

ST AUSTELL METHODIST CIRCUIT

Registered Charity No. 1141712



Trustees' Annual Report: 1 September 2022 - 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity name St Austell Methodist Circuit

Registered charity number: 1141712

Structure:

The St Austell Circuit is part of the Cornwall District, and is accountable to the Methodist Conference. The Circuit functions in accordance with the Constitution, Practice and Discipline (CPD) of the Methodist Church, known often as the Connexion.

Names of the charity trustees:

The number of trustees fluctuates during the year depending on changes in office holders in the chapels and Circuit. There was an average of 85 trustees listed on the Charity Commission website during this year. They are appointed by local churches and existing trustees; Ministers are automatically trustees. In accordance with the CPD of the Methodist Church, the Chair was Rev Paul Benney, the Superintendent Minister of the Circuit, who came to the Circuit on 1 September 2021.

Names and addresses of advisers:

Legal – Stephens Scown, Osprey House, Malpas Road, Truro TR1 1UT

Financial – Phillips Frith, 9 Tregarne Terrace, St Austell PL25 4DD

Independent Examiner – Amy Sole FCA of Phillips Frith LLP

Investment Bankers – Trustees for Methodist Church Purposes

Estate Agents – May Whetter & Grose, Piran House, 11 Fore Street, St Austell PL25 5PX

Description of the charity's trusts:

Type of governing document: Deed of Union (1932) and Methodist Church Act (1976)

Management:

Circuit trustees meet four times each year (the Circuit Meeting), and a Circuit Leadership Team (CLT) consisting of the Circuit stewards and staff meets between the trustee meetings. There is also a Property Committee, which oversees the management of property in the Circuit, and is responsible to the CLT and Circuit Meeting. The day to day management of the Circuit is undertaken by the CLT.

Circuit Administrator:

Debbie Eade, 7 Eastbourne Road, St Austell PL25 4SZ

Induction/Training:

A range of guidance is produced by Methodist Connexion and provided as required. The leaflet 'The Role of a Trustee in The Methodist Church' has been given to each trustee. All trustees who are required have undertaken Creating Safer Space Foundation Module training, and many have done the Leadership module. This training is ongoing. Many trustees have also undergone DBS checks for work they do within the churches of the Circuit.

Risks:

A formal risk assessment for the Circuit has not been undertaken, as the Circuit operates as part of the legal structure of the Methodist Church of Great Britain. Any specific risks are considered by the CLT, who take professional advice as required.

Safeguarding:

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

"Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse
- we will carefully select and train all those with any responsibility within the church, in line with safer recruitment principles, including the use of criminal records, disclosures and registration with the relevant vetting and barring schemes
- we will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, co-operating with the police and local authority in any investigation
- we will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care
- we will seek to challenge any abuse of power, especially by anyone in a position of trust
- we will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult
- in all these principles we will follow legislation, guidance and recognised good practice."

The St Austell Methodist Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the Circuit and in the churches.

The St Austell Methodist Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

OBJECTIVES AND ACTIVITIES**Summary of the objects of the charity set out in its 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 organisation of The Methodist Church;

- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- 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 undertaken for the public benefit in relation to these objects:

- The trustees have had regard to the guidance issued by the Charity Commission on public benefit.
- The Circuit produces a quarterly preaching plan to ensure regular acts of worship take place at each of the 20 Methodist Churches in its geographical area and these are open to all.
- The Circuit is also directly involved with leading worship at the Age UK Day care centre and other venues as invited. These include conducting numerous funeral services at local crematoria as well as at churches, baptisms and weddings.

