

ROSSENDALE METHODIST CIRCUIT

Trustees' Annual report

Circuit Reserves Policy

Year ended 31 August 2022

This document includes all funds held by the Circuit Meeting as charity trustees.

Our reserves policy relates to our general (unrestricted) funds which are freely available to be used for all or any of the purposes of the Circuit.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all its money and not simply those which are identified as reserves.

Aims

Our aims are twofold:

- 1) To secure and sustain the Circuit's viability and future at a time when we have seen a reduction in the number of Presbyters in Rossendale and a significant decline in the number of Presbyters available for Stationing
- 2) To give reassurance to the general public that the Circuit, which is a charity, intends to use all the money coming into its care for the purposes of the Charity.

3 Step Process

(1) Mission policy

The Circuit's Mission policy is set out in a separate document and has been approved by the Circuit Meeting (as the charity trustees).

Essentially, it provides for:-

- (a) The ministerial oversight and pastoral care of the 6 local churches in the circuit.
- (b) The support of a ministry team of 1 Presbyterian minister, (he is supported by one supernumerary), and 2 part time lay workers.
- (c) The maintenance of the 2 Circuit manses, one of which is let (from 10/09/2016).

(2) Financial Plans

The Circuit assessment is reviewed annually and covers the costs of 1 (a) (b) and (c) above and is based on offers from each church towards a share of the total costs. This has been supplemented since 1st September 2016 by the saving made by not employing another Presbyterian, as well as income from the manse which is let for £800 per month.

The Circuit Fund (unrestricted general fund) balance at year end was £31,519. The Circuit also has unrestricted trust funds available of £21,889 which means total available funds of £53,408

Under Standing Orders, the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. The total cost for the last financial year was £110,164. The cost for employing 2 lay staff is met by savings from only having a single Presbyterian.

Whilst our reserves policy is to try and hold at least six months' expenditure in hand, we have a budget set which is broadly neutral in that the anticipated expenditure is matched by the estimated income and as such we always have sufficient funds in hand to meet any unexpected calls on our reserves. This is our Operational Continuity Reserve" – OCR.

Circuit Model Trust Fund (Restricted fund) balance at year end was £28,711. This fund derives from sales of chapels and manses and is restricted by the Conference. This restriction is an internal regulation though the fund can be used for a variety of purposes. The Circuit has in place a Circuit grant scheme for Church who can apply to the CMTF for grants of up to £3,000. The total amount available in any one year has been limited to £5,000.

(3) Reserves Policy

The Charity Commissioners have agreed that it is appropriate for the trustees to set a policy for the management of this fund and that that policy is set out below:-

Money held in the CMTF has been earmarked by the trustees for the following purposes:-

- £10,000 for general Circuit purposes
- The Circuit has committed to maintain all 6 Churches in the Circuit but has also stated a clear objective of *Making Jesus Known*. Thus, the priorities are not simply to maintain at all costs but rather to maintain Churches so that they can make Jesus known in all areas of Rossendale. Therefore, the very limited resources of the advance funds are targeted at activities which seek to *Make Jesus Known* and interact with the local communities. The funds will support projects¹ which:
 - offer the Good News of Jesus;
 - encourage bold ventures where churches seek to deepen discipleship.

£0 was paid out during the year for general Circuit Purposes, but the trustees believe it is likely that most of these funds will be required within the foreseeable future.

¹ Note that applications must also meet the priorities of the Methodist Church and *Our Calling*.

