

Charity Registration Number 1161615

Circuit 11/24

Staffordshire Moorlands Methodist Circuit
Financial Statements for the
Year to 31 August 2023

Staffordshire Moorlands Methodist Circuit

Financial Statements for the Year to 31 August 2023

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Staffordshire Moorlands Methodist Circuit

Trustees Annual report

Introduction and aims

"The Staffordshire Moorlands Methodist Circuit is committed to constantly seeking opportunities to transform people's lives through an active and living faith in Jesus Christ".

The reality of our day-to-day witness is evidenced in self-governing Methodist Churches and one Ecumenical Partnership between the Methodist Church and the United Reformed Church. In community life together in market towns, rural villages and semi-urban settings we seek to live out our faith, supporting and encouraging each other in outreach, mission and evangelism.

The past year has for many of our churches seen partnership working within local communities to bring about opportunities for mutual support in many areas of shared life. Local Trustees have been grappling with the questions of how and where resources are best used, and what specific needs are around us.

Brief financial review of the year

The financial offering of individual churches to our Circuit budget is supplemented in our commitment to investing in people by a regular and planned withdrawal from what have been significant reserves. At the end of this year that team comprises 2 children and family's workers, 1 pastoral worker, 1 administrator, 3 ordained Ministers. This continues to be a significant investment, but the Circuit remains committed to this level of church and community engagement and is grateful for the gifts and graces our staff offer.

Income and expenditure were broadly in line with our mission statement and policy, we continued to invest from reserves to fund our staffing costs of £194,341. Our net movement on funds of £313,228 for the year. Those movements include the sale of property in the amount of £562,727 and other costs for the year. This means our carried forward funds are £1,936,276 – we anticipate these funds will be required to fund working capital needs as well as being available for investment to local churches for mission projects.

The level of reserves is under constant review by the Circuit Treasurer and Leadership Team.

The work of ministry in the circuit is a partnership between lay and ordained, paid and volunteer workers, and we offer our grateful thanks to each one. We are especially thankful for the continued work and witness of our Local Preachers, some of whom are no longer leading worship week by week but are supportive in prayer.

Income trends

Circuit income is primarily drawn from the assessment paid by the circuit churches. We have seen first hand the struggles of local congregations to maintain their giving in the light of the economic situation and the falling numbers of attendees. We are grateful for the continued commitment to that discerning.

Our overall income has been significantly increased this year by the realised funds from the sale of Methodist Churches which have ceased to worship, and which circuit trustees have deemed ready for sale.

Expenditure trends

Stipend expenditure has increased each financial year in line with the Methodist Conference approved increases.

13% 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.

We anticipate further income in the year to August 2024 in respect of other Methodist Churches approved for sale.

The balance on Circuit Model Trust Fund balance amounted to £783,791 which was held on deposit with the Trustees for Methodist Church Purposes.

Plans for 2023/4

Circuit financial plans for the coming year have been prepared on the basis that there remain 3 full time ordained staff with anticipated cost of living stipend increases combined with the assessment paid to the district.

The basis for fulfilling our financial commitments remains a pledge system for individual churches. This system will need to be reviewed if it continues to fall short of the budget required, in the longer term.

We continue to review our calling in the light of the restrictions faced by society at large, the age profile of our congregations and likely resources going forward. We will be aiming to work more closely together as local congregations over the coming years.

It is anticipated that although the size of the circuit may diminish in terms of numbers of churches, our commitment to working more closely together will in fact mean that we have a greater capacity for outreach in towns and villages than has been the case for a number of years.

We are actively seeking partnerships with groups which foster flourishing within society.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2023 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard(FRS) 102

Full Name of Charity: Staffordshire Moorlands Methodist Circuit

Registration Charity Number: 1161615

Date of registration: 11 May 2015

Main communication address Tean Methodist Church, Gorsty Hill Road, Tean
StaffordshireST10 4EQ

The members of the Staffordshire Moorlands Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown as Appendix A to this report.