ACHIEVEMENTS AND PERFORMANCE

- a) Circuit Policy Document – a Circuit mission statement and mission strategy began operating in 2013, and many local churches revised their strategy to bring it into line with that of the Circuit. The strategy has brought a better financial balance to the Circuit, and enabled the appointment, of a number of lay workers – pastoral assistants and a new Children and Families Worker in July 2022.
- b) A review of the Circuit Mission Statement and Strategy was carried out in 2019 onwards which will inform decisions about stationing and staff from 2021. Many meetings and consultations with members of the Circuit have continued to take place and a new Mission Statement and Strategy was agreed at the September 2020 Circuit Meeting and remains in place.
- c) Arising from that strategy some societies have taken the opportunity to combine their services and alternate their Sunday worship. St John's and Trinity Trewoon formally agreed to join their two societies together in 2021 and, although both church buildings remain open, the society is now known as St John's with Trinity Trewoon Methodist Church.
- d) In the calendar years 2021 and 2022 total adult attendances at the main services on Sundays were not measured due to the continuing effects of Covid 19. The Methodist Connexion did not collect statistics for that year.
- e) The renovation work to the hall at Bugle commenced in April 2022 and, on completion, the hall will become a huge asset to the community, particularly in the work with young people. This was ongoing at 31st August 2023.
- f) Renovation work at Tywardreath, including the roof, is ongoing.
- g) Churches in the Circuit work with various ecumenical groups such as Churches Together in St Austell, Par, Mevagissey, Roche and St Dennis.
- h) Work with children and young people has increased with the return of holiday clubs, Messy Church, Lego Church and Open the Book.

Section E Financial Review

FINANCIAL REVIEW

See "Annual Accounts and Reserves Policy 2022-23" on following pages.

The Circuit Leadership Team has drawn up a set of recommendations, which have been accepted by the Circuit Meeting, to ensure grants made from the Circuit Model Trust Fund are used effectively for mission and capital works. Grants and loans amounting to approximately £100,000 (£100,000 last year) were approved for supporting the staff and churches in the Circuit with property schemes. Also £50,822 was paid to the District and Connexion in the form of assessments and levy (£52,280 last year). The churches of the Circuit hold other trust funds.

Brief statement of the charity's policy on reserves:

The Reserves Policy for the St Austell Circuit is to hold a sum equivalent to 6 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manse and/or to be able to continue, in the short term, funding planned activities in the event of the closure of a large church or an inability to raise the full Circuit Assessment from churches. As part of our forward planning, expenditure forecasts are prepared looking 2 years ahead. It is necessary to hold sufficient working capital to enable the quarterly payment of stipends and business expenses for 2 ministers and various lay staff, and our contribution to the District. For further details see the following Annual Report and Reserves Policy.

Details of any funds materially in deficit: There are none.

ANNUAL ACCOUNTS AND RESERVES POLICY 2022-23

This document includes all funds held by the Circuit Meeting as trustees of the St Austell Methodist Circuit charity, charity number 1141712.

1. Aims

The aim of the Circuit is twofold:

1. To secure the Circuit's viability and future work
2. To give reassurance to the general public that the Circuit intends to use all of its resources for the purpose of the Charity

2. Mission Policy

The Circuit's Mission Statement is set out in a document accepted by the Circuit Meeting in March 2019, accompanied by a Circuit Mission Strategy, currently under review. Essentially it provides for:

- a] Ministerial oversight and pastoral care of the 20 churches in the Circuit
- b] the support of a Ministry team of 2 presbyter Ministers and 5 part-time lay workers
- c] the maintenance of 5 Circuit manses

This policy has been modified due to the impact of Covid 19 and change of staff.

3. Financial Review

a) Unrestricted income

The Circuit assessment is reviewed annually and is intended to cover the cost of the policy above; the assessment is based on proportionate church membership and attendance. Total general fund unrestricted incoming resources totalled £211,711 (£206,323 : 2022) and outgoings totalling £231,448 (£245,910 : 2022), with a deficit over the year of £19,737 (£39,587 : 2022).

We normally make provision for our property maintenance programme by designating up to £20,000 per annum.

The Circuit funds (unrestricted general funds) balance at 31 August 2023 was £1,187,247 (£1,181,984 : 2022). Almost all of the balance is the value of the manses.

