



Mid Derbyshire Methodist Circuit  
Registered Charity No. 1139498

**Mid Derbyshire Methodist Circuit Trustees' Annual Report  
and Financial Statements**  
for the period from 1<sup>st</sup> September 2022 to 31<sup>st</sup> August 2023

# **MID DERBYSHIRE METHODIST CIRCUIT**

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# **MID DERBYSHIRE METHODIST CIRCUIT**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Reference and Administrative Details**

#### **Charity Name**

The name of the charity is Mid Derbyshire Methodist Circuit.

#### **Registered Charity Number**

The registered charity number is 1139498.

#### **Charity's Principal Address**

Mid Derbyshire Circuit Office  
Belper Community Cottage  
16 Chapel Street  
Belper  
DE56 1AR

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Report of the Trustees and the 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charity SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Names of the Charity Trustees who Manage the Charity**

These trustees form the Circuit Leadership Team, who are delegated with the day-to-day running of the circuit.

# MID DERBYSHIRE METHODIST CIRCUIT

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Rev Ann Miller Anderson	Superintendent Minister		Ex officio
2	Deacon Michaela Jayne Doherty	Circuit Minister	01/09/22 to 15/11/23	Ex officio
3	Rev Helen Ruth Penfold	Circuit Minister		Ex officio
4	Rev Stephen Pratt	Circuit Minister		Ex officio
5	Rev Janet Rossall	Circuit Minister	01/09/22 to 22/01/23	Ex officio
6	Rev Timothy Paul Simms	Circuit Minister	from 01/09/23	Ex officio
7	Ruth Beresford	Circuit Steward		Mid Derbyshire Circuit
8	Kathleen Brydon	Circuit Steward		Mid Derbyshire Circuit
9	Lesley Vivienne Joy Palfreyman	Circuit Steward		Mid Derbyshire Circuit
10	Paul Albert Selby	Circuit Steward	from 01/09/23	Mid Derbyshire Circuit
11	David Shirtcliffe	Circuit Steward		Mid Derbyshire Circuit
12	Eddie Sweet	Circuit Steward		Mid Derbyshire Circuit
13	Judith Anne Milner	Lay Employee		Mid Derbyshire Circuit
14	Roanna Joy Pilsbury	Lay Employee		Mid Derbyshire Circuit
15	Gillian Dorothy Stamp	Lay Employee		Mid Derbyshire Circuit

### Names of any other people who served as charity trustees in the financial year in question

16	Rev Kevin Price	Minister in Local Ecumenical Partnership		Mid Derbyshire Circuit
17	Rev Adrian Smith	Supernumerary Minister		Mid Derbyshire Circuit
18	Rev Juan Thompson	Supernumerary Minister	01/09/22 to 30/11/23	Mid Derbyshire Circuit
19	Rev Anthony Wells	Supernumerary Minister		Mid Derbyshire Circuit
20	Margaret Garratt	Rep to Circuit Meeting		Ambergate Church Council
21	Paul Garratt	Rep to Circuit Meeting		Ambergate Church Council
22	Jane Gentry	Rep to Circuit Meeting		Belper Church Council
23	Christine Nelson	Rep to Circuit Meeting		Belper Church Council
24	Jennifer Scotchbrook	Rep to Circuit Meeting		Belper Church Council
25	Dorothy Annette Taylor	Rep to Circuit Meeting		Codnor Church Council
26	Kathleen Mary Hassall	Rep to Circuit Meeting		Codnor Church Council
27	Helen Rogers	Rep to Circuit Meeting		Cromford Church Council



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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

28	Timothy Nigel Everard Rogers	Rep to Circuit Meeting		Cromford Church Council
29	Gill Clifton	Rep to Circuit Meeting		Darley Dale Church Council
30	Monica Render	Rep to Circuit Meeting		Darley Dale Church Council
31	Jeanette Anne Welch	Rep to Circuit Meeting		Darley Dale Church Council
32	Andrew Bales	Rep to Circuit Meeting		Denby Bottles Church Council
33	Beverley Margaret Evans	Rep to Circuit Meeting		Heage Church Council
34	Lynne Terry	Rep to Circuit Meeting		Heage Church Council
35	Sheila Wheatley	Rep to Circuit Meeting		Holbrook Moor Church Council
36	Helen Elizabeth Whitham	Rep to Circuit Meeting		Holbrook Moor Church Council
37	John Daglish	Rep to Circuit Meeting	01/09/22 to 19/09/23	Holloway Church Council
38	Marjorie Ann Thoday	Rep to Circuit Meeting		Holloway Church Council
39	Barbara Moore	Rep to Circuit Meeting		Horsley Woodhouse Church Council
40	Phyllis Shaw	Rep to Circuit Meeting		Horsley Woodhouse Church Council
41	Brenda Jean Clarke	Rep to Circuit Meeting		Ilkeston Church Council
42	Michael Edward Parker	Rep to Circuit Meeting		Ilkeston Church Council
43	Tony Stevens	Rep to Circuit Meeting		Ilkeston Church Council
44	Mark Ratcliffe	Rep to Circuit Meeting		Marehay Waingroves Church Council
45	Christine Dianne Richards	Rep to Circuit Meeting		Marehay Waingroves Church Council
46	Viv Walters	Rep to Circuit Meeting		Marehay Waingroves Church Council
47	Penny Brown	Rep to Circuit Meeting		Matlock Methodist & United Reformed Church Council
48	Sandra Haycock	Rep to Circuit Meeting Circuit Steward	01/09/22 to 31/08/23 from 20/09/23	Matlock Methodist & United Reformed Church Council Mid Derbyshire Circuit
49	Mike Haynes	Rep to Circuit Meeting		Matlock Methodist & United Reformed Church Council
50	Elizabeth Littlewood	Rep to Circuit Meeting	01/09/22 to 30/11/22	Matlock Moor Church Council
51	Alan Piper	Rep to Circuit Meeting		Matlock Moor Church Council
52	Gillian Chatto	Rep to Circuit Meeting		Nether Heage Church Council
53	Karen Julie Morley	Rep to Circuit Meeting		Nether Heage Church Council
54	Karen Biggs	Rep to Circuit Meeting		Ripley Church Council
55	Elaine Grout	Rep to Circuit Meeting		Ripley Church Council
56	Scott Handbury	Rep to Circuit Meeting		Ripley Church Council