Circuit Ministers and officers (at August 31st 2023 or serving during the year)

Active Circuit Ministers Rev Julie Hassall (Superintendent)
Rev Richard Pope
Rev Eleanor Smith

Circuit Lay Workers

Mr Mark Hatcher
Miss Abigail Ratcliffe
Mr Jonathon Newbould
Mrs Margaret Parkinson
Ms Rachel Moore

Circuit Meeting Secretary Mrs Heather Bates
Circuit Stewards Mrs Jane Ratcliffe (Senior)
Mrs Anne Thorley
Mrs Dorothy Dugdale
Mr David Wheeldon
Mr Philip Mann
Administrator: Mrs Nicola Turner

Mr Robin McDuell acted as the principal officer overseeing the day-to-day financial management and accounting for the circuit during the year.

| | |
|----------------------|---|
| Independent examiner | Mr Oliver Newey ACA, Dove Cottage, Route de Cobo, Castel, Guernsey, Channel Islands, GY5 7HD |
| Bankers | Lloyds Bank plc |
| Investment Bankers | Central Finance Board of the Methodist Church Trustees for Methodist Church purposes |

Aims and organisation

Charity objective is to act as a Resource provider within the area around Leek and Cheadle, Staffordshire for the Methodist Church:

"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

The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions

Public Benefit

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management

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

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting, the Circuit Finance and Property Committee and the Circuit Policy Committee.

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as trustees.

Related Parties

The Circuit is part of the Chester and Stoke on Trent District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the circuit as at 31.8.2023

Boundary, Wellspring (Cheadle and Tean), Endon, Ipstones, Onecote, Rudyard, St Andrews Cheddleton, Waterhouses and Wetley Rocks.

Trinity Church in Leek, which is a Methodist & URC Local Ecumenical Partnership, is also part of this circuit.

Risk Management

The major risks have been identified and recorded by the Circuit Finance and Property Committee with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

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, cooperating 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 Staffordshire Moorlands 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 Staffordshire Moorlands 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.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 12 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 any inability to raise the full Circuit Assessment from churches.



Rev Julie Hassall
Superintendent Minister

Independent Examiner's Report to the trustees on the unaudited financial statements of Staffordshire Moorlands Methodist Circuit

I report on the accounts of the Staffordshire Moorlands Methodist Circuit for the year ended 31 August 2023, set out on pages 10 to 14.

Responsibilities and basis of report

As the charity trustees of the circuit 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 Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commissioner under section 145(5)(b) of the 2011 Act.

Independent Examiners statement

I have completed my examination. I can 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 the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirements 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.



Oliver Newey ACA

Dove Cottage

Route de Cobo

Castel

Guernsey

Channel Islands

GY5 7HD

March 2024

Staffordshire Moorlands Methodist Circuit

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2023 have been prepared from the records of the circuit and that they include all funds under the control of the Circuit Meeting.



Robin McDuell

21 Lorien Close, Leek, Staffordshire ST13 8NY

29th March 2024

Presentation to the Circuit Meeting for approval

I confirm that the annual report and accounts for the year ended 31 August 2023 were presented to the Circuit Meeting at its meeting on 21st March 2024 and were approved.



Rev Julie Hassall (Chair)

29th March 2024

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

| | Notes to the accounts | General Fund (Unrestricted) | Circuit Model Trust (Restricted) | Endowment Funds | Total 2022-23 |
|--|-----------------------------|--------------------------------|--|--------------------|------------------|
| | | £ | £ | £ | £ |
| Income | | | | | |
| 1 Donations and legacies | | | | | 0 |
| 2 Income from monetary investments | | 2,770 | 24,725 | | 27,495 |
| 3 Income from investment properties | | | | | 0 |
| 4 Assessments on Churches | | 180,034 | | | 180,034 |
| 5 Capital Receipts | | | 393,419 | | 393,419 |
| 6 Grants received | | | | | 0 |
| 7 Other charitable income | | 928 | | | 928 |
| 8 Total income | | 183,732 | 418,144 | - | 601,876 |
| Expenditure | | | | | |
| 9 Grants and donations | | | | | 0 |
| 10 Salaries and associated costs | 6 | 194,341 | | | 194,341 |
| 11 Property maintenance | | 31,304 | | | 31,304 |
| 12 Connexional assessment & model trust levy | | | 49,622 | | 49,622 |
| 13 District Assessment & Levy | | 48,100 | | | 48,100 |
| 14 Depreciation | | | | | 0 |
| 15 Office expenses | | 6,905 | | | 6,905 |
| 16 Other outgoings | | 49,688 | | | 49,688 |
| 17 Total charitable expenditure | | 330,337 | 49,622 | 0 | 379,960 |
| 18 Gains/(losses) on monetary investments | | | | | 0 |
| 19 Gains/(losses) on investment properties | | | | | |
| 20 Net income/(expenditure) | | -146,605 | 368,521 | 0 | 221,916 |
| 21 Transfers between funds | | | | | 0 |
| 22 Other gains/(losses) | | 91,312 | | | 91,312 |
| 23 Net movement in funds | | -55,293 | 368,521 | 0 | 313,228 |
| 24 Total funds brought forward | | 1,392,870 | 230,178 | - | 1,623,048 |
| 25 Total funds carried forward | | 1,337,577 | 598,699 | - | 1,936,276 |