Under Standing Orders, the Circuit must meet its financial obligations in relation to the support of its Ministers and the maintenance of its manses, the total cost of these obligations last year was £93,904 (£104,353 : 2022).

The independently examined Standard Form of Accounts, the statement of account for the Circuit and the Children's Work account are available for inspection at the Circuit Meetings and at any other time by appointment.

b) The Circuit Trust Fund

The Circuit Trust Fund (CTF - formerly known as the Advance Fund) No. 9941 is the main fund with a balance at the year end of £201,452 (£279,200 : 2022). The reserve fund (9941A) held £36,792 (£35,746 : 2022).

This fund derives from the sale of chapels and manses and is restricted by Conference. This restriction is an internal regulation although the fund can be used for a variety of purposes.

The Circuit also holds other trust funds which amounted to £102,021 at the year end (£100,292 : 2022). The total of all the trust funds was £340,265 (£415,239 : 2022).

The Charity Commission has agreed that it is appropriate for the Trustees to set a policy for the management of the CTF, and this is set as follows: Money held in the Circuit Trust Fund has been earmarked by the Trustees for the following purposes:

- £30,000 for District Advance Fund levy
- £100,000 Request from Bugle Methodist Church for a grant.

Total £130,000, with any remaining balance in hand to be held as a general contingency reserve.

The reports and reserves policy was agreed by the St Austell Methodist Circuit Trustees meeting on 14 March 2024

Signed:

Rev Paul Benney, Chair

On behalf of the St Austell Methodist Circuit

Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Notes	General Fund (unrestricted) £	Circuit Model Trust (unrestricted) £	Restricted Funds £	Total 2022-23 £
Income					
Donations and legacies		-	-	1,819	1,819
Income from monetary investments		566	11,268	-	11,834
Assessments on Churches		167,405	-	-	167,405
Grants received		1,000	-	-	1,000
Other charitable income	4	42,740	-	-	42,740
Total income		211,711	11,268	1,819	224,798
Expenditure					
Grants and donations	5	5,350	-	708	6,058
Salaries and associated stipend costs	6	120,584	-	-	120,584
Property maintenance and rental expenses		11,530	-	-	11,530
Connexional assessment and model trust levy		39,292	12,190	-	51,482
District assessment and levy		10,908	-	-	10,908
Depreciation		76	-	-	76
Office expenses		4,029	-	-	4,029
Redundant chapel costs		13,209	-	-	13,209
Other outgoings	9	26,470	1,087	1,116	28,673
Total charitable expenditure		231,448	13,277	1,824	246,549
Net income/(expenditure) before investment gains/losses		(19,737)	(2,009)	(5)	(21,751)
Gains/(losses) on monetary investments		-	(198)	-	(198)
Net income/(expenditure)		(19,737)	(2,207)	(5)	(21,949)
Reclassification of funds		25,000	(25,000)	-	-
Net movement in funds		5,263	(27,207)	(5)	(21,949)
Total funds brought forward		1,181,984	422,753	1,921	1,606,658
Total funds carried forward		1,187,247	395,546	1,916	1,584,709

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

	Notes	General Fund (unrestricted) £	Circuit Model Trust (unrestricted) £	Restricted Funds £	Total 2021-22 £
Income					
Donations and legacies		800	-	86	886
Income from monetary investments		78	1,991	-	2,069
Assessments on Churches		180,000	-	-	180,000
Grants received		-	-	300	300
Other charitable income	4	25,445	-	-	25,445
Total income		206,323	1,991	386	208,700
Expenditure					
Grants and donations	5	1,950	-	-	1,950
Salaries and associated stipend costs	6	121,488	-	-	121,488
Property maintenance and rental expenses		21,718	-	-	21,718
Connexional assessment and model trust levy		41,276	18,746	-	60,022
District assessment and levy		11,004	-	-	11,004
Depreciation		100	-	-	100
Office expenses		6,864	-	-	6,864
Redundant chapel costs		9,268	-	-	9,268
Other outgoings	9	34,431	1,336	973	34,551
Total charitable expenditure		245,910	20,082	973	266,965
Net income/(expenditure) before investment gains/losses		(39,587)	(18,091)	(587)	(58,265)
Gains/(losses) on monetary investments		-	(313)	-	(313)
Net gain on property disposal		-	-	-	-
Net income/(expenditure)		(39,587)	(18,404)	(587)	(58,578)
Reclassification of funds		35,000	(35,000)	-	-
Net movement in funds		(4,587)	(53,404)	(587)	(58,578)
Total funds brought forward		1,186,571	476,157	2,508	1,665,236
Total funds carried forward		1,181,984	422,753	1,921	1,606,658