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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

57	Anne Brown	Rep to Circuit Meeting		St. Andrew's Church, Langley Mill, Church Council
58	Peter Charles Norman	Rep to Circuit Meeting		Tansley Church Council
59	Sylvia Norman	Rep to Circuit Meeting		Tansley Church Council
60	Irene Bourne	Rep to Circuit Meeting		United Church of All Saints, Stanley Common, Church Council
61	Sheila Ivy Redfern	Rep to Circuit Meeting		Wellspring Church, Wirksworth, Trustees
62	Susan Margaret Watts	Rep to Circuit Meeting		Wellspring Church, Wirksworth, Trustees
63	Alan Hickingbotham	Rep to Circuit Meeting		West Hallam Church Council
64	Andrew John Pierson	Rep to Circuit Meeting		West Hallam Church Council
65	Lesley Ann Tooley	Rep to Circuit Meeting		West Hallam Church Council
66	Anne Kettlewell	Circuit Safeguarding Officer		Mid Derbyshire Circuit

#### Custodian Trustees

Trustees for Methodist Church Purposes (TMCP) is the legal owner and Custodian Trustee of all Methodist Model Trust property. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day-to-day management of trust property. The Managing Trustees act under the guidance and direction of TMCP and thus comply with charity law and Methodist law and polity, as determined by the Methodist Conference.

#### Name and Address of Auditor

David Mellor FCA  
Johnson Tidsall Chartered Accountants & Statutory Auditor  
81 Burton Road  
Derby  
DE1 1TJ

#### Name of Superintendent Minister

Rev Ann Anderson

#### Objectives and Activities

##### Summary of the Purposes of the Charity as set out in the Governing Document

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organization of The Methodist Church
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church

## MID DERBYSHIRE METHODIST CIRCUIT

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

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d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

#### Summary of the Main Activities in Relation to the Purposes of the Charity

The members of the Circuit Meeting are the Managing Trustees for the shared resources (e.g. manses, other properties, financial assets and personnel) related to the group of Methodist churches known as the Mid Derbyshire Methodist Circuit. At the end of August 2023, the circuit had 18 Methodist worship centres and 4 Local Ecumenical Partnerships (LEPs) in its geographical area. Marehay and Waingroves Church Councils merged to form one Church Council from 1<sup>st</sup> September 2022; so those two Methodist worship centres are managed by a single Church Council, whereas the others all have their own Church Council.

For worship, a quarterly preaching plan is produced to ensure regular acts of worship take place in all the worship centres; all the acts of worship are open to all people, without charge. The circuit also provides monthly services of worship at Maple Leaf House in Ripley, a purpose-built MHA nursing home for people with dementia. Circuit services are organised from time to time to encourage worship and fellowship for the whole circuit; and new styles of worship are offered with the intention of engaging people in the community, especially children, young people and families.

For mission, a Circuit Mission Plan was created and adopted by the Trustees in September 2022, which included: events and activities to build relationships within the circuit; exploring spirituality with people on the periphery of the churches; offering hospitality and activities to engage people in the local communities; and providing training opportunities. The Circuit Mission Plan will be reviewed and updated regularly.

#### Public Benefit

We confirm that the Managing Trustees have had regard to the Charity Commission's guidance on public benefit. The document *The Five Golden Rules of being a Trustee*, from the Methodist Church, was issued to every Trustee. The Circuit Mission Plan was adopted by the Managing Trustees and will be reviewed regularly by them so that it continues to set out activities which support the purposes of the Mid Derbyshire Methodist Circuit.

### Achievements and Performance

#### Summary of the Main Achievements of the Charity

##### Circuit Worship

New styles of worship were offered as follows:

Muddy Church (once a month)

This is particularly aimed at families on the periphery of church but is open to all. It is a place for people of all ages to gather outdoors and to connect with the space and with God. The intention is that the time together will be fun and engaging and it is a place to enjoy creation, nature and being together. Each month a different outdoor venue has been explored.

Rooted (quarterly)

This is a contemporary worship event, including testimony, prayer, active worship and a simple meal. It has taken place in different church venues across the circuit. The original

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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

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intention was to attract people in their teens and twenties; however, the people who have attended have been all ages, including families with young children.

#### Services of Celebration and Commemoration

These services have generally been of a more traditional nature, including:

Carol Service at the launch of The Dwelling Place on Christmas Eve

Ash Wednesday Service

Easter Offering Dedication Service

Songs of Praise Services

Farewell Service for Rev Stephen Pratt

Monthly Prayer Services

Welcome Service for Rev Tim Simms who was to join the circuit in September 2023

#### Discipleship

An Advent Prayer Labyrinth was offered as a quiet reflection on Advent and an opportunity to draw away from the busy lead up to Christmas. Not many people attended during the day. If the circuit offers a similar event, it needs to be better publicised; or other events may be offered instead at this time of year.

Advent and Lent studies were offered in different parts of the Circuit.

Ministers and Local Preachers preached on the book of Revelation in some churches during June 2023 as part of the national Bible Month.

