

NORTH LIVERPOOL AND SOUTH SEFTON METHODIST CIRCUIT

England & Wales · Charity number 1163418

Details

Other names LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT

Status Registered

Legal form Previously excepted

Registered 2015-09-04

Register [View on the Charity Commission register](#)

Contact

Address The Circuit Office
Linacre Methodist Mission
Linacre Road
Litherland
L21 8NS

Phone 0151 922 2836

Email admin@nlssmc.org.uk

Website www.nlssmc.org.uk

Activities

Objects: 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.

Activities: Equip Churches for mission.Support & Train local preachers to spread the word of GodProvision of Manse(s) and Stipend(s) for Minister(s) to enable them to perform ministry.Provides support to Churches in fulfilling financial, legal and safeguarding obligations

Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Knowsley
- Liverpool City
- Sefton

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£350,462	£690,818	-	-
2023-08-31	£114,650	£338,598	-	-
2022-08-31	£576,734	£118,827	£932,891	3
2021-08-31	£83,678	£108,021	-	-
2020-08-31	£116,274	£120,071	-	-

Trustees

Name	Role	Appointed
Rev Darren Garfield	Chair	2025-09-01
ALAN LEWIS		2023-09-01
ANGELA McAVOY		2023-09-01
ANNE ROXBURGH		2023-09-01
Alison Mary Twist		2024-09-03
DAVID EVANS		2023-09-01
DAVID HIRD		2023-09-01
DAVID JOHN WILLIAMSON		2015-09-04
EDNA KORMAN		2023-09-01
ELEANOR JOAN LEWIS		2016-09-01
ELIZABETH SHAW		2023-09-01
HILARY HENSHALL		2023-09-01
HILARY NESS		2023-09-01
IAN ROXBURGH		2023-09-01
JEAN BARNES		2023-09-01
JILL STUBBS		2015-09-04
Kim Bell		2025-09-15
LORRAINE ORAM		2016-09-01
MARGARET LANGTON		2023-09-01
Norma Evans		2023-09-01
Rev HELEN KIRKUP		2023-09-01
SACHIN PATIL		2023-09-01
STEPHEN GENT		2023-09-01
Susan Edwards		2023-09-01
Tom Battersby		2023-09-01
VALERIE ANNE GEE		2023-09-01
VIV MARRIOTT		2024-03-20

Name	Role	Appointed
WENDY LUNT		2023-09-04

Accounts



The **Methodist** Church

Fazakerley Kensington Linacre Mission Moor Lane (With Class at Birchdale Rd Waterloo)
Old Roan St Mark's Netherton West Derby

North Liverpool and South Sefton Methodist Circuit

Report of the Trustees and Financial Statement

Year ended 31 August 2024

1 Introduction

Welcome to the first Annual Trustees Report of the North Liverpool and South Sefton Methodist Circuit following the amalgamation of the Liverpool (North Central) Circuit, Liverpool (North) Circuit and the Crosby Circuit (excluding Formby Church), from 1 September 2023.

2 Objectives and activities

The aim of The Methodist Church in Great Britain is to fulfil its calling, which is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission.

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union (1932) 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.
 - Promotion of Christianity through the staging of events and services.

Activities

The Circuit produces a quarterly preaching plan to ensure regular acts of worship take place at each of the eight churches in the Circuit's geographical area. These are led by the Circuit's ordained ministers, including a supernumerary presbyter and presbyter without appointment; local preachers; visiting ministers from other Circuits and denominations and Worship Leaders.

Prior to the amalgamation the three Circuits had the following projects in place and the newly appointed Circuit Trustees agreed that these should continue for this year.

Liverpool (North Central) Circuit's Community Intergenerational project ("CIP"), based at County Hub, continues to focus primarily upon addressing isolation and loneliness with both adults and older adults, young families with small children and the integration of these component communities. This focus includes school holiday provision for local families with school-aged children. Our activities continue to encourage socialisation whilst fostering interpersonal support networks.

Crosby Circuit's employment of a lay worker to work with the congregation at Moor Lane Church continues to provide support for church members.

Since March 2022 the former Blundellsands Methodist Church has been used as a Welcome Centre for Ukrainians displaced by the war and provides practical help and support.

North Liverpool and South Sefton Methodist Circuit

Trustees Report for the Year Ended 31 August 2024

Liverpool (North) Circuit's employment of a Family and Young Persons' worker to work within the churches of the Circuit continues to develop.

A newsletter is produced every quarter to share good news stories from each of our churches.

The Circuit supports local preachers and worship leaders by providing resources for leading worship. Worship in June was based around the Bible Month resources produced by the Methodist Church.

Public Benefit

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

3 Achievements and performance

Stationing in 2023/2024 was successful and the Circuit was appointed a presbyter, The Rev Jemima Strain, from 1st September 2024.

We celebrate the various ways in which our churches and Circuit hubs serve their communities through support for: foodbanks; toddler groups; work amongst young people; work of uniformed organisations; warm spaces; community pantry and generosity in providing suitable premises for community use.

The work with Children and Families continues to be a particular focus for the Circuit as we believe we are fulfilling a need within the communities we serve in providing essential outreach to children and families. The Circuit has allocated resources from reserves accordingly.

The Circuit gave a grant towards helping young people access 3Generate, an event for children and young people, in the NEC, Birmingham.

4 Financial Review

4.1 At the beginning of the year, Crosby Methodist Circuit, Liverpool (North) Methodist Circuit (Charity no 1195942) and Liverpool (North Central) Methodist Circuit (Charity no 1163418) amalgamated to become North Liverpool and South Sefton Methodist Circuit. This has been accounted for under SORP 27 "Charity Mergers" with the comparative figures being the combined income and expenditure, previously reported under the three individual Circuits.

The overall impact on the 2023 restated figures was to show a net deficit in funds of £757,857; being made up of £515,761 from Crosby Methodist Circuit, £215,370 from Liverpool (North) Methodist Circuit and £26,726 from Liverpool (North Central) Methodist Circuit.

Prior year adjustments of £518,634 were made to the accounts to Crosby Methodist Circuit to reflect the transfer of property and cash to the Southport Circuit, in accordance with the decision of Formby Church to transfer to the Southport Circuit at 31 August 2023.

The amalgamated Circuit has continued to sustain and support the work of churches and mission projects in each of the former Circuits with all projects, staff, properties and ongoing commitments being maintained.

On amalgamation of the Circuits, total capital funds were £3,437k, being General Fund (Unrestricted) of £2,340k (including property at valuation of £2,230k); Circuit Model Trust funds of £948k; Designated property funds of £64k (Blundellsands and County Hub buildings in use by UWC and CIP); Restricted funds of £58k (Various funds including those for UWC, CIP and other specific mission funds) and Endowment funds of £27k (Various restricted endowments held by TMCP).

During the year the Circuit received income of £351k (2022-23: £720k) and dispersed £691k (2022-23: £1,766k). The resulting deficit of income was reduced by a net gain of £39k (2022-23: £288k) on the properties, restricted reserves and endowments to produce a net deficit of income of £301k (2022-23: of £758k). Total reserves carried forward were £3,136k (2022-23: £3,437k).

The assessments received in the year amounted to £105,239 (2022-23: £140,588). Total assessments were lower following transfer of Formby Methodist Church to the Southport Circuit at August 2023.

Donations received are primarily for the work of the UWC and CIP projects.

Grants received are for the work of UWC projects.

Income from properties are lettings received from community and charitable tenants of the County Hub premises and from a private tenancy agreement in respect of the manse at Brenda Crescent, Thornton. Property income is lower following the transfer of the commercially let manse property to the Southport Circuit at August 2023.

The unrestricted general account shows costs in line with budget. Stipend expenditure and lay employee rates have increased each financial year in line with conference approved increases. It is Circuit policy that all lay staff in the Circuit are paid at or above the real living wage as calculated by the Living Wage foundation.

