds held (part endowed) to assist preachers with travel expenses or further training expenses

Unrestricted

- Circuit Model Trust Fund - Capital balances accrued from sale of Methodist premises, which can be applied only as directed by the Methodist Conference

14 Governing document

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976).

Milton Keynes Methodist Circuit

Year Ended 31st August 2021

Achievement and Performance (Sep 2020 to Aug 2021)

The Methodist Circuit, working closely with other church partners in Milton Keynes, continues to work with the April 2015 renewed mission plan. This states our purposes from a Methodist point of view as:

- to encourage and support local churches to best work out their mission including evangelism
- to participate with Milton Keynes Mission Partnership in activities related to Milton Keynes and surrounding area as a whole
- to coordinate worship and ministry across the Circuit
- to fulfil the statutory requirements of a Methodist Circuit
- to ensure that our buildings are safe and appropriate for church and community use

Within these purposes our strategy for the next five years, following the Mission Partnership's strategic themes aimed at building capacity for mission, covers leadership, prayer, adult Christian education and discipleship, and community engagement. In determining the strategy, the Trustees have had regard to the Charity Commission's guidance on public benefit.

The churches individual assessments are currently meeting costs. The circuit continues (in partnership along with the Northampton District) to contribute the Methodist share of the costs of the Mission Partnership's Director of Ecumenical Mission, without which the first two aspects of our purposes would be much harder to fulfil.

The circuit continues to work closely with the churches to prepare and monitor five year rolling budgets to assist in managing church and circuit resources. This is especially important during the pandemic as around half of the circuit's income is from Church Assessment. The circuit is also liaising with the Mission Partnership to monitor payments from LEPs as these make up the other half of income.

Having undertaken extensive work on the four manses, the circuit will now undertake a programme of regular maintenance aided by the appointment of stewards responsible for each manse.