#### *Circuit Mission*

##### The Dwelling Place

Mansfield Road Methodist Church, Heanor, was refurbished as a hospitality centre and was renamed The Dwelling Place. The Mary's Kitchen project continued as a circuit project, providing reasonably priced meals to the local community. The Dwelling Place was officially opened on Christmas Eve 2022 by Councillor Paul Jones, Leader of Heanor and Loscoe Town Council. Members of the community were invited to attend the opening, which was followed by a short carol service and festive food.

The Dwelling Place has hosted a toddler group and a ladies' wellbeing group, as well as an afternoon tea to celebrate the coronation of King Charles III; all of these were offered to the local community. A Methodist Women in Britain meeting for the wider Methodist community took place there, as well as meetings for the Circuit.

#### Warm Spaces Initiative

The Warm Spaces initiative was commended by the Trustees and several churches in the circuit offered a Warm Space during the cold winter months, where people in local communities were welcomed.

#### Big Questions of Faith

A series of meetings was organised, which was open to people on the fringes of faith, as well as people of faith, who wanted to ask the big questions of faith. The meetings took place in a pub in order to encourage people who might not want to go into church.

#### Coach Trip

About 200 people travelled on four coaches to Skegness in August 2023. There were church members and people on the fringe of the church and 67 children were included. Each child was given an activity bag and £5 to spend.

## **MID DERBYSHIRE METHODIST CIRCUIT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023**

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#### *Circuit Grants Policy*

A new Circuit Grants Policy was adopted, to enable churches which have little money to do mission work. One-off grants of up to £10,000 may be applied for; if they are approved, they are to be used within one year.

#### *Training*

The circuit has provided training, as follows:

Safeguarding training was provided in the Circuit and the District. Training was completed by those people in circuit and church roles requiring such training.

Food Hygiene and Allergy Awareness training was completed by 75 people from local Methodist and Anglican churches.

Equality, Diversity and Inclusion training has been completed by Circuit Stewards, Church Stewards, Local Preachers, Circuit Safeguarding Officers and Circuit Staff. This training is ongoing and is planned to be completed by 31<sup>st</sup> December 2023; people who take up roles requiring this training will complete the training as required.

Using IT as a Missional Tool was offered as a workshop for people in the circuit churches.

#### *Data Protection*

The Circuit has fulfilled its responsibilities regarding the General Data Protection Regulation. The Privacy Policy, from the Methodist Church, is available for the public. The Circuit Data Protection Annual Checklist was completed and returned to the Trustees for Methodist Church Purposes.

#### *Circuit Staffing*

The Circuit welcomed three new ministers in September 2022: Rev Ann Anderson, a Superintendent Minister; Rev Janet Rossall, a Circuit Minister; and Deacon Michaela Doherty, a Deacon. At this time, the Circuit had 5 Ministers: 4 Presbyters and a Deacon. Deacon Michaela Doherty was based in the Heanor area and her work included activities at The Dwelling Place as well as in the local community. Rev Janet Rossall requested her appointment should be curtailed because of ill health in January 2023; the request was accepted by the circuit. Rev Helen Penfold's appointment was extended to 31<sup>st</sup> August 2026; she agreed to work full-time for the remainder of the connexional year because the circuit had lost a minister. Rev Stephen Pratt left the circuit in August 2023 as he retired from circuit ministry. The Circuit entered the stationing process, requesting one Presbyter. Trustees agreed to appoint some Lay Employees to various roles. The first of these to be advertised was a part-time Circuit Property and Facilities Manager. There were no applicants, so the responsibilities of the role were reconsidered and the post is to be readvertised as a full-time role.

#### *Circuit Property*

During the year, the Trustees agreed that four houses, which are not needed for ministers' housing, should be sold and the proceeds would be used for mission.

Belper Methodist Church withdrew its application to demolish the church hall and requested permission to sell the hall. The Trustees agreed to this request and the money will be used to refurbish the church.



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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023**

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Ilkeston Church Council agreed to move into the Wilmot Street building and requested permission for the Nottingham Road building to be sold. This was agreed by the Trustees and the money from the sale will be used to upgrade the Wilmot Street building.

#### Future Plans

A Circuit Day, Reimagining our Circuit, was planned to take place on 1<sup>st</sup> September 2023. It was requested that at least two people from each church attends in order to discuss the future of the circuit.

It was agreed that a Mission Weekend, including a Praise Party and Circuit All-Age Service, would take place in October 2023.

The Mission Plan includes the running of an Alpha Course in January 2024.

In addition to the Circuit Property and Facilities Manager, it was agreed by the Trustees to employ more Lay Employees, as follows: a full-time Circuit Youth, Children and Families Worker; a full-time Circuit Over 60s Worker; two part-time Circuit Pastoral Assistants.

#### Financial Review

##### The Financial Position at 31<sup>st</sup> August 2023

At the end of the year, on 31<sup>st</sup> August 2023, the net deficit for the year on the General Fund was £141,225 after the net reduction on the revaluation of investment property of £90,000. The balance on the General Fund was £3,267,890.

The net deficit for the year on the Circuit Model Trust Fund was £76,534 and the balance was £900,211. This can be used for a variety of purposes, along with the properties managed by the circuit; it includes a balance of £549,909 designated for the purpose of reserve projects. Properties were valued as follows: Freehold Properties £1,614,270; Investment Properties £1,605,000.

The values for freehold and investment properties reflect £275,000 reclassified from investment to freehold property to accommodate a Minister new to the circuit from 1<sup>st</sup> September 2022.

During the year, £174,000 was transferred from the Circuit Model Trust Fund to the General Fund to contribute to stipends, salaries, general maintenance and administration.