**North Liverpool and South Sefton Methodist Circuit
Trustees Report for the Year Ended 31 August 2024**

In advance of the arrival of an incoming Minister from 1 September 2024, significant maintenance and refurbishment work of £16,217 was carried out on the Brentwood Avenue manse.

In accordance with a policy agreed by the former Liverpool (North Central) Circuit trustees, to commit an amount of £120,000 to cover the ongoing work of the CIP for two years until August 2025, the net deficit on the designated County Hub Property accounts and the restricted Community Intergenerational Project are transferred to general account. For 2023/24 this amount was £40,931.

The Circuit has agreed to sell manse properties to fund the purchase of a manse required for an incoming Superintendent minister in September 2025.

Based on the high level of investment and property reserves, despite the level of deficit, the trustees of the Circuit have every reason to believe that the Circuit is a going concern.

The Circuit has adequate reserves to cover any shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any other factors that will significantly affect the financial performance.

4.2 Reserves level and policy

The Circuit Reserves policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit. The aims are:

- to secure and sustain the Circuit's viability and future.
- to give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

The reserves held at the end of the year were as follows:

	£
<i>Unrestricted funds</i>	
General Fund	1,981,385
Circuit Model Trust Fund	1,012,555
UWC Designated Property Fund	<u>46,354</u>
<i>Total Unrestricted funds</i>	<u>3,040,294</u>
<i>Restricted funds</i>	
UWC General Fund	6,288
UWC "Moving On" Fund	7,582
CIP General Fund	1,283
CIP Projects	8,709
Various Mission Funds (TMCP)	<u>43,483</u>
<i>Total Restricted funds</i>	<u>67,345</u>
<i>Total endowment funds</i>	<u>28,924</u>
<i>Total funds</i>	<u>3,136,563</u>

**North Liverpool and South Sefton Methodist Circuit
Trustees Report for the Year Ended 31 August 2024**

Available Reserves

Total unrestricted funds	3,040,294
Less: invested in properties	<u>(1,905,400)</u>
	1,134,894

Less:

Designated Funds

UWC Designated Property Fund	46,354
	46,354

Committed Funds

General Budget Deficit for 2024/25	127,250
CMTF Levy 2024/25	67,192
CIP Project 2024/25	60,000
"Ordained Ministry" Deficit for 2025/26 to 2029/30	360,000
CMTF Grant to West Derby Methodist Church (available to drawdown on condition to August 2025)	<u>35,000</u>
	649,442

Uncommitted reserves, readily available **439,098**

There are no other funds materially in deficit. All investment funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The minimum policy level of the readily available part of the General Fund is such as to pay for:

- three months' payroll costs and closing costs of staff redundancies - £65k
- three months administration and staff expense costs - £ 7k
- three months property maintenance costs - £15k
- manse repair reserve - £40k
- County Hub repair reserve - £25k
- Blundellsands repair reserve - £25k
- Other properties repair reserve - £10k
- three months connexional and district assessment - £13k

At August 2025 this sum amounted to £200k against actual readily available reserves of £439k as stated above. Actual readily available reserves are surplus to policy commitments at the year-end.

4.3 Plans for 2024/25 and beyond

A budget has been set with financial plans for the Circuit to maintain and support existing ministry and mission work whilst a review and analysis of priorities and policy takes place. A general fund budget deficit of £127,250 is agreed to be covered from reserves.

The trustees of the former Liverpool (North Central) Circuit has previously approved the use of reserves to fund the CIP until August 2025.

The Circuit trustees are reviewing mission opportunities and lay mission staff requirements from September 2025.

The Circuit has committed to a five-year appointment for the Revd Jemima Strain (0.75 time until August 2029) and to a five-year appointment for a Superintendent minister (until August 2030). This is estimated to be an "Ordained Ministry" commitment, totalling £360,000 across the five years until 2030.

**North Liverpool and South Sefton Methodist Circuit
Trustees Report for the Year Ended 31 August 2024**

Many churches are suffering from the impact of declining membership and increased costs and it is believed that the current level of assessments are the maximum achievable for the immediate years ahead.

Following wide ranging and detailed discussions took place as regards to individual church accounts and to a variety of methods for calculation of assessments. A formulaic method for calculation of annual church assessments is now agreed being 50% based on total income of churches and 50% based on membership with a cap, based on CPIH, on any increase to ensure that no church is placed in a position of hardship.

The purchase cost of a new manse, to be available from September 2025, will be covered from the sale of existing property assets and does not impact this reserves policy.

5 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). All Governance Documents can be found online at the Methodist Church of Great Britain Website. Day to day management of the Circuit is undertaken by the Circuit Leadership Team along with the Local Preachers' Meeting and the Circuit Meeting.

The Circuit is part of the Liverpool Methodist District and is also accountable to the Methodist Conference. The following churches are linked to the Circuit:- Fazakerley Methodist Church; Kensington Methodist Church; Linacre Methodist Mission; Moor Lane Methodist Church (with a class at Birchdale Road Methodist Church); Old Roan Methodist Church; St. Marks Methodist Church; West Derby Methodist Church. The Liverpool District and 4 other districts are merging to become the North West England District with effect from 1st September 2024 and our new Circuit number will be 1/26.

We employ part-time Circuit Administrators who manage the Circuit's administration, as well as keeping minutes of meetings.

Management

There must be a minimum of two Circuit Meetings per year (SO 514(1)), usually in September and March. Additional meetings can be held any time to allow for a more extended discussion of the life of the circuit. The Circuit Leadership Team, appointed by the Circuit Meeting, meets regularly throughout the year and is authorised to act on behalf of the Circuit Meeting in certain matters. 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.

Risk

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

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:

**North Liverpool and South Sefton Methodist Circuit
Trustees Report for the Year Ended 31 August 2024**

- 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 Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice. The 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.

6

Reference and administrative details

Full Name of Charity: North Liverpool and South Sefton Methodist Circuit

Registration Charity Number: 1163418

Date of registration: 1 September 2023 (Date of first registration of the originating charity was 4 September 2015)

Main communication address:

Circuit Office, Linacre Methodist Mission, Linacre Road, Litherland, Liverpool, L21 8NS.

Name of treasurer acted as the principal officer overseeing the day-to-day financial management and accounting for the Circuit during the year:

David Smith

Independent Examiner:

John Keith Taylor, BCom FCA

Investment managers and custodian trustees

Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester M1 1JQ

Investment Bankers:

Central Finance Board of the Methodist Church 9, Bonhill Street, London, EC2A 4PE

Day-to-day banking:

CAF Bank Ltd, 25, Kings Hill Avenue, West Malling, ME19 4JQ

Solicitor:

Sintons LLP, The Cube, Barrack Road, Newcastle upon Tyne, NE4 6DB

Charity Trustees

The members of the North Liverpool and South Sefton 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 below:

Circuit Ministers (SO 510 (i))

The Revd Ian Hu The Revd Neil Stubbens
The Revd Jemima Strain (from September 2024)

Circuit Stewards

Mr David Evans Mrs Norma Evans Mrs Margaret Langton Mr Alan Lewis
Mrs Angela McAvoy (until August 2024) Mr David Smith Mr Steve Twist

Supernumeraries (SO 510 (ii))

The Revd Susan Edwards The Revd Helen Kirkup

Local Lay Pastor (SO 510 (iii))

Mrs Carol Shanks (until August 2024)

Secretary of the meeting (SO 510 (v))

Mr Richard Stevens (until August 2024)

**North Liverpool and South Sefton Methodist Circuit
Trustees Report for the Year Ended 31 August 2024**

Secretary of the Local Preachers' meeting (SO 510 (vi))

Mrs Liz Shaw

Church Office holders and Representatives (SO 510 (vii & viii))

From each local church one church steward, the church treasurer and one representative elected from each local church by the Church Council from its own members

Church	Steward SO 510 (vii)	Treasurer SO 510 (vii)	Representative SO 510 (viii)
Fazakerley	Mrs Edna Korman	Mr Sachin Patil	Mrs Angela McAvoy
Kensington	Ms Joan Lewis	Ms Lorraine Oram	Mr Brian Kiel
Linacre Mission	Mrs Valerie Gee	Mrs Jean Barnes	Mrs Valerie Cousins to February 2024 Mrs Vivienne Marriott from March 2024
Moor Lane	Mrs Hilary Henshall	Mr Tom Battersby	Mr David Hird
Old Roan	Mr Stephen Gent	Mrs Anne Roxburgh	Mr Ian Roxburgh
St Marks'	Mr Joseph Thomas	Mrs Wendy Thomas	Mrs Lynette Thompson
West Derby	Mrs Hilary Ness	Mrs Jill Stubbs	Mr David Williamson

Substitute Church Representatives (SO 501(7))

One substitute appointed by the Church Council from its own members to attend in place of the representative appointed under SO 501(1)(viii); a substitute may speak but not vote nor propose or second any resolution.