Rossendale Methodist Circuit

Receipts and payments Account - Year ended 31st August 2022

	2022	2021
Receipts	£	£
Assessments	91,688	82,842
Investment income (Note 1)	382	244
Rent Received	9,200	9,000
Estate Agents Commission	-1,194	-1,168
Sundry items (Note 2)	7,995	3,500
Newchurch Receipts (Note 8)	4,306	10,185
Newchurch Expenditure (Note 8)	-10,374	-3,804
Gift Aid Donations / tax recovered	2,940	2,314
	<u>104,944</u>	<u>103,113</u>
Payments		
Stipends	53,679	57,410
Retirement fund	6,971	6,873
National insurance	4,077	3,823
Apprenticeship Levy	266	296
Vehicle and travel allowances	3,857	795
Pulpit supplies	375	0
Telephone & broadband	3,468	1,152
District assessment	19,740	18,972
Manse repairs and maintenance (Note 3)	1,330	19,616
Other Manse costs (Note 4)	4,875	4,866
Other sundry payments (Note 6)	6,029	3,249
Grants to Connexional and other Funds (Note 5)	3,364	1,280
Printing, stationery and computer supplies	2,133	1,175
	<u>110,164</u>	<u>119,507</u>
Surplus (deficit) for the year	<u>-£5,221</u>	<u>-£16,394</u>
Balances at start of year	36,740	53,133
Balances at end of year	31,519	36,740
Summary of Cash Funds Held		
CFB - current	15,084	26,174
CFB - deposit	0	3,105
Barclays	11,839	5,920
Circuit Trips Account	4,596	1,541
	<u>31,519</u>	<u>36,740</u>
TMCP Funds		
Circuit Model Trust Fund	28,711	30,381
Other Trust Funds	21,889	22,802
	<u>50,601</u>	<u>53,184</u>
Total Circuit Funds	<u>82,120</u>	<u>89,923</u>

Rossendale Methodist Circuit**Receipts and payments Account - Year ended 31st August 2022**

	2022	2021
1 Investment income		
Surplus Fund Trust 9276	255	167
J T Hoyle Trust 471c	0	0
Deposit with Methodist Central Finance Board	64	33
Eden, proceeds of sale, Trust 16123	5	6
Providence Graveyard Trust 14616	57	37
Surplus fund Trust 9382	0	1
	<u>£382</u>	<u>£244</u>
2 Sundry receipts		
Miscellaneous	111	500
Circuit Advance Fund - general	0	3,000
Trips	2,885	0
District advance fund grant	5,000	0
Seedfield Trust	0	0
	<u>£7,995</u>	<u>£3,500</u>
3 Manse Repairs and Maintenance		
37 Oaklands Drive	1,330	16,652
15 Doals Gate	0	2,964
	<u>£1,330</u>	<u>£19,616</u>
4 Other Manse costs		
Water rates	822	817
Council tax	2,079	2,000
Insurances	1,286	1,198
Maintenance	689	851
	<u>£4,875</u>	<u>£4,866</u>
5 Grants to Connexional and other funds		
Christians Against Poverty Rossendale	0	0
Refugee Grants	664	680
Stacksteads Youth	0	100
Sat7	350	250
M3 Project	0	250
3 Generate	200	0
Rakefoot Property Grant	2,150	0
	<u>£3,364</u>	<u>£1,280</u>

Rossendale Methodist Circuit

Receipts and payments Account - Year ended 31st August 2022

	2022	2021
6 Other Sundry Payments		
Providence graveyard	0	225
Fire extinguisher contracts	130	505
Sundry	713	579
TCC Governance	875	0
General insurance	140	140
Leaving Gifts	350	0
IT Equipment	1,529	1,558
Quinquennials	1,850	0
Website	254	126
Bank Charges	188	116
	<u>£6,029</u>	<u>£3,249</u>

7 Circuit Advance Fund (Trust 8518)

Investments held
 3,980 units (Value £20,899) (2021 £22,300) CFB Managed Mixed Fund
 £7,812 (2021 £8,081) Trustees Interest Fund ADF

	2022	2021	Change
Balance brought forward	30,381	30,358	23
District Advance Fund levy	-760	-759	-1
Drawn down for circuit funds	0	-3,000	3,000
Admin fees	-87	-61	-26
Change in units value	-1,401	3,459	-4,860
Interest	577	384	193
Balance carried forward	<u>£28,711</u>	<u>£30,381</u>	<u>-£1,670</u>

8 Newchurch Receipts & Expenses

	2022	2021
Receipts		
Closing Church Funds	0	10,185
Lettings	4,306	0
	<u>£4,306</u>	<u>£10,185</u>
Expenses		
Gas	4,260	113
Electricity	380	0
Water	308	0
Insurance	2,201	1,776
Grass Cutting	174	89
Boiler Cover	1,042	571
Repairs & Maintenance	0	1,255
Valuation Report	2,010	0
	<u>£10,374</u>	<u>£3,804</u>
	-£6,068	£6,381

