

Annual Report and Financial Statements for the year ended 31 August 2023

Charity Registration Number 1145485

MINISTERS	Rev Graham Edwards Rev Ros Watson
TRUSTEES	See main body of the report
CIRCUIT STEWARDS	Mrs Ruth Linde Mrs Barbara Ogle Mr Alex Price
CIRCUIT TREASURER	Mrs Jane Walker
ADDRESS	c/o Langley Methodist Church Main Road Langley Macclesfield SK11 0BU
BANKERS	Barclays Bank
INVESTMENT MANAGERS	Central Finance Board TMCP
INDEPENDENT EXAMINER	Peter Smith BA FCA DChA Peter Smith Accountancy Services 9 Polruan Road Chorlton Cum Hardy Manchester M21 9NR

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TRUSTEES REPORT

INTRODUCTION

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2023.

The Circuit consists of six active churches of varying sizes and locations within East Cheshire from Gawsorth in the south to Poynton in the north. The circuit also has two graveyards at Over Alderley and Rainow and is dealing with the closed churches at Walker Barn and Green Close.

REPORTING FRAMEWORK

The financial statements comply with the Charities Act 2011, and 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) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The Circuit shares the charitable objectives of the Methodist Church, which are set out as follows:

“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 the 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.”

Circuit Mission Statement

Our mission statement is as follows...

Macclesfield Methodist Circuit



CIRCUIT MISSION STATEMENT

We seek to find and fulfil our place in the mission of God to the world.

The role of the Circuit is to develop approaches to staffing and the use of the resources in supporting the churches as we live out our calling.

The mission of Macclesfield Methodist Circuit is to seek to order our life so that we engage fully with the *Five Marks of Mission* in everything we do. The circuit will give attention to these marks as it considers the complex issues of staffing, grant making and overseeing Circuit initiatives.

1 Tell. *To Proclaim the Good News of the Kingdom*

Our priorities:

- To offer a variety of worship styles, accessible to all, including areas not currently reached by the circuit
- To make effective use of our Children & Families Mission Teams to explore work with demographic 'gaps' across the circuit
- To ensure adequate and sustainable lay and ordained ministry across the circuit.

How?

- ❖ To encourage and develop new and existing varieties of worship styles (e.g. Contemporary, taize, café, breakfast, proclaim, afternoon tea church, midweek services, quiet/sacred spaces, traditional)
- ❖ To develop effective communication through appropriate channels including social media (e.g. Facebook), websites and internal and external publications and places (e.g. Messenger, Local People, Libraries)
- ❖ To enable and equip volunteers in order to address the needs and opportunities for ministry
- ❖ To make best use of financial resources to support ministry across the circuit

2. Teach. *To teach, baptise and nurture believers*

Our priorities:

- To explore ways the circuit might resource the nurture and spiritual development of believers and seekers
- To equip those involved in the preparing and leading of worship including Worship Leaders, Local Preachers, musicians, stewards, IT, those involved in 'Own Arrangements' and leaders of children and young people
- To support the churches' and circuit's evangelistic outreach into the local communities

How?

- ❖ Provide seasonal reflections, quiet days and study groups at circuit level and explore potential for others
- ❖ Provide and signpost opportunities for training and development, allocating appropriate funding
- ❖ To provide/signpost to resources and tools for equipping evangelistic outreach into local communities

3. Tend. *To respond to Human need by loving service*

Our priorities

- To ensure the churches of the circuit are welcoming, inclusive and safer spaces for all people
- To recruit, train and support all those involved in pastoral care (including Pastoral Visitors, Class Leaders and others) at Circuit and Church level
- To increase awareness of human need and possible responses and resources available

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How?

- ❖ To enact and review Safeguarding policies and procedures at Circuit and Church level
- ❖ To provide training/signposting for those involved in pastoral care
- ❖ To celebrate and publicise existing work in response to human need and help churches identify other needs not being addressed (e.g. local church initiatives and partnerships like MHA Live at Home, Cancer Care)

4. Transform. *To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation*

Our priorities

- To encourage engagement with political processes locally and nationally, and to support those active in this work.
- To advise and support churches as they consider their place and role in addressing the unjust structures of society, challenge violence and pursue peace and reconciliation
- To root out prejudice in ourselves.

How?

- ❖ To play our part in the activities and governance of ecumenical and interfaith work, including supporting the work of Hope in North East Cheshire
- ❖ To highlight and support the work of organisations at home and abroad, which help us keep an outward focus (e.g. JPIT, All We Can, Mission in Britain, OneMission, Action for Children)

5. Treasure. *To strive to safeguard the integrity of creation, to sustain and renew the life of the world.*

Our priorities

- To strive to reduce the carbon footprint across the circuit
- To promote fair trade in the life of the circuit
- To be aware of how best we use our resources (buildings, people, finances) across the circuit

How?

- ❖ To up awareness and share best practice on reducing our carbon footprint
- ❖ To encourage circuit led events, activities and groups to strive to be Fair Trade
- ❖ To promote good stewardship of circuit resources

Contribution of Volunteers

The Circuit is heavily dependent upon, and extremely grateful for, the contribution of volunteers as it seeks to carry out its objectives. With the exception of the three stipendiary Ministers, Children & Families Coordinator and Circuit Administrator, all members of the Circuit Leadership Team and all other Charity trustees are unpaid volunteers.