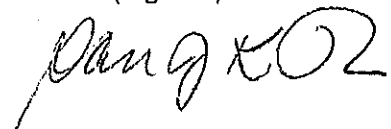
Church	Representative
Fazakerley	Not appointed
Kensington	Not appointed
Linacre Mission	Not appointed
Moor Lane	Mrs Hilary Jackson
Old Roan	Ms Sally Lane
St Marks'	Mrs Margaret Porter
West Derby	Not appointed

Approvals

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 5 August 2025.

Signed on behalf of the Circuit Meeting, as authorised:

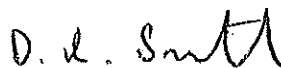
Ian Hu (signed)



Rev Ian Hu

Superintendent Date: 5 August 2025

David K Smith (signed)



David K Smith

Circuit Treasurer Date: 5 August 2025

Statement of Financial Activities (SOFA) for the year ended 31 August 2024

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £	Total Funds 2023 as restated £
Income and Endowments								
Donations and legacies	7	-	-	8	68,996	-	69,004	105,042
Income from monetary investments		8,329	48,657	-	1,454	1,038	59,478	18,507
Income from properties	3	11,100	-	8,725	-	-	19,825	31,072
Assessments on Churches	4	105,239	-	-	-	-	105,239	140,588
Capital Receipts	6	-	-	-	-	-	-	325,432
Grants received	5	-	-	-	94,922	-	94,922	98,692
Other charitable activities		-	-	1,994	-	-	1,994	1,000
Total Income		124,668	48,657	10,727	165,372	1,038	350,462	720,333
Expenditure								
Grants and donations	8	236	6,235	-	13,687	-	20,158	111,122
Salaries and assoc. costs	9	132,218	-	5,273	114,065	-	251,556	241,270
Property maintenance	11	40,666	-	30,419	27,176	-	98,261	111,066
Connexional assess & Levy	13	155,394	-	-	-	-	155,394	669,806
District assessment & Levy	14	11,280	58,365	-	-	-	69,645	16,491
Capital Payments	16	467	-	-	-	-	467	524,900
Office & admin costs	12	52,757	2,857	573	2,171	84	58,442	70,816
Other charitable activities	15	1,020	-	-	35,875	-	36,895	20,682
Total charitable expenditure		394,038	67,457	36,265	192,974	84	690,818	1,766,153
Gains / (Losses) on monetary investments		-	457	-	2,031	1,927	4,415	(3,037)
Gains/(losses) on properties		35,000	-	-	-	-	35,000	291,000
Net income/(expenditure)		(234,370)	(18,343)	(25,538)	(25,571)	2,881	(300,941)	(757,857)
Transfers between funds	18	(123,909)	82,978	7,531	34,353	(953)	-	-
Net movement in funds		(358,279)	64,635	(18,007)	8,782	1,928	(300,941)	(757,857)
Reconciliation of funds:								
Total funds brought forward		2,339,664	947,920	64,361	58,563	26,996	3,437,504	4,195,361
Total funds carried forward		1,981,385	1,012,555	46,354	67,345	28,924	3,136,563	3,437,504

Balance Sheet as at 31 August 2024

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	2024 £	2023 as restated £
Fixed Assets								
Circuit Manse and Properties	19	1,905,400	-	-	-	-	1,905,400	2,230,400
Investment property		-	-	-	-	-	-	-
Investments		-	-	-	29,844	27,179	57,023	59,072
Total fixed assets		1,905,400	-	-	29,844	27,179	1,962,423	2,289,472
Current Assets								
Debtors	20	12,454	-	-	-	-	12,454	40,724
Investments with TMCP	21	5,764	1,012,555	-	12,732	1,745	1,032,796	1,014,769
Central Finance Board	22							
Deposits		64,923	-	46,354	10,898	-	122,175	181,805
Cash at Bank and in hand		113,609	-	-	13,871	-	127,480	64,226
Total current assets		196,750	1,012,555	46,354	37,501	1,745	1,294,905	1,301,524
Current liabilities								
Creditors (due in under 1 year)	23	120,765	-	-	-	-	120,765	153,492
Net current assets/liabilities		75,985	1,012,555	46,354	37,501	1,745	1,174,140	1,148,032
Total assets less current liabilities		1,981,385	1,012,555	46,354	67,345	28,924	3,136,563	3,437,504
Net assets		1,981,385	1,012,555	46,354	67,345	28,924	3,136,563	3,437,504
Funds of the Circuit								
General Fund (Unrestricted)		1,981,385	-	-	-	-	1,981,385	2,339,664
Circuit Model Trust Fund (Unrestricted)		-	1,012,555	-	-	-	1,012,555	947,920
Designated Funds (Unrestricted)		-	-	46,354	-	-	46,354	64,361
Total Unrestricted Funds		1,981,385	1,012,555	46,354	-	-	3,040,294	3,351,945
Restricted Funds		-	-	-	67,345	-	67,345	58,563
Endowment Funds		-	-	-	-	28,924	28,924	26,996
Total Funds		1,981,385	1,012,555	46,354	67,345	28,924	3,136,563	3,437,504

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

1 Accounting framework and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2019 version of *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the SORP") and in accordance with the "true and fair override" provision contained therein.

ii Basis of preparation

On the 1 September 2024, Crosby Methodist Circuit, Liverpool (North) Methodist Circuit (Charity no 1195942) and Liverpool (North Central) Methodist Circuit (Charity no 1163418) amalgamated to become North Liverpool and South Sefton Methodist Circuit. This has been accounted for under SORP 27 "Charity Mergers" with the comparative figures being the combined income and expenditure, previously reported under the three individual Circuits.

The overall impact on the 2023 restated figures was to show a net deficit in funds of £757,857 being made up of £515,761 from Crosby Methodist Circuit, £215,370 from Liverpool (North) Methodist Circuit and £26,726 from Liverpool (North Central) Methodist Circuit.

iii 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.

Crosby Methodist Circuit and Liverpool (North) Methodist Circuit accounts were prepared on the receipts and payments basis in 2023 and prior years. Liverpool (North Central) Methodist Circuit accounts were prepared on the accruals basis in 2023 and prior years.

Prior year adjustments of £15,369 were made to the accounts to Crosby Methodist Circuit and of £17,956 to the accounts of Liverpool (North) Methodist Circuit to reflect the change to an accruals basis of accounting.

