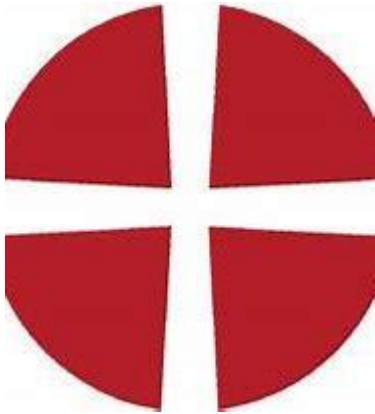


# **NORTH KIRKLEES AND MORLEY METHODIST CIRCUIT**

Registered Charity No-1145602



REPORT AND FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 AUGUST 2024

RESERVES POLICY 2024/2025

## **Structure**

The North Kirklees and Morley Circuit is part of the Yorkshire West District.

The Circuit functions in accordance with the Constitution, Practice and Discipline (CPD) of the Methodist Church, often referred to as the Connexion.

## **Names of the charity trustees**

The number of trustees fluctuates during the year depending on changes in office holders in the churches and Circuit. There was an average of forty 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 is Rev Marian Olsen the Superintendent Minister of the Circuit, who was appointed on 1 September 2022.

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

The Circuit trustees meet four times each year (the Circuit Meeting).

The Circuit Leadership Team (CLT) consisting of the Circuit Stewards, Staff and other Circuit Officers meet monthly and cover the day-to-day management of the Circuit.

Circuit Administration activities are undertaken by two members of staff who are based at Batley Central Methodist Church

These financial statements comply with the charity's governing document, which being the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice.

This is applicable to all charities who prepare their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland published in October 2019.

The Circuit is responsible for

- The Ministerial oversight and pastoral care of the 15 local churches in the circuit
- The support of a ministry team of 4 Presbyters
- Two administrative members of staff
- Payment of the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church
- Maintenance of 6 Circuit Manses
- Upkeep and maintenance of empty Circuit Properties pending sale/ future decisions -Hanging Heaton / Old Bank Road Dewsbury and Mirfield Manse
- Other miscellaneous costs

## Financial Review 2023/2024

The Circuit Accounts includes:

- **The General Fund** is the main operating account through which the expenditure and revenue for both operational and strategic purposes are managed. As such we have accounts with the Co-operative Bank and Central Finance Board
- The purpose of the fund is to secure and maintain the Circuits viability and future.
- To enable the Circuit to fulfil its Mission Policy
  
- The financial affairs of both **Gildersome and Newlands** are administered through the General Fund – all transactions are recorded separately, and balance sheets included in this report.
- The total income of the General Fund in 2023/24 was £421,515.57 (£368,895 in 2022/23) – Total expenditure in 2023/24 was £417,843.92 (£389,459 in 2022/23)
  
- Net increase in 2023/24 was £3,671.65 (deficit of £20,540 in 2022/23)
  
- **Balance carried forward to 2024/25 is £55,539.54**
  
- A full balance sheet is included in this report.
  
- **Circuit Model Trust**- This fund derives from sales of Churches and other Circuit properties such as Manses. Monies are held at TMCP.
  
- Following changes to Standing Orders in 2009 Circuit Model Trust Funds are now categorised as unrestricted funds and may be used for property, mission and outreach. Every year the balance in the fund incurs a levy towards the District Advance Fund. The first £100,000 is subject to a 2½ %, levy £100,000-- £250,000 is at 5 %.and anything over £250.000 at 7.5%
  
- In 2023/24 this levy came to £22,427.08- There is also an administration fee that TMCP impose – for 2023/24 this was £1184.73

During 2023/24 two properties were sold – They were

- 7 Whittaker Street Batley Carr- Total sale £70,095.80- £10,019.16  
connexional levy was paid into the trust
- 16 Leyburn Road ( old Morley Manse) - Total sale £346,965.91-- £114,786.36  
connexional levy was paid into the trust
- In addition, the fund attracted total interest of £17,986.98
- The following withdrawals were made from the trust in 2023/24
- To support our Churches with their assessments we withdrew £80,000 from  
our Circuit Model Trust to cover the shortfall in the budget
- Grant of £100,000 which was awarded to Drighlington back in 2022 was  
claimed
- **Balance of the Circuit Model Trust as at 31/8/2024 is £522,325.80**
- Please note that this figure does not include the loan of £200,000 that was  
awarded to Drighlington at the September 2024 Circuit Meeting
- A full breakdown is included in this report.
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- The Circuit also has several **Other Trusts** Again they are held at TMCP-  
These are mainly as a result of Church closures and funds moving across to  
the Circuit. Whilst they have their own specific 'terms and conditions' they are  
in effect model trusts and can be used for property, mission and outreach.
- They all gain interest and attract an administration charge.
- **Total balance of these funds at 31/08/2024 was £ 247,381.40-**
- Again, a full breakdown is included in this report.
- The Circuit has one **Endowment fund** -The capital sum must be retained,  
and we receive a very nominal amount of interest.
- 
- **Fixed Assets** – For us these are now 6 manses – Using the valuations  
applied by Methodist Insurance this equates to £3,014,895 (£3 m)

