

# THE METHODIST CHURCH

## MILTON KEYNES METHODIST CIRCUIT

### ACCRUALS ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NORTHAMPTON	District	Circuit no	23/26
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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

Derek Beaumont

Carol Long

Treasurer:

David Harbey

## **Declarations and Scrutiny**

I confirm that these accruals-based accounts for the year to 31 August 2022 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: David Harbey

Date: 2<sup>nd</sup> December 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 2022 will be presented to the Circuit meeting held on 7<sup>th</sup> December 2022

Signature of the Chair of the meeting: Rev. Nicola Martyn-Beck

Name of the Chair of the meeting: Rev. Nicola Martyn-Beck

Date: 7<sup>th</sup> December 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 2022 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**

The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

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

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 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.

Signature of independent examiner .....

Mr JC Vowles FCA

JVCA Ltd  
114 High Street,  
Cranfield,  
MK43 0DG

Date: 2<sup>nd</sup> December 2022

Name of Circuit

Milton Keynes

Circuit No

23/26

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

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total	2021-22
	£	£	£	£	£		£
<b>Income</b>							
1 Donations and legacies	-	-	-	-	-	-	-
2 Income from monetary investments	167	570	-	-	9	746	
3 Income from investment properties	-	-	-	-	-	-	
4 Assessments on Churches	249,610	-	-	-	-	249,610	
5 Capital Receipts	-	-	-	-	-	-	
6 Grants received	-	-	-	-	-	-	
7 Other charitable income	2,315	-	-	350	-	2,665	
<b>8 Total income</b>	<b>252,092</b>	<b>570</b>	<b>-</b>	<b>350</b>	<b>9</b>	<b>253,021</b>	
<b>Expenditure</b>							
9 Grants and donations	3,250	-	-	-	-	3,250	
10 Salaries and associated costs	158,828	-	-	-	-	158,828	
11 Property maintenance	24,520	-	-	-	-	24,520	
12 Connexional assessment & model trust levy	35,898	-	-	-	-	35,898	
13 District Assessment & Levy	7,087	3,085	-	-	-	10,172	
14 Depreciation	-	-	-	-	-	-	
15 Office expenses	323	-	-	-	-	323	
16 Other outgoings	6,443	355	-	250	3	7,051	
<b>17 Total charitable expenditure</b>	<b>236,349</b>	<b>3,440</b>	<b>-</b>	<b>250</b>	<b>3</b>	<b>240,042</b>	
18 Gains/(losses) on monetary investments	-	-	-	-	(150)	(150)	
19 Gains/(losses) on investment properties	-	-	-	-	-	-	
<b>20 Net income/(expenditure)</b>	<b>15,743</b>	<b>(2,870)</b>	<b>-</b>	<b>100</b>	<b>(144)</b>	<b>12,829</b>	
21 Transfers between funds	260	-	-	(254)	(6)	-	
22 Other gains/(losses)	-	-	-	-	-	-	
<b>23 Net movement in funds</b>	<b>16,003</b>	<b>(2,870)</b>	<b>-</b>	<b>(154)</b>	<b>(150)</b>	<b>12,829</b>	
24 Total funds brought forward	1,401,390	124,549	-	254	1,032	1,527,224	
<b>25 Total funds carried forward</b>	<b>1,417,393</b>	<b>121,679</b>	<b>-</b>	<b>100</b>	<b>882</b>	<b>1,540,053</b>	

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

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total	2020-21
	£	£	£	£	£	£	£
<b>Income</b>							
1 Donations and legacies	-	-	-	-	-	-	-
2 Income from monetary investments	49	421	-	-	7	477	477
3 Income from investment properties	-	-	-	-	-	-	-
4 Assessments on Churches	236,074	-	-	-	-	236,074	236,074
5 Capital Receipts	-	-	-	-	-	-	-
6 Grants received	-	-	-	-	-	-	-
7 Other charitable income	2,540	-	-	1,314	-	3,854	3,854
8 <b>Total income</b>	<b>238,662</b>	<b>421</b>	<b>-</b>	<b>1,314</b>	<b>7</b>	<b>240,404</b>	<b>240,404</b>
<b>Expenditure</b>							
9 Grants and donations	8,350	-	-	-	-	8,350	8,350
10 Salaries and associated costs	154,689	-	-	-	-	154,689	154,689
11 Property maintenance	19,325	-	-	-	-	19,325	19,325
12 Connexional assessment & model trust levy	39,007	-	-	-	-	39,007	39,007
13 District Assessment & Levy	9,156	3,239	-	-	-	12,395	12,395
14 Depreciation	-	-	-	-	-	-	-
15 Office expenses	498	-	-	-	-	498	498
16 Other outgoings	10,500	255	-	4,954	2	15,711	15,711
17 <b>Total charitable expenditure</b>	<b>241,525</b>	<b>3,494</b>	<b>-</b>	<b>4,954</b>	<b>2</b>	<b>249,975</b>	<b>249,975</b>
18 Gains/(losses) on monetary investments	-	-	-	-	(19)	(19)	(19)
19 Gains/(losses) on investment properties	-	-	-	-	-	-	-
20 <b>Net income/(expenditure)</b>	<b>(2,863)</b>	<b>(3,073)</b>	<b>-</b>	<b>(3,640)</b>	<b>(14)</b>	<b>(9,590)</b>	<b>(9,590)</b>
21 Transfers between funds	487	-	(482)	-	(5)	-	-
22 Other gains/(losses)	-	-	-	-	-	-	-
23 <b>Net movement in funds</b>	<b>(2,376)</b>	<b>(3,073)</b>	<b>(482)</b>	<b>(3,640)</b>	<b>(19)</b>	<b>(9,590)</b>	<b>(9,590)</b>
24 Total funds brought forward	1,403,766	127,622	482	3,894	1,051	1,536,815	1,536,815
25 <b>Total funds carried forward</b>	<b>1,401,390</b>	<b>124,549</b>	<b>-</b>	<b>254</b>	<b>1,032</b>	<b>1,527,224</b>	<b>1,527,224</b>