ACHIEVEMENT & PERFORMANCE

This has been a year of adjusting to 'new normals'. Whilst our congregation levels have not completely recovered, we seek to serve the community around us and have been delighted to welcome new faces in many of our churches.

We have been fortunate that throughout the turbulence of the last few years our churches were able to continue the payment of the assessments to the circuit. This has been due to the generosity of our congregations and also by our churches having sufficient reserves for which we are extremely grateful. As a circuit we appreciate the hard work of our church Treasurers and we will support them wherever possible.

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New challenges continue to arise though, a slow global recovery from the pandemic, the war in Ukraine and its effect on food and energy cost, rising interest rates in the UK, all factors combining to make this a difficult time for so many. Our churches are acutely aware of the cost of living crisis.

Our many weekday groups and events have continued apace with new initiatives such as dementia cafes and warm spaces helping to reach out to those in need. Coffee mornings in particular remain a popular outreach activity. General fundraising activities have and continue to take place both for own funds in helping to rebuild reserves and also supported charities. Macclesfield church's current campaign to raise funds for a new boiler being a particular feature of activity across the circuit.

Our buildings are again being used by external community groups and our church treasurers continually look for ways in which to grow in this competitive area. Since lockdown some groups have gone online or disbanded but our churches continue to offer excellent letting facilities for groups at reasonable rates of rental.

During the year, Poynton achieved Eco church status as part of their commitment to climate change. Langley and Prestbury have had solar panels in place for some time and are seeing the benefits from this investment. Macclesfield will be replacing their boiler, subsequently improving their energy efficiency.

The circuit trustees are tasked with caring for the chapels at Walker Barn and Green Close with a view to disposal of the properties once the necessary approvals have been given. Although relatively few in number, we have been delighted to welcome former members of Walker Barn and Green Close to some of our other churches across the circuit and remain extremely grateful to those who continue helping with management of the buildings and finances in this interim period.

During the course of 2022-2023 we have been supported by a complement of three full time ministers. However, due to a reduction in the number of active churches and member numbers, the Circuit Trustees made the decision to not seek a replacement minister at the end of Rev Helen Byrne's stationing.

2023-2024 will therefore see the circuit led by Superintendent Rev Dr Graham Edwards as minister for Gawsorth, Langley and Macclesfield churches, supported by Rev Ros Watson as minister for Broken Cross, Poynton and Prestbury. Graham and Ros do however work closely to operate a 'team ministry' and are able to mix and match time across congregations as appropriate.

At the end of the 2023 financial year Graham finished his support for the Altrincham circuit as they were successful in recruiting a minister to their circuit. Ministers generally remain in short supply though and following on from his experiences in Altrincham, Graham has been asked to assist the Stretford & Urmston circuit over the coming year, starting in October. It is anticipated this will take one sixth of Graham's time and financial arrangements will be put in place to contribute pro rata to Superintendent stipend and manse cost accordingly. Rev Ros Watson will assist in covering Graham's Macclesfield's responsibilities as necessary.

Our work with Children and Families continues a particular focus for the circuit. Our Coordinator, Angela has run many events of the year such as monthly Messy's, Chippy Church, Breakfast Church and Holiday Clubs whilst continuing work with local schools. We are so grateful to our dedicated group of volunteers who support this work and without whose help it could not continue. Over the year Angela hosted a thank you lunch in recognition of the vital role our volunteers play.

Our 'Women's Wellbeing' events continue to be popular and our toddler groups continue to reach an increasing number of children and their families on a regular basis with this valuable work. For families who have children year 6 and above, we offer our Circuit Youth group, a small community of young people who

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meet (usually monthly) for games, snacks and fun. This offers somewhere for those who have been involved with our family church to move onto as they grow.

Taking inspiration from an online training course, Angela has also been spending time working on branding, vision and values for our children and families work so that our Family Church Community feels that they belong to something or somewhere.



After further discussion and playing with words, it was decided to use **'Methodist Families Together' 'MFT.'** MFT can also be an abbreviation of **'My Favourite Things'** and has resulted in a new logo and the next stage is to form our Values and Vision to ensure our families feel like they belong.

The Circuit believes we are fulfilling a need within the community in providing essential outreach to children and families within the area and has allocated resources from reserves accordingly. This year we asked individual churches to contribute financially to fund equipment and supplies and their support has been much appreciated.

Having allocated existing reserves to fund the work detailed above, the circuit will once again be reviewing its reserves policy as part of our ongoing financial management.

Financial accounts for the circuit have been prepared on an Accruals basis in line with the previous year.

Income trends

Total income fell substantially in 2022/23 when compared to 2021/22. This was due to the earlier year's figure being inflated by the bringing in of Walker Barn and Green Close properties to Circuit control. This also meant there was a reduction in the level of assessment income over the year as only six churches were contributing. The remaining churches had agreed to small increases in assessments for 2022/23 to cover the loss of Walker Barn's assessment. Circuit income is primarily drawn from the assessment paid by the circuit churches. Once again, it is hoped that our remaining churches will continue to meet their assessment contributions for the 2023/2024 financial year.