Balance Sheet as at 31 August 2023

	Notes	General Funds (unrestricted)	Circuit Model Trusts (unrestricted)	Restricted Funds	Total 2023	Total 2022
		£	£	£	£	£
Fixed Assets						
Circuit manses and equipment	11	1,085,684	65,266	-	1,150,950	1,103,260
Investments properties	11	80,000	-	-	80,000	80,000
Investment	12/13	-	38,475	-	38,475	38,623
Total fixed assets		1,165,684	103,741	-	1,269,425	1,221,883
Current Assets						
Debtors	14	12,576	-	-	12,576	11,839
Investments with TMCP	12/13	-	301,790	-	301,790	376,615
Central Finance Board Deposits		4,918	-	-	4,918	9,169
Cash at bank and in hand		47,331	-	1,916	49,247	38,679
Total current assets		64,825	301,790	1,916	368,531	436,302
Current liabilities						
Creditors (due in under 1 year)	15	43,262	9,985	-	53,247	51,527
Total current liabilities		43,262	9,985	-	53,247	51,527
Net current assets		21,563	291,805	1,916	315,284	384,775
Net assets		1,187,247	395,546	1,916	1,584,709	1,606,658
Funds of the Circuit						
General Fund (unrestricted)	16	1,187,247	-	-	1,187,247	1,181,984
Circuit Model Trust Fund (unrestricted)	16	-	395,546	-	395,546	422,753
Total Unrestricted Funds		1,187,247	395,546	-	1,582,793	1,604,737
Restricted Funds	17	-	-	1,916	1,916	1,921
Total Funds		1,187,247	395,546	1,916	1,584,709	1,606,658

Approved by the board of trustees on..... signed and authorised for issue on the:

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Rev Paul Benney

Notes to the Accounts

1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the 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 (FRS102) (as amended for accounting periods commencing from 1 January 2016) – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The Circuit meets the definition of a public benefit entity under FRS 102.

The Circuit has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flow.

Based on the monetary assets and human resources available at the year end, the trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. Whilst Covid 19 has continued to have a social impact the Charity remains operational, generating increased income and retaining sufficient funds.

The Circuit has denominational regulatory oversight in respect of the work of the churches within the Circuit but has no legal or operational control of those churches and their governing bodies. For this reason, the financial statements of churches within the Circuit are not consolidated into these statements.

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.

There are no Endowment funds. Details of each material fund are disclosed in notes 17 and 18 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. The accruals basis has been used and the trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

The accounts are expressed in £ Sterling, rounded to the nearest pound.

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.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. If goods are donated, a value will be shown in the SOFA or notes where the value is considered material.

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 to make a grant without performance conditions or as and 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 £1,000.

The freehold property is shown in the accounts at deemed historical cost representing each property's gross carrying value at 1 September 2015. 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 property has been reviewed for impairment.

Methodist property improvements represent significant improvements to church properties funded by, but not yet vested to, the Circuit as Managing Trustees. No depreciation is provided on the improvements as the project is not complete at the year end.

Depreciation is provided on fixtures, fittings and equipment at a rate of 25% on the reducing balance method, calculated to write off the cost over their expected economic life.