##### Policy for Holding Reserves

The Reserves Policy for the Mid Derbyshire Methodist Circuit is to hold a sum equivalent to 3 months' average expenditure in the general account and a further £100,000 in the Circuit Model Trust Fund. This should be sufficient to meet any unforeseen item of major expenditure on manses and/or to be able to continue, in the short term, to fund planned activities in the event of the closure of a large church or an inability to raise the full assessment from churches. It is necessary to hold sufficient working capital to enable the payment of stipends and salaries, business expenses for the Ministers and Lay Employees and our contribution to the Nottingham and Derby District.

##### Amount of Reserves Held

£3,267,890 was held in the general account at 31<sup>st</sup> August 2022, of which £3,223,375 is represented by freehold and investment properties. This results in a balance on free reserves of £44,515. Free reserves are defined as the total fund balance less fixed assets. Total expenditure on the General Fund for the year ended 31<sup>st</sup> August 2023 amounted to £584,094. If the reserves policy of 3 months is applied, this gives an amount of £146,024

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023**

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and indicates a potential shortfall of funds of around £100,000. The shortfall was to be made good by a transfer of funds from the Circuit Model Trust Fund to the General Fund. £900,211 was held in the Circuit Model Trust Fund at 31<sup>st</sup> August 2023, of which £549,909 is designated for reserve projects, leaving a balance of £350,302 of unrestricted funds for the general use of the circuit. This results in an excess of funds of around £250,000.

#### Pay and Remuneration

The circuit paid the stipends for the following Ministers for the whole year: Rev Ann Anderson, Deacon Michaela Doherty, Rev Helen Penfold and Rev Stephen Pratt. Rev Janet Rossall's stipend was paid by the circuit until her appointment was curtailed in January 2023.

The circuit paid the salaries for the following Lay Employees for the whole year: Judith Milner, Roanna Pilsbury and Gill Stamp.

All Ministers and some Lay Employees are required by the constitution of the circuit meeting to be trustees of the charity.

All the Ministers and Lay Employees named above also served as trustees; they did not receive any remuneration for being trustees.

The authority for the circuit to pay the stipends of Ministers and salaries of Lay Employees who are also trustees is contained in the governing document.

The trustees agreed to remove Deacon Michaela Doherty's stipend and Roanna Pilsbury's salary from the general budget for the year ending 31<sup>st</sup> August 2024 and to pay them from funds for mission work in the circuit.

#### Risk Management

The circuit is largely risk averse but is prepared to underwrite considered risks when embarking on new and imaginative initiatives.

Risks are managed by: being aware of them; quantifying their impact in terms of possible reputational, structural and financial damage; insuring against them; and minimising them by not taking them or by setting up control systems that promptly report any significant change in the risk.

Risks are considered by the Circuit Leadership Team, which takes professional advice as required; the team is engaged in a regular review process. Risks for the circuit are outlined below.

1) The circuit relies on the assessment received from the churches to fund its commitments, including stipends and salaries. Failure by a church or churches to pay part, or all, of their assessment could limit the circuit's ability to further its Mission Plan. The circuit has a consultation process with Church Treasurers before setting the assessments to reduce the likelihood of this happening. Although there was a reduction in numbers attending the churches immediately after the Covid-19 pandemic, numbers have stabilised. There is still the risk that some churches will struggle financially because of the cost-of-living crisis.

2) There is also a financial risk from the closure of a church or churches. There would be costs involved in interim maintenance or if planning permission is sought for change of use before the sale of a church building. And the church would no longer contribute its share of the circuit assessment.

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023**

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3) Risks regarding safeguarding are managed through the safeguarding procedures which are in place at circuit and church level, including DBS checks and mandatory training; the circuit has a safeguarding policy. Funds might be required if abuse is identified, although insurance policies would normally cover this.

#### Going Concern

The trustees have reviewed the circumstances of the circuit and consider that adequate assets and resources continue to be available to fund its activities for the foreseeable future. The trustees believe that they have put suitable measures in place to ensure that the charity will continue to operate and develop its activities. The trustees therefore believe that the preparation of the annual report and accounts on a going concern basis is appropriate.

#### Principal Sources of Income and Main Items of Expenditure

In the 2022-2023 accounts:

£270,606, which is 75.4% of the circuit's general unrestricted income, was provided by the local churches.

£230,232, which is 39.4% of general unrestricted expenditure, was on pay and related costs.

£148,886, which is 25.5% of general unrestricted expenditure, was on property maintenance, including both manses and properties that are being let.

£85,324, which is 14.6% of general unrestricted expenditure, is our contribution to the Nottingham and Derby Methodist District; part of this is used to fund the work of the wider Methodist Church.

During the year, income of £103,308 in the Circuit Model Trust Fund was generated from the sale of Heanor Methodist Church. A levy of £17,323 was paid on this sale. Money charged as a levy goes into the Connexional Priority Fund and is redistributed to support other projects in the Methodist Church.

A restricted fund was established in the year in respect of The Dwelling Place, Mansfield Road, Heanor. Income was mainly from a legacy of £197,586, which was released by Trustees for Methodist Church Purposes to provide mission and outreach in the Heanor area. Costs of £75,853 relate to the repair and maintenance of the building.

#### Structure, Governance and Management

##### Constitution and Governing Documents

The charity is unincorporated and is governed by the Methodist Church Act (1976) and the Deed of Union (1932). It was registered with the Charity Commission on 1<sup>st</sup> September 2014.

##### Trustee Selection Methods

Trustees are appointed by local churches and existing trustees in accordance with the modified constitution under Section 58 of the Constitutional Practice and Discipline of The Methodist Church, which was implemented on the formation of the Mid Derbyshire Methodist Circuit on 1<sup>st</sup> September 2014 and amended on 1<sup>st</sup> September 2017. Circuit Ministers are automatically trustees.