## General Comments

- This was the second year that we used the new formula for calculating individual **Church Assessments**
- It is not perfect – but I am sure that we all agree that it is a much fairer model than what we had previously
- As a reminder the calculation formula is based on 50% membership and 50% on attendance. These figures taken from those declared at the October count.
- As the formula can potentially lead to annual variations a maximum 5% cap increase is in place.
  
- As you will be aware from late August 2024 we welcomed Victoria Pratt to the Circuit Office Team – Whilst very much a partnership with Judith her specific role is to provide HR and Financial Support to local churches – Very much a work in progress – so watch this space
  
- In respect the 2024/25 we are forecasting a **£50,000 shortfall** – Circuit Meeting has previously agreed that if required we should withdraw from Circuit Model Trust to plug this gap.
  
- Unfortunately, a reduction in staffing will not see a reduction in the overall amount (including assessments) that we need to raise going forward – like us all the church is not immune from general cost of living increases – including stipends and other salary costs.
  
- We are fortunate to have monies in Model Trusts that we can draw upon – and the likelihood is that in the short term this amount will increase with the sale of other circuit properties.
  
- Thank you to all the Church Treasurers for all the work you do – I fully appreciate the challenges of the role in the current climate – if Victoria or myself can help in any aspect please get in contact

Ian Wilson

North Kirklees and Morley Circuit Treasurer

30<sup>th</sup> October 2024

## **Circuit Reserve Policy 2024/25**

The reserves policy for the North Kirklees and Morley Methodist Circuit is to hold a sum equivalent to 6 months average expenditure. This will be around £230k.

This I believe is sufficient to meet any unforeseen item of major expenditure and/or be able to continue in the short-term funding planned activities in the event of an inability to raise the full circuit assessment from churches.

It will also ensure that we have funds to cover the payment of stipends and expenses for the ministers and lay workers and our contribution to the District and Connexion.

In the unlikely event of the above happening these funds can be drawn down from Circuit Model Trusts and other investments (none of the intended money is invested in property or other forms of investment)

A key element for any charity is that it does not hold excessive funds that are not earmarked for future property/ mission work.

As previously stated, the Model Trust Fund can be used by the Circuit for a variety of mission, ministry, and property projects.

The Circuit Leadership team are acting on the feedback from the Circuit Review – looking at all aspects of church life – and this will subsequently aid our forward planning and determine our future funding needs.

This could result in funding for property schemes or potential lay workers' salaries.

Considering all the above we meet the requirements of the Charity Commission Reserve Policy

Ian Wilson

North Kirklees and Morley Circuit Treasurer

30<sup>th</sup> October 2024

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911.72

1000

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**3671.65 -206563.76**

414

810

1359

500

1585

1585

2640

**BALANCE IN YEAR**

**2051.93**



**BALANCE IN YEAR TO DATE**

**4675.62**

**NORTH KIRKLEES AND MORLEY METHODIST CIRCUIT MODEL TRUST FUND- TRUST 21592**

**EXPENDITURE**

**DISTRICT LEVY/CPF PAYMENT**

DEDUCTED ON 1/9/2023	22427.08
LEVY ON SALE OF WHITTAKER STREET	10019.16
LEVY ON SALE OF LEYBURN ROAD	114786.36
<b>TOTAL</b>	<b>147232.6</b>

**TCMP ADMIN FEE**

VARIOUS DATES	1184.73
<b>TOTAL</b>	<b>1184.73</b>

**CIRCUIT/PROJECT PAYMENTS**

ASSESSMENTS	80000
DRIGHLINGTON GRANT	100000
<b>TOTAL</b>	<b>180000</b>

<b>EXPENDITURE- GRAND TOTAL</b>	<b>328417.33</b>
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**INCOME**

INTEREST	17986.98
SALE OF 7 WHITTAKER STREET	70095.8
SALE OF 16 LEYBURN ROAD	346965.91
<b>TOTAL</b>	<b>435048.69</b>

<b>INCOME- GRAND TOTAL</b>	<b>435048.69</b>
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**SUMMARY**