Prior year adjustments of £518,634 were also made to the accounts to Crosby Methodist Circuit to reflect the transfer of property and cash to the Southport Circuit, in accordance with the decision of the trustees following the decision of Formby Church to transfer to the Southport Circuit at 31 August 2023.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

iv Prior year accounts

The income and expenditure, previously reported under the three individual Circuits, as adjusted in iii above is combined for 2023 as follows:

Statement of Financial Activities (SOFA)	Liverpool North	Liverpool North Central	Crosby	Merger adjust.	Combined 2023
Income and Endowments					
Donations and legacies	-	40,676	64,366	-	105,042
Income from monetary investments	12,969	2,774	2,764	-	18,507
Income from properties	12,120	7,045	11,907	-	31,072
Assessments on Churches	44,460	33,250	62,878	-	140,588
Capital Receipts	325,432	-	-	-	325,432
Grants received	-	29,905	68,787	-	98,692
Other charitable activities	-	1,000	-	-	1,000
Total Income	394,981	114,650	210,702	-	720,333
Expenditure					
Grants and donations	49,566	35,000	26,556	-	111,122
Salaries and assoc. costs	84,143	68,072	89,055	-	241,270
Property maintenance	30,640	34,334	46,092	-	111,066
Connexional assess & Levy	490,116	163,150	16,540	-	669,806
District assessment & Levy	5,890	4,752	5,849	-	16,491
Capital Payments	-	6,266	518,634	-	524,900
Office & admin costs	40,726	20,743	9,347	-	70,816
Other charitable activities	270	6,281	14,131	-	20,682
Total charitable expenditure	701,351	338,598	726,204	-	1,766,153
Gains / (Losses) on monetary investments	-	(2,776)	(261)	-	(3,037)
Gains/(losses) on properties	91,000	200,000	-	-	291,000
Net income/(expenditure)	(215,370)	(26,724)	(515,763)	-	(757,857)
Transfers between funds	-	-	-	-	-
Net movement in funds	(215,370)	(26,724)	(515,763)	-	(757,857)
Reconciliation of funds:					
Total funds brought forward	1,762,434	932,891	1,500,036	-	4,195,361
Total funds carried forward	1,547,064	906,167	984,273	-	3,437,504

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Balance Sheet	Liverpool North	Liverpool North Central	Crosby	Merger adjust.	Combined 2023
Fixed Assets					
Circuit Manse and Properties	700,000	615,000	915,400	-	2,230,400
Investment property	-	-	-	-	-
Investments		53,065	6,007	-	59,072
Total fixed assets	700,000	668,065	921,407	-	2,289,472
Current Assets					
Debtors	4,885	41,110	8,100	(13,371)	40,724
Investments with TMCP	787,380	225,190	2,199	-	1,014,769
Central Finance Board Deposits	68,396	28,463	84,946	-	181,805
Cash at Bank and in hand	9,245	14,457	40,524	-	64,226
Total current assets	869,906	309,220	135,769	(13,371)	1,301,524
Current liabilities					
Creditors (due in under 1 year)	22,842	71,118	72,903	(13,371)	153,492
Net current assets/liabilities	847,064	238,102	62,866	-	1,148,032
Total assets less current liabilities	1,547,064	906,167	984,273	-	3,437,504
Funds of the Circuit					
General Fund (Unrestricted)	760,214	664,050	915,400	-	2,339,664
Circuit Model Trust Fund (Unrestricted)	786,850	152,965	8,105	-	947,920
Designated Funds (Unrestricted)	-	20,000	44,361	-	64,361
Total Unrestricted Funds	1,547,064	837,015	967,866	-	3,351,945
Restricted Funds		42,156	16,407	-	58,563
Endowment Funds		26,996		-	26,996
Total Funds	1,547,064	906,167	984,273	-	3,437,504

v Public benefit entity

The North Liverpool and South Sefton Methodist Circuit ("Circuit") meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

vi Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

vii Going concern

Based on the monetary assets and human resources available at 31 August 2024, the trustees believe that the Circuit is a going concern.

viii Consolidation

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

ix Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Circuit. No attempt is made to measure the value of services donated by volunteers.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in the following matters:

- the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church – “Connexional Funds”.
- the payment of accounts to the church cleaners on behalf of Linacre Methodist Mission, West Derby Methodist Church and Kensington Methodist Church.

In all these matters the transactions are not reflected in the SOFA because they are the income and expenditure of either the Connexion or church as appropriate.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or notes where the value is considered material.

x Expenditure

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.

xi VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

xii Tangible fixed assets

All tangible fixed assets costing more than £1,000 are capitalised and included initially at cost, including any incidental expenses of acquisition and irrecoverable VAT.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Subsequently, charitable (functional) land and buildings are held at valuation. The Circuit undertakes to perform the valuations every five years to ensure that the carrying amount does not differ materially from the fair value of the asset at the end of the reporting period. Work to existing properties which is capable of extending the useful life or otherwise adding to the value of the property is capitalised. All other expenditure incurred in respect of general repairs to functional assets is charged to the SOFA in the year it is incurred. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The properties have been reviewed for impairment. (There is no expected decline in stated valuations that requires recognition in these accounts.)

xiii Investments

The investments of the Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 26 below.

xiv Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

xv Endowment funds

Where the Circuit holds money that may not be spent and must be retained (as capital) to generate an income the money or assets to be retained are classified as an Endowment Fund. The capital will be shown in the balance sheet in the column for endowment funds. The income may be restricted or unrestricted depending on the terms of the endowment.

2 Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

CMTF: Circuit Model Trust Fund

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: His Majesty's Revenue and Customs

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its lay employees

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

Stipends are payments made to ordained ministers (presbyters and deacons) to cover their living expenses and enable them to fulfil their calling to serve God in the Church. These stipends are set annually by the Methodist Church's Connexional Allowances Committee based on a formula that takes into account factors like inflation and earnings indices.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

3 Income from Properties

Rental income is received from a former manse property at Brenda Crescent, Thornton. The manse and let property at Harrington Road, Formby was transferred to the Southport Circuit on 31 August 2023. The formal tenancy agreements are managed by real estate agents.

Letting income is received from community and charitable groups using the County Hub premises. The Longmoor Lane property was sold in 2023.

	General	CMTF	Desig	Restricted	Endow	Total	2023 as restated
Rental Contract:							
Brenda Crescent	11,100	-	-	-	-	11,100	11,100
Harrington Road	-	-	-	-	-	-	11,907
Letting Income:							
Longmoor Lane	-	-	-	-	-	-	1,020
County Hub	-	-	8,725	-	-	8,725	7,045
Totals	11,100	=	8,725	=	=	19,825	31,072

4 Assessments on Local Churches

The Circuit now comprises 7 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment for the year, previous year amounts in the former Circuits were utilised as a base. The Circuit is unable to cover all its net core costs from the Assessment, utilising surplus reserves to match expenditure. Formby Church transferred to the Southport Circuit on 31 August 2023.

	General	CMTF	Desig	Restrtd	Endw	Total	2023
Assessments:							
Fazakerley	10,000	-	-	-	-	10,000	10,000
Formby	-	-	-	-	-	-	34,125
Kensington	10,000	-	-	-	-	10,000	11,214
Linacre Mission	15,000	-	-	-	-	15,000	15,000
Moor Lane with Waterloo	27,403	-	-	-	-	27,403	27,403
Old Roan	19,460	-	-	-	-	19,460	19,460
St Marks, Netherton	1,340	-	-	-	-	1,340	1,350
West Derby	22,036	-	-	-	-	22,036	22,036
Totals	105,239	=	=	=	=	105,239	140,588

An assessment on churches is annually determined based on church income and ability to pay. Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is treated as a creditor.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

5 Grants received

The Ukraine Welcome Centre and the UWC Moving On project received various grants to support specific work or activities during the year. The District Advance Fund grant to support Community Intergenerational work ceased in August 2023.

	General	CMTF	Desig	Restrtd	End	Total	2023
Ukraine Welcome Centre							
Sefton MBC	-	-	-	87,420	-	87,420	59,987
Various Grants	-	-	-	7,502	-	7,502	4,000
UWC Moving On							
Various Grants	-	-	-	-	-	-	4,800
Intergenerational Ministry							
District Advance Fund	=	=	=	=	=	=	29,905
Totals	=	=	=	94,922	=	94,922	98,692

6 Capital receipts

There were no capital receipts in the year. (In 2023, following church closure, the property and cash assets of Longmoor Lane Church were transferred to the Circuit.)

	General	CMTF	Desig	Restrtd	End	Total	2023
Properties							
Longmoor Lane Church	-	-	-	-	-	-	325,000
Bank and Cash							
Longmoor Lane Funds	=	=	=	=	=	=	432
Totals	=	=	=	=	=	=	325,432

7 Donations and legacies

Donations to designated funds include monies received for the ongoing work at County Hub.