Additionally, as Graham has been spending part of his time assisting the Altrincham circuit, we have been pleased to receive a proportionate contribution towards stipend and other costs from them and this helped to offset the loss of Green Close's assessment contribution.

We have been fortunate to see increases in the level of rental income received. The rental income relates to the rental of a manse and with agreement of the Circuit Meeting, the tenancy was renewed for a 12-month period in March 2023 subject to a small uplift in the monthly rental. The property is let to a family in housing need and they may be rehoused by the Local Authority at any time, subject to the circuit being given one month's notice.

Progress on the disposal of Walker Barn and Green Close has been slow with the need to focus on Moss Brow and its associated work taking priority. The Circuit is proposing to dispose of both chapel sites through sale on the open market. It is intended to focus on these properties during 2024 but timing of completion of this process is uncertain.

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are

Falling member numbers, lack of volunteers and the effect of loss of rental income the major risk factors to our churches. This may impact on their ability to meet their circuit assessment. We have asked our churches to let us know immediately if they have concerns about meeting their commitments.

During the year interest rates have increased substantially and the Circuit has benefitted from this with income from monetary investments rising from just over £1,000 in 2021-22 to over £10,000 in 2022-23.

Income from the two Graveyards has been lower than in recent years with less demand for plots but with expenditure on upkeep still required. We continue to receive ad-hoc donations for the graveyards which are much appreciated and these are all used towards the cost of ongoing gardening and maintenance work.

During the year a quinquennial report was carried out on Poynton church. The report findings have been passed on in order for them to deal with areas requiring attention.

All these issues will be ongoing considerations of Circuit Leadership Team and Circuit Meeting where appropriate.

Expenditure trends

The circuit finances are concentrated on allowing the paid staff (ministers, mission workers and administrator,) to be paid and maintaining the residences of the ministers in good order. Stipend expenditure has increased each financial year in line with conference approved increases. Lay worker salaries are based on the role specification and move in line with the annual percentage stipend increase.

As mentioned in last years' report, it was the Circuit's desire to reduce to 2 ministers from 01.09.23. Rev Helen Byrne made known her intention to leave the circuit at the end of her appointment in August 2023 and was successful in securing a role in Cornwall. We thank Helen for all her help during her period of ministry with us and wish her all the best in her new role. We were delighted both the Rev Dr Graham Edwards agreed to extend his current appointment as Superintendent until 2025 and Rev Ros Watson agreed to extend until 2026. This allows the Circuit a staggered period of potential change going forward.

Our work with Children & Families remains a thriving area of focus for the circuit and funding for this work has been provided until 2025. Funds are also available for youth work opportunities, both areas are provided for by reserves and this mission will form another area of our expenditure.

Over £52,000 of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church. Our District contribution will decrease slightly for the coming year. The other expenditure includes staff costs and maintenance of the manses.

No Circuit grants were made during the year.

During the year, churches made contributions of £1,235 (2021-22 £1,235) to the circuit which were subsequently paid over to the Connexion to be split between the Property fund £810 and Fund for Presbyters/Deacons £425.

Risk management

The Circuit Meeting continues to develop procedures for identifying and addressing the risks facing the charity. The circuit properties are monitored regularly to ensure they are maintained to a good standard and attention

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is given to the financial situation of our churches and their ability to meet their financial commitments. We have developed robust procedures for safeguarding children, young people, and vulnerable adults including the appointment of a Circuit Safeguarding Officer.

Principal Funding Sources

Contributions from the Churches by way of Circuit Assessment continue to be the main source of funding, accounting for 85% (2022: 93%) of normal unrestricted income. The letting of the manse at Atholl Close is reviewed annually with rental income accounting for 5% (2022: 5%) of normal unrestricted income.

Fund balances

Over the year fund balances fell slightly by £18,560 to stand at £2,105,527.

Reserves

The Circuit seeks to use all its assets for its charitable purposes, whilst continuing to secure and maintain the Circuit's financial viability. It seeks to set a balanced revenue budget, in order that the ongoing normal costs of ministry, mission and management are met from investment income, grants and donations, and Circuit Assessment.

In order to meet its ongoing financial obligations - including the payment of stipends and of District and Connexional assessments quarterly in advance - and to meet unforeseen circumstances, the Circuit needs to maintain sufficient free reserves. These reserves would enable the Circuit to maintain its mission and ministry in the short term if, for whatever reason, individual Churches encounter difficulties in paying their assessments. Free reserves are defined as unrestricted reserves less the investment in tangible fixed assets.

1. General reserves

At 31st August 2023 general reserves totalled £1,833,773 of which £1,403,770 are tied up in fixed assets (properties), and £271,541 in the assets of Walker Barn and Green Close churches, which are some time off converting fully into cash, leaving liquid reserves of £158,462.

Our policy is to maintain 6 months of general expenditure in reserves (excluding fixed assets). Expenditure in 2022/23 was £208k thus requiring a reserve of approximately £104k. In addition, we have four manses which need to be maintained and always carry a risk of significant repair or needing significant renewal, as in the case of Moss Brow in 2023/24. A reserve of about £50k is considered prudent for this purpose.