## Balance Sheet as at 31 August 2022

	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2021/22	Totals 2020/21
	£	£	£	£	£	£	£
<b>Fixed Assets</b>							
Circuit Manses & Equipment	1,365,000					1,365,000	1,365,000
Investment properties	-			-	-	-	-
Investments	-	-	-	-	-	-	-
<b>Total fixed assets</b>	<b>1,365,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,365,000</b>	<b>1,365,000</b>
<b>Current Assets</b>							
Debtors	12,543	-	-	-	-	12,543	11,950
Loans by the Circuit	-	-	-	-	-	-	-
Investments with TMCP	-	121,679	-	-	859	122,538	125,557
Central Finance Board Deposits	33,601	-	-	-	-	33,601	31,742
Cash at Bank and in hand	29,828	-	-	100	23	29,951	15,496
<b>Total current assets</b>	<b>75,972</b>	<b>121,679</b>	<b>-</b>	<b>100</b>	<b>882</b>	<b>198,633</b>	<b>184,745</b>
<b>Current liabilities</b>							
Creditors (due in under 1 year)	23,590	-	-	-	-	23,590	22,521
Grants payable within 2021-22	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>23,590</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,590</b>	<b>22,521</b>
<b>Net current assets/liabilities</b>	<b>52,382</b>	<b>121,679</b>	<b>-</b>	<b>100</b>	<b>882</b>	<b>175,043</b>	<b>162,224</b>
<b>Total assets less current liabilities</b>	<b>1,417,382</b>	<b>121,679</b>	<b>-</b>	<b>100</b>	<b>882</b>	<b>1,540,043</b>	<b>1,527,224</b>
<b>Long term liabilities (due after more than one year)</b>							
Grants payable after 2021-22	-	-	-	-	-	-	-
Loans to the Circuit	-	-	-	-	-	-	-
<b>Net assets</b>	<b>1,417,382</b>	<b>121,679</b>	<b>-</b>	<b>100</b>	<b>882</b>	<b>1,540,043</b>	<b>1,527,224</b>
<b>Funds of the Circuit</b>							
General Fund (Unrestricted)	1,417,382					1,417,382	1,401,390
Circuit Model Trust Fund (Unrestricted)		121,679				121,679	124,548
Designated Funds (Unrestricted)			-			-	-
<b>Total Unrestricted Funds</b>						<b>1,539,061</b>	<b>1,525,938</b>
Restricted Funds				100		100	254
Endowment Funds					882	882	1,032
<b>Total Funds</b>	<b>1,417,382</b>	<b>121,679</b>	<b>-</b>	<b>100</b>	<b>882</b>	<b>1,540,043</b>	<b>1,527,224</b>

Milton Keynes Methodist Circuit  
Year ending 31<sup>st</sup> August 2022

## 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 2022.

#### Creditors

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

Milton Keynes Methodist Circuit  
Year ending 31<sup>st</sup> August 2022

#### 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

	2021/22	2020/21
Number of Trustees	48	48
Total amount	£0	£0

Expense payments primarily relate to reimbursement for travel and computing costs

#### 5 Fees for examination or audit of the accounts

	2021/22 £	2020/21 £
Independent examiner's or auditors' fees for reporting on the accounts	£720	£720
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:**

	2021/22	2020/21
Gross wages, salaries and benefits in kind	£ 8,667	8,561
Employer's National Insurance costs	£ 0	0
Pension costs	£ 0	0
Total staff costs	£ 8,667	8,561

**Average number of full-time equivalent employees in the year were:**

0.7	0.4
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#### 7 Capital Commitments and Contingent Liabilities

At the 31st August 2022 there are no capital commitments.

No Contingent liabilities were identified at 31st August 2022.

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

	2021/22	2020/21
	£	£
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 31<sup>st</sup> August 2022

**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 £42,985 was paid to the Northampton Methodist District, a circuit in which a Trustee of the Milton Keynes Circuit is also a Trustee (2020/21: £48,163).

Milton Keynes Methodist Circuit  
Year ending 31<sup>st</sup> August 2022

**13 Restricted Funds**

	B/Fwd	Receipts in Advance	Income	Expended	Transfers	C/Fwd
	1 Sep 2021					31 Aug 2022
Benevolence Fund	254			254		0
Mission in Britain						0
World Mission						0
Fund for Property			350	250		100
Fund for Presbyters and Deacons						0
All We Can						0
	254		350	504		100

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).

### **Achievement and Performance (Sep 2021 to Aug 2022)**

The Methodist Circuit has continued to work closely with other ecumenical partners in Milton Keynes during a time of transition. In this past year the decision was made to bring the Milton Keynes Mission Partnership to a close and replace local ecumenical work with a more informal body; Churches Together in Milton Keynes. In the coming months, the Methodist Circuit will revise its Mission Plan (April 2015) to take these new structures into account.

The purposes of the Circuit remain:

- to encourage and support local churches to best work out their mission including evangelism
- to participate with ecumenical partners 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 includes growth, justice seeking, inclusiveness and community engagement.

In determining the strategy, the Trustees have had regard to the Charity Commission's guidance on public benefit.

The Circuit continues to work closely with the churches to prepare and monitor multi-year rolling budgets to assist in managing church and Circuit resources. The churches' individual Assessments are currently meeting costs. This has been especially important during the latter stages of the pandemic as around half of the Circuit's income is from Church Assessment. The Circuit is also working closely with the Local Ecumenical Partnerships who fund 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.

### **Governing document**

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