## MID DERBYSHIRE METHODIST CIRCUIT

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

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#### Training of Trustees

The Mid Derbyshire Methodist Circuit follows the policies, procedures and guidance produced by the Methodist Connexion, including Safeguarding, Data Protection and Equality, Diversity and Inclusion (EDI) guidance. Creating Safer Space safeguarding training and EDI training was provided in the circuit. The Five Golden Rules of Being a Trustee leaflet was sent to all Managing Trustees.

Guidance from the Charity Commission, including the Charity Commission News emails are sent to Managing Trustees.

#### Declarations

The Trustees declare that they have approved the Trustees' Report above.

Signed on behalf of the charity's Trustees.

Signature Ann M Anderson

Full name Ann Miller Anderson

Position Superintendent Minister

Date 13/3/24

Signature Judith A. Milner

Full name Judith Anne Milner

Position Secretary of the Circuit Meeting

Date 13/3/24

# REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MID DERBYSHIRE METHODIST CIRCUIT

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## Opinion

We have audited the financial statements of Mid Derbyshire Methodist Circuit (the 'charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

# REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MID DERBYSHIRE METHODIST CIRCUIT

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## **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature and control environment of the charity
- Our discussions with management and governance including whether they had knowledge of any actual, suspected or alleged fraud
- The internal controls to mitigate the risks of fraud

Following our review, we have identified the following areas which are deemed to have the greatest potential for fraud or material misstatement within the financial statements:

- The recognition of rental income from freehold investment properties
- The recognition of assessments from churches
- The valuation of estimates in respect of freehold investment properties
- The valuation of financial investments
- Unusual journal entries
- Management override

We also considered any laws and regulations that were central to the operation of the charity including charity law and employment law.

The following procedures were undertaken in respect of the risks where we identified the potential for material misstatement:

At the planning stage of the audit, we reviewed controls put in place by the board of trustees. We also carried out a review of the minutes of trustee meetings.

Income transaction testing was performed to test completeness of income. This included agreeing rental income to leases in respect of freehold investment properties to ensure that all properties received regular income in the year. We also carried out a review of monthly assessments from churches which are set by an annual budget. Where there were periods of no income in respect of freehold investment properties, we referred to periodic statements from managing agents appointed by the trustees and Trustees' Board minutes to justify the reasons for this.

In respect of assessments on churches, we referred to Trustees' Board minutes to justify any non payments and carried out a subsequent events review to determine any debtor balances cleared after date.

We tested the valuation of estimates in respect of freehold investment properties by obtaining an informal professional valuation. The valuation of investments was tested to reports from the Central finance Board of the Methodist Church.

Freehold properties held at deemed cost or valuation were tested to informal professional valuations for any indications of impairment. None were identified.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MID DERBYSHIRE METHODIST CIRCUIT

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Consideration was given to the reliance on the use of experts in respect of the management of the rental investment properties.

A sample of journal entries were tested for appropriateness and enquiries made of management as to the procedures in place for posting journal entries. During our audit we considered any large, unusual journals or transactions outside the normal course of business. Very few journals were posted in the year.

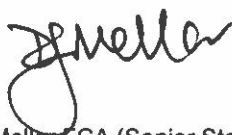
The financial statements were reviewed alongside our disclosure checklists to identify any unusual or unexpected relationships or any areas of non-compliance. Discussions were held with management where it was considered additional disclosures were required.

We remained alert to any indications of fraud, material misstatement or non-compliance with laws and regulations throughout the audit including those relating to the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



David Mellor FCA (Senior Statutory Auditor)  
Johnson Tidsall Limited  
Chartered Accountants  
& Statutory Auditor  
81 Burton Road  
Derby  
Derbyshire  
DE1 1TJ

Date: 9 April 2014

# MID DERBYSHIRE METHODIST CIRCUIT

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

					2023	2022
		Unrestricted funds	Circuit Model Trust Fund	Restricted fund	Total funds	Total funds as restated
	Notes	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	3	-	-	200,867	200,867	-
<b>Charitable activities</b>	5					
Assessments on churches		270,606	-	-	270,606	285,652
Worship centres		-	103,308	-	103,308	412,883
Investment income	4	76,730	32,216	-	108,946	85,989
Other income	6	11,533	-	-	11,533	8,485
<b>Total</b>		<b>358,869</b>	<b>135,524</b>	<b>200,867</b>	<b>695,260</b>	<b>793,009</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>	7					
Assessments on churches		504,416	-	-	504,416	445,001
Worship centres		1,833	17,323	-	19,156	91,280
Mission and outreach		-	-	75,853	75,853	-
Other	10	77,845	20,351	-	98,196	68,908
<b>Total</b>		<b>584,094</b>	<b>37,674</b>	<b>75,853</b>	<b>697,621</b>	<b>605,189</b>
Net gains/(losses) on investments		(90,000)	(384)	-	(90,384)	85,448
<b>NET INCOME/(EXPENDITURE)</b>		<b>(315,225)</b>	<b>97,466</b>	<b>125,014</b>	<b>(92,745)</b>	<b>273,268</b>
Transfers between funds	20	174,000	(174,000)	-	-	-
<b>Net movement in funds</b>		<b>(141,225)</b>	<b>(76,534)</b>	<b>125,014</b>	<b>(92,745)</b>	<b>273,268</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		3,409,115	976,745	-	4,385,860	4,112,592
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,267,890</b>	<b>900,211</b>	<b>125,014</b>	<b>4,293,115</b>	<b>4,385,860</b>