Restricted fund donations for the work of the UWC are received from Sefton MBC to cover salary costs; sales shop and café at Blundellsands; various private and charitable donations.

Restricted fund donations include various private and charitable contributions towards project activities of the CIP.

	General	CMTF	Desig	Restrtd	Endow	Total	2023
Donations:							
Personal and charitable donations	-	-	8	-	-	8	36,358
Legacy Donation	-	-	-	2,000	=	2,000	-

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Ukraine Welcome Centre						
UWC Sales Shop / Cafe	-	-	-	24,063	-	17,946
Various Donations	-	-	-	10,826	-	17,995
UWC Moving On						
Various Donations	-	-	-	19,400	-	28,425
CIP						
Various Donations	-	-	-	12,707	-	4,318
Totals	-	-	8	68,996	-	105,042

8 Grants and donations

Donations to the mission work of Methodist Women in Britain were made in the year.

In accordance with Circuit grant procedures one grant application was received and approved to St Marks, reference their heating and roofing project.

The grant award in 2023 to West Derby Redevelopment was to cover initial feasibility costs in respect of architect and fundraising consultancy fees of which part was drawn down in the year. (A further grant was approved subject to the positive outcome of the feasibility process. This grant is disclosed under contingent liabilities.)

Various grants (typically £200) were made to individuals as part of the UWC Moving On project.

	General	CMTF	Desig	Restrtd	Endow	Total	2023
Donations							
MWIB	236	-	-	-	-	236	-
CMTF Grants							
St Marks Roof and Heat	-	6,235	-	-	-	6,235	-
Kensington Reserve	-	-	-	-	-	-	10,000
West Derby Redevelopment	-	-	-	-	-	-	5,000
Kensington Kitchen Fund	-	-	-	-	-	-	20,000
Old Roan Floor	-	-	-	-	-	-	18,084
Fazakerley Kitchen	-	-	-	-	-	-	27,000
Linacre Energies	-	-	-	-	-	-	3,486
Old Roan Energies	-	-	-	-	-	-	506
Fazakerley Energies	-	-	-	-	-	-	490
UWC Moving On	-	-	-	-	-	-	-
Various grants	-	-	-	13,687	-	13,687	26,556
Totals	236	6,235	-	13,687	-	20,158	111,122

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

9 Salaries and associated costs

Stipends paid to one full time and one part time office holders (2022-23: Circuit teamed with neighbouring Circuits to share Superintendency.) Stipends paid were as follows:

Stipends

	General	CMTF	Desig	Restrtd	End	Total	2023
Stipends	46,562	-	-	-	-	46,562	66,670
National Insurance contributions	4,142	-	-	-	-	4,142	6,358
Pension Fund contributions	11,639	=	=	=	=	11,639	15,303
Totals	62,343	=	=	=	=	62,343	88,331

The Circuit employs three full time and ten part time, (2022-23: three full time and nine part time) lay staff as follows:

	General	CMTF	Desig	Restrtd	End	Total	2023
Salary	63,071	-	5,273	101,796	-	170,140	140,042
National Insurance contributions	4,436	-	-	7,129	-	11,565	8,500
Pension Fund contributions	2,368	=	-	5,140	=	7,508	4,397
Totals	69,875	=	5,273	114,065	=	189,213	152,939

Contracted Hours (pw) 80 10 128

Salaries and associated costs Totals	132,218	=	5,273	114,065	=	251,556	241,270
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No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the real living wage as calculated by the Living Wage foundation.

Pensions

Stipendiary Circuit Ministers are eligible to join the Methodist Ministers' Pension Scheme (MMPS). The MMPS is a funded defined benefit scheme maintained by The Methodist Church of Great Britain. As the Circuit is unable to identify its share of the underlying assets and liabilities of the scheme, the Circuit has taken the advantage of the exemption in Financial Reporting Standard (FRS) 17, Retirement Benefits, and has accounted its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contribution payable by the Circuit in the year. The contribution rates are set each year by the Methodist Conference.

Lay employees are contractually employees and may be required to be auto enrolled in the Circuit's Pensions Trust or Nest Auto Enrolment pension schemes which are defined benefit schemes and the Circuit contribute as an employer to these schemes.

10 Cost of Superintendent and Trustees

The Superintendent of the Circuit and the remaining members of the CLT are considered as key management personnel. The Superintendent chairs meetings of the CLT and Circuit meetings. The members of the Circuit meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard this as a benefit in kind in the hands of the minister.

Each Minister is entitled to a three-month sabbatical every seven years and the expenses incurred by the Minister are met by the Connexion with the Circuit continuing to pay the stipend. During the year there has been no sabbatical. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay.

	Total	2023
	£	£
Stipends of Ministers	46,562	66,670
Employer's National Insurance contributions	4,142	6,358
Employer's Pension contributions to a defined benefit pension scheme	<u>11,639</u>	<u>15,303</u>
Total cost	<u>62,343</u>	<u>88,331</u>

Payments to trustees

It is generally not Circuit policy to reimburse non-ministerial members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. Ministers of the Methodist Church are provided a stipend. No member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs may at times be re-imbursed in relation to specific projects.

Travel and administration costs of £nil (2022-23: £nil) were paid to other trustees.

11 Property maintenance

The Circuit is managing trustee for four manses, one of which is occupied by a minister stationed in the Circuit and another for which considerable refurbishment work has been carried out for an incoming minister to occupy from August 2024. The other two manses will be sold. Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

Manse costs	General	CMTF	Desig	Restricted	End	Total	2023
Repairs and maintenance							
Priory Road	385	-	-	-	-	385	437
Eaton Road	3,152	-	-	-	-	3,152	703
Brentwood Avenue	16,217	-	-	-	-	16,217	4,359
Council Tax	3,656	-	-	-	-	3,656	5,612
Water Rates	1,396	-	-	-	-	1,396	1,418
Insurance	<u>1,001</u>	-	-	-	-	<u>1,001</u>	<u>5,973</u>
Totals	<u>25,807</u>	=	=	=	=	<u>25,807</u>	<u>18,502</u>

In 2023 the Circuit covered the cost of quinquennial inspections in the Circuit churches. There were no costs incurred in the year.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Other property costs	General	CMTF	Desig	Restricted	End	Total	2023
Quinquennial on church properties	-	-	-	-	-	-	3,855
Totals	-	-	-	-	-	-	3,855

The Circuit is responsible for other properties being County Hub (primary base for the work of the Community Intergenerational Project and other activities), Blundellsands (primary base for the Ukraine Welcome Centre) and other properties at Longmoor Lane (sold during the year) and Kirkby (marketed for sale). The properties at Oakfield, Maghull, Abrigo and Ridgeway Drive were sold during 2023.

Other Properties	General	CMTF	Desig	Restricted	End	Total	2023
County Hub Designated							
Repairs and maintenance	-	-	3,623	-	-	3,623	5,170
Kitchen Project	-	-	19,550	-	-	19,550	
Building Insurance	-	-	2,677	-	-	2,677	4,147
Heat and Light	-	-	3,977	-	-	3,977	3,622
Water Rates	-	-	592	-	-	592	1,004
Totals	-	-	30,419	-	-	30,419	13,943
UWC Reserve							
Repairs and maintenance	-	-	-	11,930	-	11,930	22,281
Heat and Light	-	-	-	6,210	-	6,210	5,748
Building Insurance	-	-	-	8,100	-	8,100	8,100
Water Rates	-	-	-	936	-	936	-
Totals	-	-	-	27,176	-	27,176	36,129
Oakfield Properties							
Council Tax	1,618	-	-	-	-	1,618	-
Water Rates	-	-	-	-	-	-	1,124
Heat and Light	124	-	-	-	-	124	660
Repairs and clearance	-	-	-	-	-	-	3,206
Building Insurance	250	-	-	-	-	250	5,982
Totals	1,992	-	-	-	-	1,992	10,972
Maghull Church							
Water Rates	-	-	-	-	-	-	68
Heat and Light	-	-	-	-	-	-	1,014
Building Insurance	-	-	-	-	-	-	1,024
Totals	-	-	-	-	-	-	2,106
Longmoor Lane							
Repairs and maintenance	1,105	-	-	-	-	1,105	5,286
Building Insurance	2,109	-	-	-	-	2,109	5,855
Heat and Light	712	-	-	-	-	712	4,254
Totals	3,926	-	-	-	-	3,926	15,395