OPENING BALANCE	415694.46
INCOME	435048.69
<b>TOTAL</b>	<b>850743.2</b>
 <b>EXPENDITURE-</b>	 <b>328417.33</b>
<b>BALANCE AT 31/8/24</b>	<b>522325.8</b>

Accounts were approved at the North Kirklees and Morley Circuit Meeting held on 12<sup>th</sup>  
December 2024

**Thornhill**

**Gildersome**





# **NORTH KIRKLEES AND MORLEY METHODIST CIRCUIT ACCOUNTS 2023/2024**

INCOME		2023/2024	2022/2023	EXPENDITURE	2023/2024	2022/2023
Assessments		293,226.03	300,259.25	Stipends, NI contributions etc.	200,195.32	189,476.72
Interest		3,917.90	1799.35	Ministers Travel --Expenses	7735.95	3823.89
Connexional Funds/ Circuit Collections		1,134.16	911.72	Ministers Telephone/Broadband Costs	9556.5	7117.32
Other Circuit Income		43,237.48	29925.43	Supernumery Preachers fee and travel	4015.5	1972.41
CRC-Net income from printing after expenses			1000	Local Preachers Expenses	659.30	300
Payment from Circuit Advance Fund		80000	35000	District Assessment	85736	83644
<b>TOTAL</b>		<b>421515.57</b>	<b>368895.75</b>	CRC- Administrative Staff	23978.6	24878.81
				CRC- Expenditure	10094.57	10673.3
				Manses Council Tax	15,689.90	12,224.65
				Manses Water Rates	2025.66	1905.98
				Manses Insurance	6594.43	6083.24
<b>BALANCES AT 31/08/2024</b>				Manses Maintenance/Property Upgrad	12,305.32	22606.08
CO-OP	36,704.27			Manses Alarm- Heating Contracts	986	1050
CFB	63,436.82			Church Property Costs	3415.66	7290.02
Cash	4.9			Hanging Heaton Expenditure	22518.63	
<b>TOTAL</b>	<b>100145.99</b>			Other Expenditure	9438.14	14224.49
				Connexional Funds/ Circuit Collections	1134.16	961.72
<b>NEWLANDS</b>	<b>18891.38</b>			Youth Work Expenditure	1764.3	1200
<b>GILDERSOME</b>	<b>25715.07</b>			Closure Old Circuit HSBC Acct		26.88
				<b>TOTAL</b>	<b>417843.92</b>	<b>389459.51</b>
<b>CIRCUIT BALANCE</b>	<b>55539.54</b>			<b>INCOME 2023/2024</b>	<b>421515.57</b>	<b>368895.75</b>
				<b>OVERALL DEFICIT/INCREASE FOR YEAR-</b>	<b>3671.65</b>	<b>-206563.76</b>
				<b>CFWD FROM 2022/2023</b>	<b>51867.89</b>	<b>72431.65</b>
				<b>TOTAL CARRIED FORWARD TO 2024/25</b>	<b>55539.54</b>	<b>51867.89</b>

Name of Circuit .....North Kirklees and Morley.....  
No.....27/36.....

## Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2024 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of treasurer ..... Ian Wilson ..... Date..... 10/12/2024 .....

Name and address of treasurer ..... Ian Wilson 5 Parkfield Avenue  
Mirfield.....

..... Post Code...WF14  
9HJ.....

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2024 were/ \*  
presented to the Circuit meeting held on ... 10th  
December 2024.....

Signature of the Chair of the meeting ..... Rev Marian Olsen .....

Name of the Chair of the meeting ..... Rev Marian Olsen ..... Date .....  
10/12/24.....



## Independent Examiner's Report to the Trustees of the

.....North Kirklees and Morley..... Circuit

1145602

Charity Number .....

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the .....North Kirklees and Morley..... Circuit for the year ended 31 August 2024 set out on pages ... to .... As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

\* delete or circle as appropriate

Name of Circuit .....North Kirklees and Morley Methodist

Circuit..... No .....  
27/36

### Independent Examiner's Statement

[The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (*insert name of applicable listed body*)]. *Delete [ ] if not applicable.*

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below\*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- 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 *Delete if not applicable ie all R&P accounts*
- the trustees' annual report is not consistent with the accounts *Delete if not applicable ie all R&P accounts.*

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

I have/have not\* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central

Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner .....

Name of independent examiner .....

Relevant professional qualification of independent examiner .....

Name of firm (where appropriate) .....

Address .....

..... Post Code .....

Date .....