On this basis total general reserves required are approximately £154,000 compared to £158,462 available. No decisions as to how the reserve of £282,210 from the Walker Barn and Green Close churches will be taken until those assets convert fully into cash once buyers are found for each property.

2. Circuit Model Trust Fund

This totals £84,691 and represents a further unrestricted fund, held with TMCP. These funds may be used for mission purposes. Funds within Model Trust can be used to meet the shortfall in general reserves with the remainder considered as a contingency. Each year it attracts a 2.5% District levy.

3. Designated funds

These total £124,995 and represent unrestricted funds that the Circuit trustees have agreed to set aside for funding a children and families co-ordinator role for a further two years along with an allocation of funding for

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for

potential youth work. Funds from circuit trust funds that were previously designated mission purposes form part of this sum.

4. Restricted funds

The Circuit owns two graveyards which originally belonged to the former chapels at Over Alderley and Rainow Methodist churches. Access difficulties at Rainow mean the graveyard is rarely used for new graves but the

one located at the former Methodist Chapel in Over Alderley is in reasonable demand, particularly as the graveyard at the nearby Prestbury Parish church is full. Income from funerals is added to the fund and the expenditure of funerals and upkeep of the grounds is taken from the fund. The balance of the fund is restricted in its use against the graveyards.

5. Endowment funds

Only one endowment fund is held. This is where the capital cannot be accessed and it relates to Over Alderley. The income however, can be used towards the upkeep of the Over Alderley graveyard.

Going Concern

The Trustees have reviewed the circumstances of the Circuit and consider that adequate resources continue to be available to fund its activities for the foreseeable future. The Trustees are therefore of the view that the charity is a going concern.

Plans for 2023/2024

Circuit budgets for the coming year assumed a staffing level of 2 ministers, one full time lay employee (Children and Families Coordinator), and a part time lay employee (Administrator).

We live in difficult times. Having emerged from long periods of lockdown and the associated loss of rental income this brought, global wars, climate change and the ongoing cost of living crisis impacts our churches. All experience increased running costs and potential loss of income whilst facing increasing need in the communities in which they serve. Additionally, our ministers themselves are impacted by cost of living rises and as such, stipends have been increased by a much larger rise than we have seen in recent times. This figure is set by the Methodist Church to ensure our ministers maintain their living standards.

Although the District has been subject to the same inflationary increases, some underspends have enabled it to keep the Circuit assessments more or less flat year on year.

As part of the budgeting process, with the reduction in staffing levels, we have been able to reduce the level of assessments for our churches. It was felt the impact of reduced staffing numbers would affect the churches equally and as such, the reduction in assessment was applied evenly across the churches.

We will also receive income from the Stretford & Urmston Circuit and from the continued letting of one of the manses.

STRUCTURE, GOVERNANCE AND MANAGEMENT

As the circuit is part of the Methodist Church of Great Britain the managing trustees operate within the Methodist Church Connexion and as such, their governing document is the Constitutional Practice and Discipline (CPD) of the Methodist Church. The document is available for inspection via the Superintendent.

Macclesfield Methodist Circuit

Macclesfield Circuit is registered as a separate charity, number 1145485.



Connected charities

The Churches forming the Circuit are themselves charities and, as they are responsible for their own financial affairs, they are not reported in these statements.

Macclesfield Circuit Meeting constitution [S.O. 510]
September 2022 [46 members – *currently 2 multiple with qualifications]

(i) The ex officio members (S.O. 552) [8 members]

The Superintendent Minister

The Revd Dr Graham Edwards

All ministers, probationers and persons authorised to serve the church as Presbyters or Deacons:

The Revd Helen Byrne
The Revd Ros Watson

The circuit stewards

Mr David Dippie
Mrs Ruth Linde
Mr Alex Price
Mrs Jane Walker (Treasurer)

(ii) Any other persons stationed or residing for the purposes of the stations in, or whose names appear under the number of, the Circuit in accordance with clause (4) of Standing Order 785, and who have informed the Superintendent of their wish to be members of the Circuit Meeting for the ensuing connexional year, except that any person stationed in one circuit but residing in another for the purposes of the stations is eligible to be a member, under this head, of the Circuit Meeting of the latter Circuit only; **[1 member]**

Supernumerary Presbyters or Deacons [S.O. 785 (4) (a) (vi)]

The Revd Sheila Bishop

(iv) such persons, if any, as the Circuit Meeting judges it appropriate to appoint from among those employed by the meeting under Standing Order 510; [1 member]

Mrs Angela Bourne (Circuit Children and Families Coordinator)

(v) the Secretary of the Meeting [1 member]

Miss Susan Mellor

(vi) the secretary of the Local Preachers Meeting [1 member]

Macclesfield Methodist Circuit



Mr Alan Rashleigh

(vii) from each Local Church one church steward and the church treasurer,
(viii) representatives elected by the church council of each local church from its own members in numbers specified by the circuit meeting. **[Membership under 100 = 1 representative, membership over 100 = 2 representatives.]** 20 members

Broken Cross Methodist Church [3]

Church Steward	Mrs Liz Hammond
Treasurer	Mr John Bird
1 representative	Mrs Joan Green