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Kirkby							
Repairs and maintenance	405	-	-	-	-	405	675
Building Insurance	1,372	-	-	-	-	1,372	1,756
Heat and Light	5,621	-	-	-	-	5,621	
	7,398	-	-	-	-	7,398	2,431
Brenda Crescent							
Letting charges	1,543	-	-	-	-	1,543	1,354
Repairs and maintenance	-	-	-	-	-	-	478
	1,543	-	-	-	-	1,543	1,832
Abrigo							
Council Tax	-	-	-	-	-	-	2,315
Water Rates	-	-	-	-	-	-	126
Heat and Light	-	-	-	-	-	-	79
Repairs and maintenance	-	-	-	-	-	-	666
Totals	-	-	-	-	-	-	3,186
Ridgeway Drive							
Council Tax	-	-	-	-	-	-	1,381
Water Rates	-	-	-	-	-	-	235
Heat and Light	-	-	-	-	-	-	(114)
Repairs and maintenance	-	-	-	-	-	-	1,213
Totals	-	-	-	-	-	-	2,715
Property maintenance Totals	40,666		30,419	27,176		98,261	111,066

12 Office and administration costs

	General	CMTF	Desig	Restricted	Endow	Total	2023
PPSA, IT and equipment	6,211	-	-	321	-	6,532	10,372
Sundries	3,594	-	-	46	-	3,640	2,068
Telephone	1,895	-	573	1,200	-	3,668	2,794
Travel	7,046	-	-	201	-	7,247	7,427
Removal costs	4,312	-	-	-	-	4,312	-
Training	-	-	-	296	-	296	1,021
Circuit office	3,040	-	-	-	-	3,040	2,760
Legal and professional	24,736	-	-	-	-	24,736	41,199
Preaching and worship	1,916	-	-	-	-	1,916	2,912
TMCP charges	7	2,857	-	107	84	3,055	263
Totals	52,757	2,857	573	2,171	84	58,442	70,816

13 Connexional Assessment

The Connexional Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all Circuits in the Liverpool District.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Under Methodist Standing Order 970, the Connexional Priority Fund ("CPF") levy is charged on the proceeds from the disposition of virtually all Methodist Model Trust Property. (A proportion of the CPF levy may be reclaimed and used to fund a qualifying Replacement Project.) This levy was charged following the disposal of Longmoor Lane Church. There is no provision for any reclaim included in these accounts.

	General	CMTF	Desig	Restrt	Endow	Total	2023
Methodist Church Fund (MCF)	44,560	-	-	-	-	44,560	50,055
Connexional Priority Fund ("CPF") levy							
Sale of Longmoor Church	110,834	-	-	-	-	110,834	-
Sale of Maghull Church	-	-	-	-	-	-	287,606
Sale of Ridgeway Drive	-	-	-	-	-	-	93,763
Sale of Abrigo	-	-	-	-	-	-	89,237
Sale of Oakfield Church	-	-	-	-	-	-	149,145
Connexional assessment and levy Totals	155,394	-	-	-	-	155,394	669,806

14 District Assessment

The District Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, and total relevant income of all Circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one third membership proportions.

Standing order provides that a levy be taken into District Advance Funds (DAFs) on all capital money held in each Circuit model trust fund. The levy is 2.5% on the first £100,000.

	General	CMTF	Desig	Restricted	Endow	Total	2023
District assessment and Levy	11,280	58,365	-	-	-	69,645	16,491
Totals	11,280	58,365	-	-	-	69,645	16,491

15 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2023
UWC Activities	-	-	-	18,605	-	18,605	14,131
UWC Café costs	-	-	-	14,159	-	14,159	-
CFW projects running costs	-	-	-	3,111	-	3,111	2,679
3Generate expenses	1,020	-	-	-	-	1,020	2,750
Other expenditure	-	-	-	-	-	-	270
Kensington projects running costs	-	-	-	-	-	-	852
Totals	1,020	-	-	35,875	-	36,895	20,682

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

16 Capital Payments

A detailed review of model trust funds and permanent endowments was carried out in 2023 to understand charitable purposes with support from TMCP, Liverpool District and Charity Commission. Restricted funds of value £6,266 were transferred to other Methodist trustee bodies better able to manage and distribute funds as required.

Following further review, it was determined to transfer income of one permanent endowment to Kensington Church as means to ensure charitable benefit is best applied.

At 31 August 2023, property of the manse at Harrington Road, Formby at book value £452,582 and unrestricted bank funds of £66,052 were transferred to the Southport Circuit, as agreed, following the decision of Formby Church to transfer to the Southport Circuit.

	General	CMTF	Desig	Restr	Endow	Total	2023
Transfer of Restricted funds to other Methodist trusts				467		467	6,266
Transfer Harrington Road, Formby manse to Southport Circuit							452,582
Transfer Crosby Circuit unrestricted bank funds to Southport Circuit							66,052
Totals	=	=	=	<u>467</u>	=	<u>467</u>	<u>524,900</u>

17 Investment management

During the year the Circuit paid £3,055 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and various endowment funds (2022-23: £263). The sum of £3,055 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated. See Note 12 above.

18 Transfers between funds

During the year the following transfers were made:

- £249,166 between general fund and Circuit model trust fund property disposals of £360,000 less connexional property levy of £110,834.
- £22,915 between Circuit model trust fund and general fund being legal and survey costs on completion of property disposals.
- £98,765 between Circuit model trust fund and general fund being transfers to support circuit grants and other operating expenditure.
- £44,508 between Circuit model trust fund and general fund being transfer of investment interest.
- £953 between endowment funds and restricted funds being income earned on endowments available for restricted use.
- £5,931 between general fund and County designated fund to cover net costs of fund.
- £1,600 between CIP Projects and County designated fund to support utility costs
- £4,000 between CIP Projects and Intergenerational fund to support salary costs
- £35,000 between general fund and Intergenerational project fund.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

19 Manse and other property

In accordance with Circuit policy to obtain revised valuations every five years, valuations remain unaltered following revision on all properties in 2022.

The properties in Eaton Road, Liverpool and Brenda Crescent, Thornton do not meet the current requirements of a manse and are no longer required as a manse. The sale of Eaton Road was completed in 2024/25. The Brenda Crescent property is privately let on a managed tenancy agreement.

The property at Longmoor Lane, Liverpool was sold during the year.

There is no depreciation on the properties as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation Priory Road			
Balance b/f at 1 September	35,000	130,000	165,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	<u>35,000</u>	<u>130,000</u>	<u>165,000</u>
Cost or valuation Eaton Road			
Balance b/f at 1 September	70,000	180,000	250,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	<u>70,000</u>	<u>180,000</u>	<u>250,000</u>
Cost or valuation Brentwood Avenue			
Balance b/f at 1 September	<u>72,500</u>	<u>217,500</u>	<u>290,000</u>
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	<u>72,500</u>	<u>217,500</u>	<u>290,000</u>
Cost or valuation Brenda Crescent			
Balance b/f at 1 September	<u>68,750</u>	<u>206,250</u>	<u>275,000</u>
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	<u>68,750</u>	<u>206,250</u>	<u>275,000</u>
Cost or valuation Kirkby			
Balance b/f at 1 September	25,000	75,000	100,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	<u>25,000</u>	<u>75,000</u>	<u>100,000</u>
Cost or valuation Land at Wilsons Lane			
Balance b/f at 1 September	<u>400</u>	=	<u>400</u>
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	<u>400</u>	=	<u>400</u>

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Cost or valuation Longmoor Lane			
Balance b/f at 1 September	81,250	243,750	325,000
Revaluation on disposal	8,750	26,250	35,000
Sold in year	(90,000)	(270,000)	(360,000)
Balance c/f at 31 August 2024	=	=	=
Cost or valuation Blundellsands			
Balance b/f at 1 September	125,000	500,000	625,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	125,000	500,000	625,000
Cost or valuation County hub properties			
Balance b/f at 1 September	75,000	125,000	200,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2024	75,000	125,000	200,000
Totals carried forward at 31 August 2024	471,650	1,433,750	1,905,400

20 Debtors and prepayments

All sums shown as Debtors at 1 September 2023 were received during the following year.
All sums paid in advance at 1 September 2023 were for activities that have been held during 2023-24.