Investment Properties

From time to time the Circuit may be required to assume responsibility for church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At that time the property is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking into consideration the levy to be charged by the Connexion. Any expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, that is likely to enhance sale value is capitalised at the time the expenditure is incurred. There is only one property currently deemed to not be held for the long term purposes of the charity.

Investments

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS 102. Investments are valued in the balance sheet at market value at the year end, which are provided by TMCP. 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. All cash balances are shown in cash and short term deposits.

Debtors and Prepayments

Debtors are stated at the amounts owed to the Circuit or prepaid. They mainly include prepaid stipends.

Financial Instruments

The Circuit only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Creditors

Creditors are initially recognised at settlement amount after any trade discounts. Creditors include both sundry expenses and specifically the 1st quarter assessment received in August for the following financial year.

Pensions

The Circuit operates a defined contribution scheme for the benefit of its employees. Contributions are charged to the Statement of Financial Activities in the period they are payable.

4 Other charitable income

	General £	CMTF £	Restricted £	Total 2022/23 £	Total 2021/22 £
Letting income	41,170	-	-	41,170	19,210
Liturgical fees	1,560	-	-	1,560	6,225
Photocopying	-	-	-	-	-
Other income	10	-	5	15	10
Total	<u>42,740</u>	<u>-</u>	<u>5</u>	<u>42,745</u>	<u>25,445</u>

5 Analysis of grant expenditure

	General £	CMTF £	Restricted £	Total 2022/23 £	Total 2021/22 £
Local Methodist churches	2,400	-	-	2,400	-
Local support groups	1,200	-	-	1,200	1,200
Church Mission Society	750	-	-	750	750
Donations	1,000	-	708	1,708	-
Total	<u>5,350</u>	<u>-</u>	<u>708</u>	<u>6,058</u>	<u>1,950</u>

Grants were made to local Methodist churches to help fund the cost of repairs, equipment and training.

6 Stipends and salary costs**Staff Costs paid during the year were:**

	2022/23 £	2021/22 £
Gross wages, salaries and benefits in kind	42,026	30,310
Pension costs	1,301	1,140
Other staff costs	403	16,351
Total staff costs	<u>43,730</u>	<u>47,805</u>

Average number of employees in the year were:

6	4
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No employees received employee benefits of more than £60,000.

Stipends were paid to 2 (2021/22: 2) Presbyters and amounted to:

	<u>76,854</u>	<u>73,683</u>
Total stipends and salaries	<u>120,584</u>	<u>121,488</u>

7 Payment to Trustees

In 2022 payments were made to one trustee for additional services provided to the Circuit (manse and property steward, equipment hire, layworker and consultant) by agreement with the Circuit Meeting. A summary of these payments has been included in note 23.

There were no such payments in 2023.

	2022/23	2021/22
Total amount paid	-	£15,760

Trustee expenses

	2022/23	2021/22
Number of Trustees	6	4
Total amount	£4,931	£5,127

Expense payments primarily relate to reimbursement for travel, subsistence, postage, stationery and steward's expenses.

The ministers (who are trustees) are paid stipends and travel expenses at rates agreed annually by the Methodist Conference. Stipends were paid to two ministers amounting to £76,854 in the year (2022: £73,683 for two ministers). Travel costs paid to the ministers amounted to £7,579 (2022: £2,638). These are also included in the amounts paid to Trustees for expenses above. The Manses are provided by the Circuit and the Circuit maintains the property. With the exception of the let manses, the Circuit is responsible for payment of council tax, utilities, water charges and insurance (included in note 10).