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

| | Notes to the accounts | General Fund (Unrestricted) | Circuit Model Trust (Restricted) | Endowment Funds | Total 2021-22 |
|--|-----------------------------|--------------------------------|--|--------------------|------------------|
| | | £ | £ | £ | £ |
| Income | | | | | |
| 1 Donations and legacies | | | | | 0 |
| 2 Income from monetary investments | | 563 | 1,307 | | 1,870 |
| 3 Income from investment properties | | | | | 0 |
| 4 Assessments on Churches | | 170,833 | | | 170,833 |
| 5 Capital Receipts | | | 562,727 | | 562,727 |
| 6 Grants received | | | | | 0 |
| 7 Other charitable income | | 619 | | | 619 |
| 8 Total income | | 172,015 | 564,034 | - | 736,049 |
| Expenditure | | | | | |
| 9 Grants and donations | | | | | 0 |
| 10 Salaries and associated costs | 6 | 190,581 | | | 190,581 |
| 11 Property maintenance | | 14,179 | | | 14,179 |
| 12 Connexional assessment & model trust levy | | | 47,171 | | 47,171 |
| 13 District Assessment & Levy | | 47,528 | | | 47,528 |
| 14 Depreciation | | | | | 0 |
| 15 Office expenses | | 6,692 | | | 6,692 |
| 16 Other outgoings | | 37,854 | | | 37,854 |
| 17 Total charitable expenditure | | 296,834 | 47,171 | 0 | 344,005 |
| 18 Gains/(losses) on monetary investments | | | | | 0 |
| 19 Gains/(losses) on investment properties | | | | | |
| 20 Net income/(expenditure) | | -124,819 | 516,863 | 0 | 392,044 |
| 21 Transfers between funds | | | | | 0 |
| 22 Other gains/(losses) | | 172,957 | | | 172,957 |
| 23 Net movement in funds | | 48,138 | 516,863 | 0 | 565,001 |
| 24 Total funds brought forward | | 782,005 | 276,042 | - | 1,058,047 |
| 25 Total funds carried forward | | 830,143 | 792,905 | - | 1,623,048 |

Balance Sheet as at 31 August 2023

| | Notes to the Accounts | General Fund (Unrestricted) £ | Circuit Model Trusts (Restricted) £ | Endowment Funds £ | Totals 2023 £ | Totals 2022 £ |
|---|--------------------------|-------------------------------------|--|-------------------------|------------------|---------------------|
| Fixed Assets | | | | | | |
| Circuit Manses & Equipment | 9 | 1,068,037 | | | 1,068,037 | 983,483 |
| Investment properties | | | | | 0 | 0 |
| Investments | | | | | 0 | 0 |
| Total fixed assets | | 1,068,037 | 0 | 0 | 1,068,037 | 983,483 |
| Current Assets | | | | | | |
| Debtors | | 0 | | | 0 | 0 |
| Loans by the Circuit | | 0 | | | 0 | 0 |
| Investments with TMCP | | 0 | 783,791 | | 783,791 | 641,376 |
| Central Finance Board | | | | | | |
| Deposits | | 142,533 | | | 142,533 | 36,570 |
| Cash at Bank and in hand | | 33,215 | | | 33,215 | 43,357 |
| Total current assets | | 175,748 | 783,791 | 0 | 959,539 | 721,303 |
| Current liabilities | | | | | | |
| Creditors (due in under 1 year) | | 49,313 | | | 49,313 | 39,751 |
| Grants payable within 2019-20 | | | | | 0 | 0 |
| Total current liabilities | | 49,313 | 0 | 0 | 49,313 | 39,751 |
| Net current assets/liabilities | | 126,435 | 783,791 | 0 | 910,226 | 681,552 |
| Total assets less current liabilities | | 1,194,472 | 783,791 | 0 | 1,978,263 | 1,665,035 |
| Long term liabilities (due after more than one year) | | | | | | |
| Grants payable after 2022-23 | | | | | 0 | 0 |
| Loans to the Circuit | | 41,987 | | | 41,987 | 41,987 |
| Net assets | | 1,152,485 | 783,791 | 0 | 1,936,276 | 1,623,048 |
| Funds of the Circuit | | | | | | |
| General Fund (Unrestricted) | | 1,152,485 | | | 1,152,485 | 981,672 |
| Circuit Model Trust Fund (Restricted) | | | 783,791 | | 783,791 | 641,376 |
| Designated Funds (Unrestricted) | | | | | 0 | |
| Total Unrestricted Funds | | | | | 1,936,276 | 1,623,048 |
| Endowment Funds | | | | 0 | 0 | |
| Total Funds | | 1,152,485 | 783,791 | 0 | 1,936,276 | 1,623,048 |