Debtors were made up as follows:	2023-24	2022-23
	£	£
General Fund:		
Trade debtors		
Payroll costs for Churches	2,041	1,450
	2,041	1,450
Prepayments and accrued income		
Payments in advance	10,413	11,174
<i>Unrestricted Prepayments:</i>	10,413	11,174
Total General Fund	12,454	12,624
Designated Fund: County Hub		
Other debtors		
Approved grant award from CMTF	-	20,000
<i>Other debtors</i>	-	20,000
Total Designated Fund	-	20,000
Restricted Fund: Ukraine Welcome Centre		
Prepayments and accrued income		
Payments in advance	-	8,100
<i>Restricted Prepayments:</i>	-	8,100
Total Restricted Fund	-	8,100
Total	12,454	40,724

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

21 Trustees for Methodist Church Purposes

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

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day-to-day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

22 Central Finance Board (CFB) and Cash at Bank

The Circuit has two current accounts and one deposit at CAF Bank, an authorised institution. The sums held on those accounts are immediately available.

In addition, the Circuit has one deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

Following the amalgamation of Circuits and transfer of assets to the Circuit, "legacy" accounts at HSBC plc, NatWest plc and Barclays plc and CFB have continue to be used. These accounts are being closed on a staged basis as operational matters are concluded.

23 Creditors and accrued expenses

The amount due to the Southport Circuit has not been paid during the year but will be paid during the year to 31 August 2025. All other sums shown as Creditors at 1 September 2023 were paid during the following year. It is expected that all sums accrued at 31 August 2024 will be paid during the year to 31 August 2025.

Creditors were made up as follows:	2023-24	2022-23
	£	£
General Fund:		
Other creditors		
Southport Circuit	77,100	66,052
Approved grant awards	9,500	-
Advance payment	<u>11,509</u>	<u>11,751</u>
<i>Other creditors</i>	98,109	77,803
Accruals and deferred income		
Various accruals	<u>22,656</u>	<u>20,689</u>
<i>Unrestricted Accruals:</i>	22,656	20,689
Total General Fund	120,765	98,492

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Circuit Model Trust Fund:		
Other creditors		
Approved grant awards	=	<u>55,000</u>
Other creditors	-	<u>55,000</u>
Total	120,765	153,492

Maturity analysis of financial liabilities				
	Accrued at		Accrual	Accrued at
	01-Sep-23	Paid in year	Made in year	31-Aug-24
Other creditors				
Southport Circuit	66,052	-	11,048	77,100
Approved grant awards	-	-	9,500	9,500
Advance payment	<u>11,751</u>	<u>11,751</u>	<u>11,509</u>	<u>11,509</u>
Other creditors	<u>77,803</u>	<u>11,751</u>	<u>32,057</u>	<u>98,109</u>
Accruals and deferred income				
Various accruals	<u>20,689</u>	<u>20,689</u>	<u>22,656</u>	<u>22,656</u>
Unrestricted Accruals:	<u>20,689</u>	<u>20,689</u>	<u>22,656</u>	<u>22,656</u>
Total	98,492	32,440	54,713	120,765

24 Unrestricted Funds - balance £3,040,294 at 31 August 2024 (2023: £3,351,945)

24.1 General Fund – balance £1,981,385 at 31 August 2024 (2023: £2,339,664)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes.

During the year the Circuit completed disposal of the property at Longmoor Lane, Liverpool with a small gain on disposal, payment of Connexional levy in accordance with Methodist discipline and transfer of excess funds to the Circuit Model Trust Investment Fund.

Income and expenditure relating to properties at County Hub (principal base for the Community Intergenerational Project) and at Blundellsands (base for the Ukraine Welcome Centre) is managed through separate designated funds with deficit on the County Hub account funded by transfer from the General Fund.

At the end of year 96% of this fund, by valuation, is held as freehold properties.

24.2 Circuit Model Trust Fund – balance £1,012,555 at 31 August 2024 (2023: £947,920)

This unrestricted fund is for use at the discretion of trustees in the furtherance of the general objectives of the Circuit.

Funds were received from investment by transfer from the General Fund, following sale of the Longmoor Lane property.

A grant was awarded to St Marks church property project in the year.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

In July 2023, the trustees committed funds to an amount of £120,000 to the work of the CIP until August 2025. (See Note 29.)

In July 2023, the trustees approved a grant of £35,000 to the West Derby redevelopment project subject to the project being fully funded. (See Note 29.)

24.3 UWC Designated Property Fund – balance £46,354 at 31 August 2024 (2023: £44,361)

This fund is designated towards maintaining the Blundellsands property whilst in use by the UWC project.

Income to this fund is the sale of the Church Organ during the year.

There has been no other transaction on this fund with all minor repair and maintenance costs met through the UWC Restricted Fund account.

24.4 County Property Fund – balance £nil at 31 August 2024 (2023: £20,000)

This fund includes income and expenditure relating to the use of the premises at County Hub which serves as a primary base for the work of the Community Intergenerational project.

Transfers are received from General Fund to cover the net costs of £5,931 in the year.

The brought forward balance of £20,000, being committed funds for a Kitchen refurbishment, was fully utilised during the year.

25 Restricted Funds - balance £67,345 at 31 August 2024 (2023: £58,563)

25.1 Ukraine Welcome Centre – balance £6,288 at 31 August 2024 (2023: £14,437)

This is the primary project fund for the work to support displaced Ukrainians in the Liverpool area and based at Blundellsands church.

Income received includes £87,420 from Sefton MBC towards the cost of staff salaries. Other income received is from individuals, corporates and charities and from the Sales shop and café at Blundellsands church. Expenditure is the cost of staff salaries, shop, café and building operating costs and activities.

25.2 UWC Moving On – balance £7,582 at 31 August 2024 (2023: £1,869)

This the project fund to assist Ukrainians associated with the Ukraine Welcome Centre moving to new homes or accommodation. Income is received as donations from individuals, corporates and charities. This fund is managed by the Ukraine Welcome Centre project and provides grants of typically £200 to £600 to approved individuals.

25.3 Community Intergenerational Fund – balance £1,283 at 31 August 2024 (2023: £391)

The Community Intergenerational Fund is a project to support Community Intergenerational work across the former Liverpool (North Central) Circuit, initially supported by Methodist Church connexion and the District Advance Fund. This project commenced in August 2019 with Connexion funding ended in 2022 but matched by District Advance funding for 2023.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

In July 2023, the trustees committed to use reserves to continue to fund this project until August 2025.

25.4 CIP Projects Fund – balance £8,709 at 31 August 2024 (2023: £4,714)

The CIP Projects funds various community and intergenerational activities of the Community Intergenerational project. This fund is a catchall for various activities with specific restrictions relating to some donations. Strict compliance is ensured by the management of the children and family worker in association with the treasurer. Total income in the year was £12,708 and expenditure was £3,113 with transfers out of £5,600.

25.5 Worship and Mission Income Fund, balance £907 at 31 August 2024 (2023 overdrawn at £801)

The Worship and Mission Income Fund is used principally to support worship and mission costs in the Circuit. Total expenditure in the year was £nil. A capital amount, £26,613 at 31 August 2024, is invested to provide income to support the purposes of the fund.

25.6 Worship and Mission Capital Fund, balance £26,613 at 31 August 2024 (2023 £24,914)

The Worship and Mission Capital Fund is invested to provide income to support the purposes of the fund.