Six (2022: Four) trustees were paid remuneration or have received other benefits from an employment with the charity. These payments have been made under authority of the Charity Commission and can be summarised as follows:

Trustee	Reason for payment	2022/23		2021/22	
		Amount paid £	Pension costs £	Amount paid £	Pension costs £
Mrs C Thornton	Layworker	5,625	-	5,078	-
Mrs D Eade	Layworker	14,061	837	12,697	745
Mrs K Reynolds	Layworker	7,312	436	6,602	395
Mrs J Petzing	Layworker	3,778	28	-	-
Mrs L Mitchell	Children's worker	5,625	-	-	-
Mrs C Baines	Layworker	5,625	-	5,079	-
		42,026	1,301	30,314	1,140

The members do not take part in any discussion on the terms and conditions of their employment. The members of the CLT, who consists of the ministers, the layworkers, Circuit administrator and the unpaid Circuit stewards are considered as Key Management Personnel. The remuneration paid to them has been disclosed in note 8 above.

8 Fees for examination or audit of the accounts

	2022/23 £	2021/22 £
Independent examiner's or auditors' fees for reporting on the accounts	950	900
Other fees (eg: advice, accountancy services) paid to the independent examiner	3,490	3,300

9 Other outgoings

	General £	CMTF £	Restricted £	Total 2022/23 £	Total 2021/22 £
Travel expenses	9,973	-	-	9,973	4,571
Manse insurance and utilities	5,559	-	-	5,559	10,587
Quinquennial inspections	1,882	-	-	1,882	3,175
Resource Centre	2,122	-	-	2,122	1,905
Professional fees	4,591	-	-	4,591	5,786
Investment administration charge	-	1,087	-	1,087	1,336
Other expenses	2,343	-	1,116	3,459	7,191
Total	26,470	1,087	1,116	28,673	34,551

10 Reclassification of funds

Circuit property is always carried in the General Fund but upon sale the net proceeds are processed through the Circuit Model Trust Fund. This requires an adjustment and any such sales during the year are reflected at the gross sale price (less selling costs). There were no manses sold in the year end 31st August 2023.

11 Tangible Fixed Assets

Cost or valuation

	Freehold Manse	Methodist Property Improvements	Fixtures, fittings and equipment	Total	<i>Investment properties</i>
	£	£	£	£	£
Balance brought forward at 1 st September 2022	1,102,958	-	28,793	1,131,751	80,000
Additions	-	47,766	-	47,766	-
Disposals	-	-	-		-
Balance carried forward at 31 st August 2023	1,102,958	47,766	28,793	1,179,517	80,000

Accumulated depreciation

Balance brought forward at 1 st September 2022	-	-	28,491	28,491	-
Depreciation charge for year	-	-	76	76	-
Balance carried forward at 31 st August 2023	-	-	28,567	28,567	-

Net book value

Brought forward at 31 st August 2022	1,102,958	-	302	1,103,260	80,000
Carried forward at 31 st August 2023	1,102,958	47,766	226	1,150,950	80,000

The comparable carrying amount of the freehold manse on an historical cost basis would be £709,363 at the year-end (2022: £709,363).

12 Investment assets

Investment properties, shown in Note 1, are recognised at their anticipated net sale price as determined by a professional valuation and after taking into consideration the levy to be charged by the connexion.

The funds that support the Circuit Model Trust Fund and the Manse Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and 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, though 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.

	2022/23 £	2021/22 £
Analysis of investments		
CFB Managed Mixed Fund at 31 st August 2023	<u>38,475</u>	<u>38,623</u>
Trustees Interest Fund at 31 st August 2023	<u>301,790</u>	<u>376,615</u>

13 Financial instruments

	2022/23	2021/22
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through the SOFA	<u>339,030</u>	<u>415,136</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>808</u>	<u>1,906</u>

14 Debtors

	2022/23	2021/22
	£	£
Other debtors	259	-
Stipends	<u>12,317</u>	<u>11,839</u>
Total	<u><u>12,576</u></u>	<u><u>11,839</u></u>

15 Creditors

	2022/23	2021/22
	£	£
Trade creditors	808	1,906
Accruals	4,440	4,200
Deferred income	38,014	35,436
Money due to Carne Hill (CMT)	<u>9,985</u>	<u>9,985</u>
Total	<u><u>53,247</u></u>	<u><u>51,527</u></u>