Rossendale Methodist Circuit

Receipts and payments Account - Year ended 31st August 2022

9 Manses & Other properties

	Purchased	Cost	Ins value
37 Oaklands Drive Rawtenstall	2000	£88,500	£293,434
15 Doals Gate Bacup	2013	£173,000	£279,029
Newchurch Methodist Church	2020	N/A	£2,398,129 * Transferred to Circuit Se

The above costs exclude any legal, estate agents or similar fees

10 Circuit Trust Funds		2022	2021	Change in capital value
Surplus Funds	a	13,554	14,296	-741
J T Hoyle Trust	b	98	98	0
Providence graveyard	c	2,494	2,661	-167
Proceeds of sale	d	5,098	5,098	-1
H Collins memorial	e	171	176	-4
Surplus Funds	f	474	474	0
		<u>£21,889</u>	<u>£22,802</u>	<u>-£913</u>

a) Surplus funds (Trust 9276)

Investments held
2,105 units (Value £11,053) (2021 £11,794) CFB Managed Mixed Fund
£2,500.89 Trustees Interest Fund - ADF
Income received by the Circuit was £255 (2021 £167)

b) J T Hoyle Trust (Trust 471c)

Investments held
£98 (2021 £98) Trustee Interest Fund
Income received by Circuit was £0 (2021 £0)

c) Providence Graveyard Fund (Trust 14616)

Investments held
475 units (Value £2,494) (2021 £2,661) CFB Managed Mixed Fund
During the year income of £57 (2021 £37) has been received

d) Proceeds of Sale (ex Eden) (Trust 16123)

Investments held
£5,098 (2021 £5,098) Trustees Interest Fund ADF
During the year income of £5 (2021 £6) has been received

e) H Collins memorial fund (Trust 7169)

Investments held
22 units (Value £116) (2021 £123) CFB Managed Mixed Fund
£56 (2021 £52) Trustees Interest Fund - ADF
During the year income of £3 was added to the balance

f) Surplus funds (Trust 9382)

Investments held
£474 Trustees Interest Fund - ADF
Income received by the Circuit was £0 (2021 £1)

Newchurch funds

£1,161 Still held in name of Newchurch

THE METHODIST CHURCH STANDARD FORM OF ACCOUNTS

ROSSENDALE METHODIST	Circuit
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**FOR THE YEAR ENDED
31 AUGUST 2022**

Bolton and Rochdale	District	Circuit no	Jun-14
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Registered Charity - Charity Registration number

1139489

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 D Burrow

Circuit Stewards:

Mrs J King
Mr K Evans
Mrs J Barfoot

Treasurer:

Mr M Butterworth

SECTION A		Un - restricted Funds	Circuit Model Trust Fund	Restricted Funds	Totals this year	Totals last year
a1	RECEIPTS	Note	£	£	£	£
a2	Assessment/Share		91,688		91,688	82,842
a3	Capital receipts					
a4	Bank and CFB interest and Investment income		382	577	959	628
a5	Grants					
a6	Other receipts		12,873		12,873	20,027
a7	TOTAL RECEIPTS		104,943	577	105,520 (a8)	103,497

SECTION B						
b1	PAYMENTS					
b2	Stipends, salaries, NIC, Pension and travel costs		64,993		64,993	68,402
b3	Manse Costs		1,330		1,330	19,616
b4	Administration etc		7,324	87	7,411	2,008
b5	District Assessment		19,740	760	20,500	19,731
b6	Grants & donations		3,364		3,364	1,280
b7						
b8	Other payments		13,412		13,412	9,290
b9	TOTAL PAYMENTS		110,163	847	111,010 (b9)	120,327

SECTION C						
c1	NET RECEIPTS/PAYMENTS FOR THE YEAR	(a7-b9)	(5,220)	(270)	(5,490)	(16,830)
c2	Total funds brought forward from last year		36,739	30,381	67,120 (c6)	83,491
c3	Sub total	(c1+c2)	31,519	30,111	61,630	66,661
c4	Transfers and adjustments			(1,401)	(1,401) (c7)	459
c5	TOTAL FUNDS AT END OF YEAR	(c3+c4)	31,519	28,710	60,229 (c8)	67,120 (c6)