Gawsworth Methodist Church [3]

Church Steward	Mrs Jillian Longson
Treasurer	Mrs Margaret Parkin
1 representative	Mrs Carolyn Boden

Langley Methodist Church [3]

Church Steward	Mr Alan Chapman
Treasurer	Mr David Bullock
1 representative	Mrs Mavis Nixon

Macclesfield Methodist Church [4]

Church Steward	Mrs Margery Wilson
Treasurer	Mrs Ruth Linde*
2 representatives	Mr Ian Wardle
	**Vacant

Poynton Methodist Church [4]

Church Steward	Mrs Judy Gibbons
Treasurer	Mrs Jane Robson
2 representatives	Mrs Jean Drinkwater
	Mrs Mandy Hawkyard

Prestbury Methodist Church [3]

Church Steward	Mrs Heather Cann
Treasurer	Mrs Valerie Jones
1 representative	Mr Eddie Jones

(ix) Additional Persons as the Circuit Meeting may desire and appoint to ensure that all areas of the life of the circuit are adequately represented, provided that the total number appointed under this head shall not exceed the total of the numbers specified by the circuit meeting for the purposes of head (viii). **[8 Members]**

Macclesfield Methodist Circuit



Circuit Safeguarding Officer
Circuit Admin
MWiB
CFW Advisor
MHA
Missions
Action for Children
Hope in NE Cheshire

Mrs Pam Childs
Mrs Jane Walker*
Mrs Brenda Chapman
Mrs Joan Pritchard
Mrs Ruth Gunning
Miss Brenda Bailey
**Vacant
**vacant

Trustee recruitment, induction and training

As outlined above, the appointment of the majority of the members of the Circuit Meeting is outside the control of the Meeting. We encourage trustees to undertake Governance training when available. In appointing the Circuit Leadership Team and other officers, the Meeting has regard to the balance of skills and gifts that are needed to further the work of the Church. New members of the Leadership Team are inducted by the Leadership Team. During the year David Dippie resigned as Circuit Steward having completed his six year term as a member of the Circuit Leadership Team. David continues on circuit meeting as part of his one year hand over period. We were delighted to welcome back Barbara Ogle as a Circuit Steward to take over from David.

We thank David for his contribution over the years.

Organisation

The Circuit Meeting is convened biannually usually in September and March. The Circuit Leadership Team, appointed by the Circuit Meeting, is responsible for acting on behalf of the Circuit Meeting at other times. The Leadership Team usually meets at least six times per year. The Circuit Meeting retains responsibility for setting

the mission priorities of the Circuit, the overall strategy to deliver those priorities, the invitation of ministers, the oversight of local churches, the admission of people to the office of Local Preacher, and decisions on formal explorations of calls to ministry and candidates for the ordained ministry.

The Leadership Team is assisted in the task of financial oversight by the Circuit Treasurer.

The Methodist Church appoints a minister to be the Superintendent Minister of the Circuit, whose duties are set out in the Standing Orders of the Church.

Pay and Remuneration

Stipends and allowances for presbyters and deacons (collectively ministers) are set annually by the Methodist Conference, and the Circuit is responsible for meeting those costs for all ministers appointed by the Conference to the Circuit. Fuller disclosure is contained in Note 4 to the accounts. Lay employee remuneration is set by the Circuit based on the role specification and pay moves in line with the annual percentage stipend increase.

FUTURE PLANS

We look to the future with a smaller, but still strong ministerial resource.

The circuit will continue to provide a supporting role to its churches and will consider any issues arising through the appropriate channels of Circuit Leadership Team and Circuit Meeting as necessary.

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Ongoing maintenance and management of the manses and graveyards will be the focus of the Circuit Stewards with responsibility for property. Ongoing issues relate to dealing with Walker Barn and Green Close churches.

Following the reduction in staffing numbers, the circuit has a vacant manse in Bollington. Circuit meeting agreed that once general repair and renovations have been completed, the property should be let on the open market. The property has been occupied continually for the last ten years, with only essential maintenance being carried out in order to minimise disruption for the minister. In order to bring it up to letting standards it is envisaged considerable expenditure will be necessary with funds being used from the Circuit Model Trust.

With the reduction in ministerial resource, the online Sunday services continue on a fortnightly basis. They remain a link to those not able to reach us in other ways and we also hope develop relationships with those viewers outside of the circuit. Online services are posted on Youtube and can be accessed via the Circuit website.

Sunday evening services have been mostly 'in person' and the ministers continually review the worship styles we offer. The popularity of zoom evening prayers has fallen proportionately as attendance at church has resumed.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The law applicable to charities in England and Wales requires the Circuit Meeting to prepare financial statements for each financial year which give a true and fair view of the state of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements, the Circuit Meeting has to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) (second edition – October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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

The Circuit Meeting is responsible for keeping 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 applicable regulations. It is also responsible for safeguarding the assets of the charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINERS

As it is now necessary to undertake accruals accounting, Peter Smith, of Peter Smith Accountancy Services has been appointed as Independent Examiner.