Deferred income

	£
Balance at 1 st September 2022	35,436
Deferred in the year	38,014
Released in the year	<u>(35,436)</u>
Balance at 31 st August 2023	<u><u>38,014</u></u>

Deferred income comprises of the 1st quarter assessment received in August, which related to the year ended 31st August 2023

16 Analysis of unrestricted funds at 31st August 2023

Unrestricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Gains (Losses)	Closing Balance	Purpose of the fund
General Fund	1,181,984	211,711	(231,448)	25,000	-	1,187,247	For use in the furtherance of the general objectives of the Circuit
Circuit Model Trust Fund	422,753	11,268	(13,277)	(25,000)	(198)	395,546	As above

Totals	1,604,737	222,979	(244,725)	-	(198)	1,582,793	
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Comparative analysis of unrestricted funds at 31st August 2022

Unrestricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Gains (Losses)	Closing Balance	Purpose of the fund
General Fund	1,186,571	206,323	(245,910)	35,000	-	1,181,984	For use in the furtherance of the general objectives of the Circuit
Circuit Model Trust Fund	476,157	1,991	(20,082)	(35,000)	(313)	422,753	As above

Totals	1,662,728	208,314	(265,992)	-	(313)	1,604,737	
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17 Analysis of restricted funds at 31st August 2023

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Youth Fund	1,139	-	-	-	1,139	Development and implementation of work with young people in the St Austell Circuit
Childrens Work Fund	775	1,111	1,116	-	770	Development and implementation of work with children in the St Austell Circuit
LP	3	-	-	-	3	Development and training of local preachers and worship leaders in the St Austell Circuit
Easter Musical Account	4	-	-	-	4	Donations collected to pay for the Easter musical and proceeds donated to Christian Aid
Tearfund Earthquake Appeal	-	708	708	-	-	Donations collected to provide aid to people affected by the Turkey-Syria earthquakes.
Totals	1,921	1,819	1,824	-	1,916	

Comparative analysis of restricted funds at 31st August 2022

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Youth Fund	1,139	-	-	-	1,139	Development and implementation of work with young people in the St Austell Circuit
Childrens Work Fund	1,362	386	973	-	775	Development and implementation of work with children in the St Austell Circuit
LP	3	-	-	-	3	Development and training of local preachers and worship leaders in the St Austell Circuit
Easter Musical Account	4	-	-	-	4	Donations collected to pay for the Easter musical and proceeds donated to Christian Aid
Totals	2,508	386	973	-	1,921	

18 Capital commitments and contingent liabilities

At 31st August 2023 there were no capital commitments or contingent liabilities.

19 Financial commitments

At 31st August 2019, the Circuit had agreed to assist in funding a project at a church within the Circuit, which could amount to £50,000 and a further £47,766 paid during the year ended 31st August 2023. During the year ended 31 August 2021, the circuit agreed to increase the funding for the project to £100,000. £17,500 was paid during the year ended 31st August 2020. This project is due for completion during the year ended 31st August 2024.

20 Operating lease commitments

At 31st August 2023, the Circuit had outstanding commitments for future minimum lease payments under non-cancellable operating leases amounting to £4,554 until June 2028 (2022: £1,438).

The total lease payments included in the expenses were £923 (2022: £720).

21 Voluntary contributions

The Circuit is heavily reliant on volunteers who contribute their skills and time in the furtherance of the work of the Circuit. The principal contribution is by serving on committees of the Circuit that deal with mission, manse, finance, grants and safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this Circuit to value the non-monetary contributions to the Circuit in monetary terms.

22 Related party transactions

There were no related party transactions in 2022/23.

Comparative – 2021/22

Name of related party	Relationship	Description of transaction	Payments to related party during the year £	Amounts owed to related party as on 31 August 2022 £
Mr W J Keast	Trustee	Layworker & consultancy	15,760	-