The notes form part of these financial statements

# MID DERBYSHIRE METHODIST CIRCUIT

## BALANCE SHEET

31 AUGUST 2023

				2023	2022
		Unrestricted funds	Circuit Model Trust Fund	Total funds	Total funds as restated
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	15	1,618,375	-	1,651,171	1,346,238
Investment property	16	<u>1,605,000</u>	-	<u>1,605,000</u>	<u>1,970,000</u>
		3,223,375	-	3,256,171	3,316,238
<b>CURRENT ASSETS</b>					
Debtors	17	44,981	3,701	48,682	47,931
Investments	18	-	59,483	59,483	59,867
Cash at bank		<u>33,159</u>	<u>855,862</u>	<u>982,209</u>	<u>1,031,754</u>
		78,140	919,046	1,090,374	1,139,552
<b>CREDITORS</b>					
Amounts falling due within one year	19	(33,625)	(18,835)	(53,430)	(69,930)
<b>NET CURRENT ASSETS</b>		<u>44,515</u>	<u>900,211</u>	<u>1,036,944</u>	<u>1,069,622</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,267,890</u>	<u>900,211</u>	<u>4,293,115</u>	<u>4,385,860</u>
<b>NET ASSETS</b>		<u>3,267,890</u>	<u>900,211</u>	<u>4,293,115</u>	<u>4,385,860</u>
<b>FUNDS</b>	20				
Unrestricted funds				4,168,101	4,385,860
Restricted funds				<u>125,014</u>	-
<b>TOTAL FUNDS</b>				<u>4,293,115</u>	<u>4,385,860</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13/3/24 and were signed on its behalf by:



Mrs Gillian Dorothy Stamp - Trustee



Rev Ann Miller Anderson - Trustee

The notes form part of these financial statements

**MID DERBYSHIRE METHODIST CIRCUIT****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2023**

		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>as restated £</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(9,499)</u>	<u>207,754</u>
Net cash (used in)/provided by operating activities		<u>(9,499)</u>	<u>207,754</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(40,046)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(40,046)</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(49,545)</b>	<b>207,754</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u><b>1,031,754</b></u>	<u><b>824,000</b></u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u><b>982,209</b></u></u>	<u><u><b>1,031,754</b></u></u>

The notes form part of these financial statements



# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

### 1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022 as restated
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(92,745)	273,268
Adjustments for:		
Depreciation charges	10,113	4,140
Losses/(gain) on investments	90,384	(85,448)
Increase in debtors	(751)	(27,733)
(Decrease)/increase in creditors	(16,500)	43,527
Net cash (used in)/provided by operations	<u>(9,499)</u>	<u>207,754</u>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/22 £	Cash flow £	At 31/8/23 £
Net cash			
Cash at bank	<u>1,031,754</u>	<u>(49,545)</u>	<u>982,209</u>
	<u>1,031,754</u>	<u>(49,545)</u>	<u>982,209</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>59,867</u>	<u>(384)</u>	<u>59,483</u>
	<u>59,867</u>	<u>(384)</u>	<u>59,483</u>
Total	<u>1,091,621</u>	<u>(49,929)</u>	<u>1,041,692</u>

The notes form part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. STATUTORY INFORMATION**

Mid Derbyshire Methodist Circuit is a charity registered in England and Wales. The charity's, registered charity number and registered office address can be found in the reference and administrative details of the Report of the Trustees.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The currency basis for the preparation of these financial statements is pound sterling (£).

**Going concern**

The trustees regularly monitor the charity's reserves policy, risk assessment and cash flow to assess the viability of the charity. The trustees are in the process of selling some of its manses and investment properties. Proceeds of sale will be set aside to meet the future plans of the trustees. To date, no material uncertainties exist that would affect the preparation of the financial statements on a going concern basis.

**Significant judgements and estimates**

The following judgements (apart from those involving estimates) have been made in the process of applying the charity's accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The key source of estimation uncertainty in the financial statements is investment property valuation. The investment properties were informally valued by a professional valuer in the year and the valuation is considered annually by the trustees.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Rental income and assessments on churches is included in the period to which it relates. Amounts received in advance are deferred to the following period.

Income from investments and interest on short term deposits is accounted for in the year in which it is receivable.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of 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**

The Circuit is not registered for VAT and all input VAT is charged with the expenses to which it refers.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings                      -    straight line over 5 years and straight line over 15 years

Tangible fixed assets are capitalised if they have a life exceeding one year and a cost of at least £1,000.

The freehold property is shown in the financial statements at 2015 deemed cost values except for one property reclassified from the investment property portfolio in the year. No depreciation is provided on the buildings as the trustees consider that the current residual fair value of the manse buildings is not less than its value as reflected in the financial statements. Should depreciation have been provided, the amount would be immaterial.

The properties have been reviewed for impairment.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Investment properties are included at fair value at the balance sheet date and an informal professional valuation has been included for the year ended 31 August 2023. The trustees consider the values of the investment properties on an annual basis in the years where a professional valuation is not carried out.

**Current asset investments**

Financial investments are stated at a fair valuation at the balance sheet date and are revalued annually.

Gains and losses on disposal and revaluation of investments are charged to the Statement of Financial Activities (SOFA).

**Debtors and creditors**

Debtors and creditors are recognised at the invoiced amount after any discount offered. Prepayments and accruals are valued at the amount calculated.

Debtors are receivable within twelve months and include the September stipend paid in August.

Creditors include both sundry expenses and specifically the September assessments received in August.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

The charity has unrestricted funds and designated funds. All funds are used to benefit and promote its charitable objects.

Unrestricted funds are general funds that are available for use at the trustees' discretion in furtherance of any objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose and the restriction means that the funds can only be used for specific projects or activities.