REV GRAHAM EDWARDS

DATE 13 MARCH 2024

Macclesfield Methodist Circuit

ON BEHALF OF CIRCUIT MEETING



Independent Examiner's Report to the Trustees of the Macclesfield Methodist Circuit for the year ended August 31 2023

I report to the charity trustees on my examination of the accounts of the charity for the year ended August 31 2023 which are set out on pages 14 to 26.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Peter Smith BA FCA DChA
Peter Smith Accountancy Services

Macclesfield Methodist Circuit

9 Polruan Road
Chorlton-cum-Hardy
Manchester M21 9NR

Date: April 13 2024



Statement of Financial Activities

Macclesfield Methodist Circuit



Statement of Financial Activities (SOFA) for the year ended 31 August 2023							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2022-23
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments		10,669	2,397		1,861	81	15,008
3 Income from investment properties		13,136					13,136
4 Assessments on Churches		199,285					199,285
5 Capital Receipts	7						0
6 Grants received							0
7 Other charitable income	12	11,000		4,508	1,738		17,246
8 Total income		234,090	2,397	4,508	3,599	81	244,675
Expenditure							
9 Grants and donations		40					40
10 Salaries and associated costs		120,380		30,795			151,175
11 Property maintenance		20,090					20,090
12 Connexional assessment & model trust levy							0
13 District Assessment & Levy		50,298	2,173				52,471
14 Depreciation		9,715					9,715
15 Office expenses		12,548	248	5,218			18,014
16 Other outgoings		4,764			4,553	195	9,512
17 Total charitable expenditure		217,835	2,421	36,013	4,553	195	261,017
18 Gains/(losses) on monetary investments		-	2,218				-2,218
19 Gains/(losses) on investment properties							
20 Net income/(expenditure)		16,255	-2,242	-31,505	-954	-114	-18,560
21 Transfers between funds	13						0
22 Other gains/(losses)							
23 Net movement in funds		16,255	-2,242	-31,505	-954	-114	-18,560
24 Total funds brought forward		1,817,518	86,933	156,500	60,381	2,755	2,124,087
25 Total funds carried forward		1,833,773	84,691	124,995	59,427	2,641	2,105,527
				Note 14			

Macclesfield Methodist Circuit



Statement of Financial Activities (SOFA) for the year ended 31 August 2022							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments		1,047	636	47	260	70	2,060
3 Income from investment properties		12,530					12,530
4 Assessments on Churches		202,760					202,760
5 Capital Receipts	7	282,210	12,887				295,097
6 Grants received				85			85
7 Other charitable income	12	1,295		1,252	5,722		8,269
8 Total income		499,842	13,523	1,384	5,982	70	520,801
Expenditure							
9 Grants and donations							0
10 Salaries and associated costs		114,808		28,436			143,244
11 Property maintenance		13,847					13,847
12 Connexional assessment & model trust levy							0
13 District Assessment & Levy		47,770	2,229	17			50,016
14 Depreciation		9,715					9,715
15 Office expenses		12,082		6,726			18,808
16 Other outgoings		2,325	254		5,375	70	8,024
17 Total charitable expenditure		200,547	2,483	35,179	5,375	70	243,654
18 Gains/(losses) on monetary investments		-	2,028		-	3,245	-5,273
19 Gains/(losses) on investment properties							
20 Net income/(expenditure)		299,295	9,012	-33,795	607	-3,245	271,874
21 Transfers between funds	13	- 76,089	- 51,253	156,089	240	- 28,987	0
22 Other gains/(losses)							
23 Net movement in funds		223,206	-42,241	122,294	847	-32,232	271,874
24 Total funds brought forward		1,594,312	129,174	34,206	59,534	34,987	1,852,213
25 Total funds carried forward		1,817,518	86,933	156,500	60,381	2,755	2,124,087
				Note 14			

Macclesfield Methodist Circuit



Balance Sheet

Balance Sheet as at 31 August 2023								
	Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2022/23	Totals 2021/22
		£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment		1,403,770					1,403,770	1,413,485
Investment properties							0	0
Investments			84,691		57,360	2,641	144,692	145,346
Total fixed assets		1,403,770	84,691	0	57,360	2,641	1,548,462	1,558,831
Current Assets								
Debtors	7	7,361					7,361	10,212
Loans by the Circuit							0	0
Property Investments	7	271,541					271,541	282,210
Central Finance Board Deposits		178,351		124,995			303,346	303,589
Cash at Bank and in hand		15,440			2,067		17,507	19,866
Total current assets		472,693	0	124,995	2,067	0	599,755	615,877
Current liabilities								
Creditors (due in under 1 year)		42,690					42,690	50,621
Grants payable within 2018-19							0	0
Total current liabilities		42,690	0	0	0	0	42,690	50,621
Net current assets/liabilities		430,003	0	124,995	2,067	0	557,065	565,256
Total assets less current liabilities		1,833,773	84,691	124,995	59,427	2,641	2,105,527	2,124,087
Long term liabilities (due after more than one year)								
Grants payable after 2018-19							0	0
Loans to the Circuit							0	0
							0	0
Net assets		1,833,773	84,691	124,995	59,427	2,641	2,105,527	2,124,087
Funds of the Circuit								
General Fund (Unrestricted)		1,833,773					1,833,773	1,817,518
Circuit Model Trust Fund (Unrestricted)			84,691				84,691	86,933
Designated Funds (Unrestricted)				124,995			124,995	156,500
Total Unrestricted Funds							2,043,459	2,060,951
Restricted Funds					59,427		59,427	60,381
Endowment Funds						2,641	2,641	2,755
Total Funds		1,833,773	84,691	124,995	59,427	2,641	2,105,527	2,124,087