SECTION D					
d	FOR INFORMATION ONLY: MONEY RECEIVED AND PASSED ON TO EXTERNAL ORGANISATIONS (these amounts should not be included in total receipts/payments above)				
d1	Balance brought forward from last year				
d2	Offerings/Gifts - received for external organisations				
d3	Offerings/Gifts - passed to external organisations				
d4	BALANCE STILL TO BE PAID (d1 + d2 - d3)				

SUMMARY OF CIRCUIT ACCOUNTS AND INTERNAL ORGANISATION REPORTING TO THE CIRCUIT MEETING**SECTION E** Please follow the Guidance Notes to complete this page

Summary of the Circuit accounts for the year ended 31 August 2022 and Internal Organisations reporting to the Circuit Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose. This section must be completed to arrive at the gross receipts and payments totals of the Circuit. If gross income exceeds the Accruals threshold of £250,000, then the Accruals method of accounting AND A DIFFERENT FORM must be used to report the accounts (see Methodist website). Please refer to the guidance notes regarding transfers between the Circuit and connected Circuit Organisations.

INTERNAL ORGANISATIONS	Receipts	Payments	Net Receipts/ Payments	Adjustments	Opening balances	Closing balances
e1						
e2						
e3						
e4						
e5						
e6						
e7						
e8 Sub total of Internal Organisations funds					(e11)	(e12)
e9 Circuit accounts (totals brought forward from page 2 - totals column)	105,520 (a8)	111,010 (b9)	(5,490)	(1,401) (c7)	67,120 (c6)	60,229 (c8)
e10 TOTAL CASH FUNDS HELD BY CIRCUIT	105,520	111,010	(5,490)	(1,401)	67,120 (x)	60,229 (y)
	TOTAL RECEIPTS	TOTAL PAYMENTS				

Continue on a separate
sheet if necessary and bring
the totals forward

SECTION F**STATEMENT OF ASSETS AND LIABILITIES****CIRCUIT - CASH FUNDS HELD at 31 August 2022**

	OPENING BALANCES	CLOSING BALANCES
f1 Cash in hand		
f2 Bank Current Account	7,461	16,436
f3 Bank Deposit Account		
f4 Central Finance Board	29,278	15,083
f5 Trustees for Methodist Church Purposes	30,381	28,710
f6 Other funds		
f7 SUB TOTAL	67,120 (c6)	60,229 (c8)
f8 Total funds held by Internal Organisations (the closing balance totals above) (e12)	(e11)	(e12)
f9 TOTAL CASH FUNDS HELD BY CIRCUIT	67,120 (x)	60,229 (y)

SECTION G**OTHER ASSETS and LIABILITIES**

	At 1 September 2021	At 31 August 2022
g1 Investments (include Endowments)	22,802	21,889
g2 Land and Buildings (see notes re Insurance value)	2,821,244	2,970,592
g3 Other Assets		
g4 Loan(s) - show amount outstanding at year end		
g5 Other Liabilities		

f4 Include only Funds held at the Central Finance Board

f5 Include only CFB Funds held at Trustees for Methodist Church Purposes

g1 Include any other investments (not the cash element of TMCP trust accounts this is inserted in line f5)

Name of Circuit ROSSENDALE No. 06/14

Declarations and Scrutiny

I confirm that these Receipt and Payment 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 [Signature] Date 09/02/2023

Name and address of treasurer MARK BUTTERWORTH, 161 NEWCHURCH ROAD
RAWTENSALL, ROSSENDALE, LANCASHIRE Post Code BB4 7SU

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were ~~will be~~
presented to the Circuit meeting held on 14/11/2022

Signature of the Chair of the meeting [Signature]

Name of the Chair of the meeting DAVID BURROW Date 09/02/2023

Independent Examiner's Report to the Trustees of the

ROSSENDALE METHODIST Circuit

Charity Number 1139489

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the ROSSENDALE METHODIST
Circuit for the year ended 31 August 2022 set out on pages .1. to .3.. 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.

* delete or circle as appropriate

Name of Circuit ROSSENDALE No 06/14

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.

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/~~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.

Signature of independent examiner 

Name of independent examiner ANDREW COWKING

Relevant professional qualification of independent examiner FCCA

Name of firm (where appropriate)

Address SHAW HOUSE, DOBBIN CLOSE, RAWTENSTALL

ROSSENDALE LANCs Post Code BB4 7TH

Date 21/06/2023

* delete or circle as appropriate

Sep-22