When donors specify that donations and grants are for particular purposes which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable. The relevant expenditure is then matched as restricted expenditure.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 2. ACCOUNTING POLICIES - continued

#### Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 3. DONATIONS AND LEGACIES

	2023	2022 as restated
	£	£
Donations	681	-
Legacies	197,586	-
Grants	<u>2,600</u>	<u>-</u>
	<u>200,867</u>	<u>-</u>

Grants received, included in the above, are as follows:

	2023	2022 as restated
	£	£
Derbyshire County Council	<u>2,600</u>	<u>-</u>

### 4. INVESTMENT INCOME

	2023	2022 as restated
	£	£
Rents received	73,423	78,700
Short term accounts	<u>35,523</u>	<u>7,289</u>
	<u>108,946</u>	<u>85,989</u>

### 5. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022 as restated
	Activity	£	£
Assessments or share	Assessments on churches	270,606	285,652
Sale of closed churches	Worship centres	103,308	404,252
Received from closed churches	Worship centres	-	8,631
		<u>373,914</u>	<u>698,535</u>

# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 6. OTHER INCOME

	2023	2022 as restated
	£	£
Church sales items and sundry	533	8,485
District reimbursement: Deputy Chair	11,000	-
	<u>11,533</u>	<u>8,485</u>

### 7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Assessments on churches	500,249	4,167	504,416
Worship centres	17,323	1,833	19,156
Mission and outreach	75,853	-	75,853
	<u>593,425</u>	<u>6,000</u>	<u>599,425</u>

### 8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022 as restated
	£	£
Staff costs	230,232	252,868
District assessment	102,647	181,064
Telephone & travel	17,007	13,597
Insurance & utilities	22,258	11,169
Maintenance of manses	107,857	23,358
Other Circuit property costs	101,443	45,345
Other expenditure	1,868	-
Depreciation	10,113	4,140
	<u>593,425</u>	<u>531,541</u>

### 9. SUPPORT COSTS

	Governance costs £
Assessments on churches	4,167
Worship centres	1,833
	<u>6,000</u>

## MID DERBYSHIRE METHODIST CIRCUIT

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

#### 10. OTHER

	2023	2022 as restated
	£	£
Other expenditure	20,611	15,637
Grants and donations	58,750	19,833
Contributions to District fund	<u>18,835</u>	<u>33,438</u>
	<u>98,196</u>	<u>68,908</u>

During the year grants were awarded to churches by the Circuit trustees amounting to £58,750 (2022: £nil). These were paid from the general fund. In 2022 grants were awarded to churches by the Trustees for Methodist Church Purposes of £19,833 and these were paid from the Circuit Model Trust Fund.

Grants are awarded in relation to specific church projects.

#### 11. TRUSTEES' REMUNERATION AND BENEFITS

Trustees during the year include clergy appointed to churches within the Circuit. Stipends and allowances are paid by the Methodist Church for the administration of their duties.

Remuneration and benefits paid to trustees during the year amounted to £170,655 (2022: £178,114).

In addition, salaries of £50,093 (2022: £42,113) were paid to Circuit employees, who are also trustees, for administration, accountancy and pastoral services throughout the year.

##### Trustees' expenses

Payments to trustees for the reimbursement of expenses, as agreed with the Circuit meeting, amounted to £13,424 (2022: £11,239) in respect of 10 (2022: 6) trustees.

Expense payments primarily relate to the reimbursement of travel and office costs.

#### 12. STAFF COSTS

	2023	2022 as restated
	£	£
Wages and salaries	181,142	204,961
Social security costs	15,298	14,128
Other pension costs	<u>33,792</u>	<u>33,779</u>
	<u>230,232</u>	<u>252,868</u>

The 2023 gross charge includes removal costs of £7,683 (2022: £12,424) and housing allowance of £nil (2022: £4,700).

The average monthly number of employees during the year was as follows:

	2023	2022 as restated
Administration and pastoral salaries	5	5
Stipends	<u>4</u>	<u>5</u>
	<u>9</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

The full time equivalent is 7 (2022: 9)

# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Circuit Model Trust Fund £	Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Assessments on churches	285,652	-	285,652
Worship centres	8,631	404,252	412,883
Investment income	78,913	7,076	85,989
Other income	8,485	-	8,485
<b>Total</b>	<b>381,681</b>	<b>411,328</b>	<b>793,009</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Assessments on churches	445,001	-	445,001
Worship centres	1,580	89,700	91,280
Other	12,247	56,661	68,908
<b>Total</b>	<b>458,828</b>	<b>146,361</b>	<b>605,189</b>
Net gains/(losses) on investments	91,237	(5,789)	85,448
<b>NET INCOME</b>	<b>14,090</b>	<b>259,178</b>	<b>273,268</b>
<b>Transfers between funds</b>	<b>11,308</b>	<b>(11,308)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>25,398</b>	<b>247,870</b>	<b>273,268</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>			
As previously reported	2,623,409	728,875	3,352,284
Prior year adjustment	760,308	-	760,308
<b>As restated</b>	<b>3,383,717</b>	<b>728,875</b>	<b>4,112,592</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>3,409,115</b>	<b>976,745</b>	<b>4,385,860</b>

### 14. PRIOR YEAR ADJUSTMENT

During the 2022 year the trustees reviewed their freehold property fixed assets and re-classified certain properties to investment properties on the basis that they are separate assets, and a commercial rent is received.

The reclassification of the freehold as investment properties resulted in a prior year adjustment of £1,878,763 of which £1,118,455 related to the asset value reflected in the 2021 financial statements and £760,308 which related to the estimate of the revaluation up to 31 August 2022. It was considered impractical to further allocate the revaluation to years prior to 31 August 2021.

# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 15. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 September 2022	1,339,270	20,703	1,359,973
Additions	-	40,046	40,046
Reclassification	275,000	-	275,000
At 31 August 2023	<u>1,614,270</u>	<u>60,749</u>	<u>1,675,019</u>
<b>DEPRECIATION</b>			
At 1 September 2022	-	13,735	13,735
Charge for year	-	10,113	10,113
At 31 August 2023	<u>-</u>	<u>23,848</u>	<u>23,848</u>
<b>NET BOOK VALUE</b>			
At 31 August 2023	<u>1,614,270</u>	<u>36,901</u>	<u>1,651,171</u>
At 31 August 2022	<u>1,339,270</u>	<u>6,968</u>	<u>1,346,238</u>

Freehold land and buildings were valued by the trustees in September 2015. Under transition to FRS 102 these values were adopted as deemed cost.

The title to the properties is held on behalf of the Mid Derbyshire Methodist Circuit by the Trustees for Methodist Church Purposes.

### 16. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1 September 2022	1,970,000
Revaluation	(90,000)
Reclassification	(275,000)
At 31 August 2023	<u>1,605,000</u>
<b>NET BOOK VALUE</b>	
At 31 August 2023	<u>1,605,000</u>
At 31 August 2022	<u>1,970,000</u>

Fair value at 31 August 2023 is represented by:

	£
Valuation in 2021	1,118,455
Valuation in 2022	851,545
Valuation in 2023	(365,000)
	<u>1,605,000</u>

The investment properties were informally valued by a professional valuer as at 31 August 2023.

During the year one property was re-classified to freehold property on the basis that it was made available to a new clergy member. It is unlikely that it will be made available for future rental.

The historic cost of the properties is not known.

The title to the properties is held on behalf of the Mid Derbyshire Methodist Circuit by the Trustees for Methodist Church Purposes.

# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Other debtors	<u>48,682</u>	<u>47,931</u>

### 18. CURRENT ASSET INVESTMENTS

	2023	2022 as restated
	£	£
Other	<u>59,483</u>	<u>59,867</u>

### 19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Other creditors	<u>53,430</u>	<u>69,930</u>

### 20. MOVEMENT IN FUNDS

	At 1/9/22 £	Net movement in funds £	Transfers between funds £	At 31/8/23 £
<b>Unrestricted funds</b>				
General fund	2,557,570	(225,225)	174,000	2,506,345
Circuit Model Trust Fund	976,745	97,466	(174,000)	900,211
Revaluation	<u>851,545</u>	<u>(90,000)</u>	-	<u>761,545</u>
	4,385,860	(217,759)	-	4,168,101
<b>Restricted funds</b>				
Dwelling Place	-	125,014	-	125,014
<b>TOTAL FUNDS</b>	<u>4,385,860</u>	<u>(92,745)</u>	<u>-</u>	<u>4,293,115</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	358,869	(584,094)	-	(225,225)
Circuit Model Trust Fund	135,524	(37,674)	(384)	97,466
Revaluation	-	-	(90,000)	(90,000)
	494,393	(621,768)	(90,384)	(217,759)
<b>Restricted funds</b>				
Dwelling Place	200,867	(75,853)	-	125,014
<b>TOTAL FUNDS</b>	<u>695,260</u>	<u>(697,621)</u>	<u>(90,384)</u>	<u>(92,745)</u>



# MID DERBYSHIRE METHODIST CIRCUIT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 20. MOVEMENT IN FUNDS - continued

#### Comparatives for movement in funds

	At 1/9/21 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31/8/22 £
<b>Unrestricted funds</b>					
General fund	2,623,409	-	(77,147)	11,308	2,557,570
Circuit Model Trust Fund	728,875	-	259,178	(11,308)	976,745
Revaluation	-	760,308	91,237	-	851,545
	<u>3,352,284</u>	<u>760,308</u>	<u>273,268</u>	<u>-</u>	<u>4,385,860</u>
<b>TOTAL FUNDS</b>	<u>3,352,284</u>	<u>760,308</u>	<u>273,268</u>	<u>-</u>	<u>4,385,860</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	381,681	(458,828)	-	(77,147)
Circuit Model Trust Fund	411,328	(146,361)	(5,789)	259,178
Revaluation	-	-	91,237	91,237
	<u>793,009</u>	<u>(605,189)</u>	<u>85,448</u>	<u>273,268</u>
<b>TOTAL FUNDS</b>	<u>793,009</u>	<u>(605,189)</u>	<u>85,448</u>	<u>273,268</u>

The Circuit Model Trust fund includes a balance of £549,909 (2022: £532,673) which is a designated fund for the purpose of Reserve Projects. The movement in the year represents interest received less administration costs. This fund is unlikely to be utilised within the next twelve months.

The funds that support the Circuit Model trust Fund are held by the Trustees for Methodist Church Purposes (TMCP) in Trustees Interest Funds on which interest is credited on a monthly basis.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property. This property includes all land and buildings used for local church purposes, all Circuit and District Manses and most Connexional properties including accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the managing trustees comply with charity law and methodist law and policy as determined by the Methodist Conference.

#### Restricted fund: Dwelling Place

This relates to income from a legacy released by the Trustees for Methodist Church Purposes (TMCP) for the sole used of the church and buildings at Mansfield Road, Heanor, DE75 7AQ.

Expenditure relates to the repair and maintenance of church buildings and their utilisation for outreach work within the area.

#### Transfers between funds

During the year a transfer of £174,000 was made from the Trustees for Methodist Church Purposes (TMCP) fund to the general fund. The funds were released to assist with funding repair work carried out the freehold manses, and general funding of the running of the charity.

**21. RELATED PARTY DISCLOSURES**

Stipends and salaries paid to trustees in the year are detailed in note 9 of these financial statements.