Cash Flow Statement

Macclesfield Methodist Circuit



							2023				2022
							£				£
Cash used in operating activities			Note 10				(15,932)				39,857
Cashflows from investing activities											
Interest and dividends							15,008				2,060
Proceeds of disposal of fixed assets							-				-
Transfer in of tangible fixed assets							-				-
Proceeds of sale of investments							-				118,586
Reclassification as Current Assets							-				-
Purchase of investments							(1,679)				(51,235)
Cash provided by/(used in) investing activities							13,329				69,411
Cashflows from financing activities											
Proceeds from new borrowings							-				-
Repayment of borrowing							-				-
Cash used in financing activities							-				-
Increase/(decrease) in cash & cash equivalents in the year							(2,603)				109,268
Cash and cash equivalents brought forward							323,454				214,186
Cash and cash equivalents carried forward							320,851				323,454

Macclesfield Methodist Circuit



Notes to the Financial Statements

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the charity's financial statements.

Scope of the financial statements

The financial statements relate solely to Macclesfield Methodist Circuit.

Basis of preparation

The accounts (financial statements) have been prepared in accordance with: the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102); and the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS102.

Income

Total Incoming Resources as shown in the Statement of Financial Activities represents the net amounts from all sources.

Income is recognised in the accounting period in which it is receivable, except in the following circumstances, when the income is deferred and included in creditors:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and the charity is not contractually entitled to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded.

Income includes grants in respect of revenue and capital items.

Macclesfield Methodist Circuit



Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants, whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

General donations from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Church Assessments are recognised in the period for which they have been given and any advance payments are deferred in line with the policy below.

Deferred income

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds, including those associated with fundraising activities and investment management cost.

Charitable activities - costs of undertaking the work of the charity.

The charity is not registered for VAT and cannot recover any input tax charged. Costs are stated inclusive of VAT where charged.

Taxation

Macclesfield Methodist Circuit is exempt from Corporation Tax by reason of its charitable status. Income tax suffered on deeds of covenant and gift aid or investment income is reclaimed in full.

Fixed assets and depreciation

Macclesfield Methodist Circuit



The Circuit has capitalised the freehold properties for which it acts as the Managing Trustees at the Trustees' valuation in 2018 or at subsequent purchase price. Depreciation has been provided at the rate of 0.67% per annum. The Circuit has no other fixed assets.

Investments, gains and losses

Fixed asset investments are a form of basic financial instrument and are initially recorded at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The SoFA includes the net gains and losses arising on revaluation and on disposals throughout the year.

Gains and losses on are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sale proceeds (net of transaction costs) and the opening carrying value or cost, if acquired during the year. Unrealised gains and losses are calculated on the difference between opening and closing fair values.

Financial instruments

The charity has only basic financial instruments which are initially recorded at cost, and with the exception of investments (as set out above) subsequently measured at their settlement value.

Methodist Ministers' Pension Fund

The Circuit is a member of the Connexional pension scheme (MMPS) which covers presbyters and deacons of the Methodist Church. The contribution rates are set each year by the Methodist Conference, and for the year under review the employer contributions were 26.9% of stipend (2020: 26.9%). Contributions were due to increase to 29.6% but due to subsequent economic shocks and the associated impact on funding, Conference agreed the circuit contribution rate increase be cancelled.

The MMPS is a multi-employer scheme, and in accordance with the guidance issued by the Charity Commission, the Circuit accounts for those contributions as if it were a defined contribution scheme. It has done so because it is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. Contributions are charged to the SoFA in the period in which they are payable.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Macclesfield Methodist Circuit



Notes 2 – 4

				Macclesfield Methodist Circuit			
						This year	Last year
2.	Payments to Trustees						
	Payments made to trustees for additional services provided to			£		None	None
	Number of trustees who were paid expenses					None	None
	Nature of the expenses						
	Total amount paid			£		Nil	Nil
3.	Fees for examination or audit of the accounts						
	Independent examiner's or auditors' fees for reporting on the accounts			£		850	800
	Other fees (eg: advice, accountancy services) paid to the examiner/auditor			£		None	None

Macclesfield Methodist Circuit



4 STAFF INFORMATION						2023				2022
						£				£
a Staff costs										
Stipends and salaries						111,091				110,526
Employer's NI contributions						10,456				10,137
Pension contributions - Methodist Ministers Scheme						23,240				22,870
						144,787				143,533
No staff member was paid more than £60,000 p.a. in either year.										
b Key management personnel										
The key management of the charity comprise the trustees, which includes the ordained members of staff who are <i>ex officio</i> members of the Circuit Meeting but do not receive any payment specifically for acting as trustees.										
The other trustees do not receive any remuneration for their services.										
						£				£
The total remuneration benefits of the key management						144,787				143,533
c Average staff numbers										
The average number of members of staff was as follows:-										
						2023				2022
						Average				Average
						number				number
Ordained staff (office holders not employees)										3
Lay employees										2
						-				5