Staffordshire Moorlands Methodist Circuit

Notes to the Accounts

1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

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 restricted. The Endowment funds held at the start of the year have been released during the year to the General Fund Details of each material fund are disclosed in the final note 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, on the accruals basis to show a true and fair view of the Circuit's financial position and activities.

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.

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 or 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 £500.

The freehold property is shown in the accounts at the insurance value. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that they 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.

Investment Properties

Investment properties - no property is currently deemed to not be held for the long term purposes of the charity.

Investments

Investments are valued in the balance sheet at market value at the year end. 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.

Debtors and Prepayments

The prepayment included in the accounts is in respect of assessments received in early September in respect of the year and the deposit held in respect of the letting of the Ipstones manse by the letting agents.

Creditors

Creditors relate to the Independent Examination fees the deposit in respect of the Ipstones manse and sundry expenses.

Staffordshire Moorlands Methodist Circuit

4 Payment to Trustees

There were no payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting, this excludes stipends.

Trustee expenses

| | 2022/23 | 2021/22 |
|--------------------|---------|---------|
| Number of Trustees | 0 | 0 |
| Total amount | 0 | 0 |

Expense payments primarily relate to reimbursement for travel and computing costs

5 Fees for examination or audit of the accounts

| | 2022/23 £ | 2021/22 £ |
|---|--------------|--------------|
| Independent examiner's or auditors' fees for reporting on the accounts | 750 | 750 |
| Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor | 500 | 500 |

6 Paid employees

Staff Costs paid during the year were:

Gross wages, salaries and benefits in kind
Employer's National Insurance costs

Pension costs

Total staff costs

| | 2022/23 £ | 2021/22 £ |
|--|--------------|--------------|
| Gross wages, salaries and benefits in kind | 158,663 | 155,267 |
| Employer's National Insurance costs | 10,995 | 11,594 |
| Pension costs | 24,683 | 23,720 |
| Total staff costs | 194,341 | 190,581 |

Average number of full-time equivalent employees in the year were:

| 2022/23 | 2021/22 |
|---------|---------|
| 7 | 7 |

7 Capital Commitments and Contingent Liabilities

At the 31st August 2023 there are no capital commitments.

No Contingent liabilities were identified at 31st August 2023.

8 For information only Money received and passed on to External Organisations

| | 2022/23 £ | 2021/22 £ |
|---|--------------|--------------|
| Balance brought forward from last year | 100 | 100 |
| Offerings/Gifts - received for External Organisations | 0 | 0 |
| Offerings/Gifts - passed to External Organisations | 250 | 0 |
| Balance carried forward | 350 | 100 |

Staffordshire Moorlands Methodist Circuit

9 Tangible Fixed Assets

| | Land £ | Manses £ | Other buildings £ | Fixtures, fittings and equipment £ | Total £ |
|-------------------------|-----------|-------------|-------------------------|--|------------|
| Balance brought forward | 0 | 983,484 | 0 | 0 | 983,484 |
| Additions/(Disposals) | 0 | 0 | 0 | 0 | 0 |
| Revaluations (+/-) | 0 | 84,553 | 0 | 0 | 84,553 |
| Balance carried forward | 0 | 1,068,037 | 0 | 0 | 1,068,037 |

10 Investment assets

The circuit has no Investment properties

The circuit has no common investment fund holdings

Loans

The Circuit currently has no outstanding loans, after repayment of the Bridging Loan and Bounceback Loan. We are currently holding £41,987 on behalf of Tean Methodist Church