Note 5 – fixed assets

		Macclesfield Methodist Circuit									
Assets		Detail of assets held:									
		4 Manses - at Marlborough Drive, Tytherington, Moss Brow, Bollington, Atholl Close, Macclesfield and Ivy Road, Poynton									
		Land £	Manses £	Other buildings £	Other fixed assets including motor vehicles £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £			
	forward	0	1,450,000	0	0	0	0	1,450,000			
	Gain/Loss on Disposal (+/-)							0			
								0			
								0			
	forward	0	1,450,000	0	0	0	0	1,450,000			
	reciation										
	forward		36,515					36,515			
	ge for year (-)		9,715					9,715			
								0			
								0			
								0			
	forward	0	46,230	0	0	0	0	46,230			
		-	1,413,485	-	-	-	-	1,413,485			
		-	1,403,770	-	-	-	-	1,403,770			

Notes 6 – 9

	2023		2022
	£		£
	145,346		217,970
	1,678		(1,652)
			52,886
			(118,586)
			-
	(2,332)		(5,272)
	144,692		145,346
26			
	144,692		145,346
	144,692		145,346
		Endowment funds	
stricted funds (Graveyards)	2022	2023	2022
3	£	£	£
658	55,253	2,755	34,987
702	165		
	240		(28,987)
		(114)	(3,245)
360	55,658	2,641	2,755

Macclesfield Methodist Circuit



5. Tangible Fixed Assets	
Cost or valuation	
Balance brought forward	
Additions	
Revaluations	
Disposals (-)	
Transfers (+/-)	
Balance carried forward	
Accumulated	
Balance brought forward	
Depreciation	
Revaluations	
Disposals (-)	
Transfers* (+/-)	
Balance carried forward	
Net book value	
Brought forward	
Carried forward	

Macclesfield Methodist Circuit

[illegible]

Macclesfield Methodist Circuit



7.	Analysis of current assets			This year	Last year
	Debtors and prepayments			£	£
	Prepayments			7,361	10,212
	Property Investments				
	At 31st August 2022, Walker Barn and Green Close Methodist Churches had ceased to worship and come under the control of the Circuit. Residual remaining net assets were included in the 2022 accounts as a capital receipt in income and other debtors on the balance sheet. In the current year, some cash has been transferred to the Circuit bank account and at year end estimated property values were reconfirmed. The year end balances are:				
	Green Close building at estimated sale proceeds net of levy and other costs			£220,000	£220,000
	Walker Barn building at estimated sale proceeds net of levy and other costs			£20,000	£20,000
	Cash and cash equivalents			£31,541	£42,210
	Total			271,541	282,210
8.	Analysis of current liabilities and long term creditors				
	Trade Creditors			Nil	Nil
	Other Creditors (principally assessments received in advance)			42,690	50,621
	Total Current Liabilities			42,690	50,621
9.	Capital Commitments and Contingent Liabilities				
	At the 31st August 2023 the Circuit has no capital commitments (2022: none).				
	No Contingent liabilities were identified at 31st August 2023 or 31st August 2022.				

Macclesfield Methodist Circuit



Notes 10 - 13

10 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES									
								2023	2022
								£	£
Net income/(expenditure) before transfers								(18,560)	271,874
Deduct/(add) gains/(losses) on investments								2,332	-
Add back depreciation on fixed assets								9,715	9,715
Deduct interest income shown in investing activities								(15,008)	(2,060)
Decrease/(increase) in debtors								13,520	292,422
Increase/(decrease) in creditors								(7,931)	(50,621)
Net cash generated from/(used in) operating activities								(15,932)	521,330

11 RELATED PARTY TRANSACTIONS

Stipends and allowances for presbyters and deacons (collectively known as ministers) are set out annually by the Methodist Conference, and the Circuit is responsible for meeting those costs for all Ministers appointed annually by the Conference to serve the Circuit.

The following Ministers received the basic stipend £26,928 (2021/22 - £25,916) and were provided with living accommodation in 2022/23: The Revd Dr Graham Edwards, The Revd Helen Byrne and The Revd Ros Watson. The Revd Graham Edwards received the Connexionally agreed additional superintendents' allowance of £2,710 (2021/22 - £2,592).

12 OTHER CHARITABLE INCOME

Other charitable income in 2022/23 of £11,000 (2021/22 £1,295) included income from another circuit as a proportionate contribution towards the Superintendents cost. Donations and graveyard fees are included in the appropriate fund. Rental income from letting out a manse was £13,136 (2021/22 £12,530).

13 CIRCUIT MODEL TRUST MONEY

Over the year, the balance has been broadly stable with no requirement for the circuit to make calls on the fund. The changes to the fund total relate to the effect of the District contribution deduction, loss on revaluation and admin charges. These Funds form part of our general reserves and as such may be called upon as necessary.

14 DESIGNATED FUNDS

At 31 December 2023 designated funds totalled £124,995, this represents two further years of funding for the Circuit Family Worker totalling £94,995 and £30,000 to support future Youth related work.