25.7 Oakfield Mission fund – balance £13,862 at 31 August 2024 (2023: £12,938)

The Oakfield Mission fund is the administrative combination of a number of funds received by transfer on the closure of Oakfield church with varied but similar terms. Total income in the year was £630 being investment income and expenditure of £36. A transfer of £2 was made to the Worship and Mission fund.

25.8 Other funds – balance £2,101 at 31 August 2024 (2023: £101)

A legacy of £2,000 was received in the year for mission work in the Walton area..

The market valuations for the various funds have been provided by TMCP. The funds of the Intergenerational project are held on deposit at CAF and CFB.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

26 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-23	Income	Exp'diture	Transfers	Gains/ Losses	31-Aug-24
	£	£	£	£	£	£
General Fund	2,339,664	124,668	(394,038)	(123,909)	35,000	1,981,385
Circuit Model Trust Fund	947,920	48,657	(67,457)	82,978	457	1,012,555
UWC Designated	44,361	1,993	-	-	-	46,354
County Property	20,000	8,734	(36,265)	7,531	-	-
Total unrestricted	3,351,945	184,052	(497,760)	(33,400)	35,457	3,040,294
Ukraine Welcome Centre	14,437	129,810	(137,959)	-	-	6,288
UWC Moving On	1,869	19,400	(13,687)	-	-	7,582
Intergenerational project	391	-	(38,108)	39,000	-	1,283
CIP Projects	4,714	12,708	(3,113)	(5,600)	-	8,709
Worship and Mission	(801)	-	-	1,708	-	907
Mission Capital	24,914	824	(71)	(753)	1,699	26,613
Oakfield Mission	12,938	630	(36)	(2)	332	13,862
Other	101	2,000	-	-	-	2,101
Total restricted	58,563	165,372	(192,974)	34,353	2,031	67,345
Circuit Account (Trust 822)	196	10	-	(10)	-	196
Hugh Rowlands (Trust 280)	378	42	(2)	(40)	-	378
J Edmondson Bequest (Trust 867)	2,086	249	(13)	(235)	45	2,132
H J Stones Bequest (Trust 3840)	5,053	154	(13)	(140)	390	5,444
May Crane Bequest (Trust 8240)	19,283	583	(56)	(528)	1,492	20,774
Total endowment	26,996	1,038	(84)	(953)	1,927	28,924
Total Funds	3,437,504	350,462	(690,818)	-	39,415	3,136,563

27 Connected organisations and related parties

Ministers of the Methodist Church have membership held connexionally. All of the other Circuit trustees are members of one or another Church within the Circuit and may be trustees in their Churches.

Connected organisations include the Methodist Connexion, Liverpool Methodist District, Churches within the Circuit, other Methodist Circuits in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors and autonomous administration such that the Circuit has no significant influence over any of them, nor they over the Circuit. They are, therefore, not considered related parties.

North Liverpool and South Sefton Methodist Circuit
Notes to the Accounts for the Year Ended 31 August 2024

Names of Connected Organisations	Receipts £	Payments £
Donee: Liverpool Methodist District – District assessment	-	(11,280)
Donee: Liverpool Methodist District – District Advance Fund levy	-	(58,365)
Donee: The Methodist Church Fund – Connexional assessment	-	(44,560)
Donee: The Methodist Church Fund – Connexional priority levy	-	(110,834)
Donee: St Marks Methodist Church CMTF Grants	-	(6,235)
Donor: Churches within North Liverpool and South Sefton Circuit (assessments on Churches)	105,239	-
Donee: Methodist Women in Britain		(236)

There were no related party transactions.

28 Volunteer contributions

Every entity (Connexion, District, Circuit, and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. We are grateful to all of them for their help and commitment.

29 Capital commitments and contingent liabilities

In July 2023, the Circuit trustees committed an amount of £120,000 from the Circuit Model trust fund to extend the work of the Community Intergenerational project until at least August 2025. As at August 2024, an amount of £40,931 was transferred to support project costs and the costs of the County Hub building.

In July 2023, the Circuit trustees approved a grant of £35,000 to West Derby Methodist Church towards the costs of redevelopment to the main church building. The grant to be paid only on the project being fully funded through other grants and donations.

There are no other capital commitments or contingent liabilities.

30 Lease commitments

The Circuit has no lease commitments

31 Independent examiner

No accrual has been made for the fee of the auditor or independent examiner who has historically provided his services free of charge (2022-23: Nil). The auditor or independent examiner provided no additional services during the year.

North Liverpool and South Sefton Methodist Circuit (Number 18/3)

Independent examiners report

Report to the trustees

For the year ended 31st August 2024

Registered charity no. 1163418

I report to the trustees on my examination of the accounts of the above charity for the year ended 31st August 2024 which are set out on pages 12 to 36.

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 2011 Act and in carrying out my examination, I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Independent examiner's statement

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:

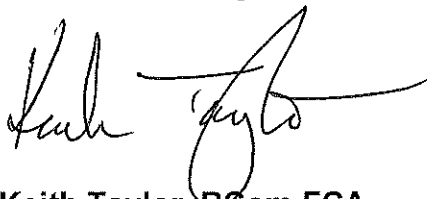
- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not comply with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts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

The matters that have come to my attention are:

- The financial statements for the year ended 31st August 2023 were not examined. Consequently, the comparative figures shown in the financial statements for the year ended 31st August 2024 are not covered by this examination report.
- I have not obtained independent verification of investments, bank balances and funds at the Central Finance Board of the Methodist Church

Other than the points noted above 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.

Signed:



Name: John Keith Taylor, BCom FCA

Date: 26/2/26

Relevant professional qualification:

Fellow of the Institute of Chartered Accountants in England and Wales

Address: 12 Newholme Close, Liverpool L12 0JG

Accounts



The Methodist Church

NORTH LIVERPOOL AND SOUTH SEFTON METHODIST CIRCUIT

(FORMERLY LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT)



TRUSTEES' ANNUAL REPORT AND ACCOUNTS YEAR ENDED 31 AUGUST 2023

Registered Charity No 1163418

North Liverpool and South Sefton Methodist Circuit (Number 18/03)
(Formerly Liverpool North Central Methodist Circuit)
Year Ended 31 August 2023

1 OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities, the Circuit Meeting which normally meets four times in each year, has given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives and conforms to the Charities Act 2011.

It is noted that the Circuit Meeting met for a total of eight times during the year. During the year preparatory planning took place for the planned amalgamation of the Circuit with the Liverpool (North) Circuit and Crosby Circuit (excluding Formby Church) from September 2023.

1.1 Mission Statement

The Circuit seeks to lead and support its churches to live out their Christian faith through worship, prayer, practical service and mission initiatives which serve the needs of the communities in which we are based; i.e. Kensington, Walton and West Derby.

1.2 Mission Objectives

Worship - *We offer a range of worship: different days, times and styles.*

We seek to encourage the following:

- exploration of new styles of worship for all ages
- opportunities for prayer – to be prayed for and to be prayed with
- looking and listening for God in reading Scripture & Christian literature, song and everyday experiences & encounters

Learning and caring - *We care for each other.*

We seek to carry out the following:

- to support all ages through faith development opportunities
- to provide effective pastoral care to our congregations and the wider community
- to nurture, encourage and actively appreciate our volunteers
- encouraging our congregations to consider our individual responsibilities in caring for the environment
- encouraging progression of Eco-church status

Service - *Our Intergenerational Project supports our communities and beyond.*

We aim to carry out the following:

- encouraging genuine, caring relationships in order to improve well being
- supporting children and families within the community through the provision of all-year round activities and promoting good parenting
- to engage with older people and those people facing loneliness and isolation who frequently have no or limited support networks
- to engage with adults who have complex needs as a result of homelessness, substance misuse or mental health issues.
- tackling hunger and poverty not only through the provision of activities but also challenging inequality and injustice
- working collaboratively with other voluntary community, ecumenical and charitable organisations

North Liverpool and South Sefton Methodist Circuit (Number 18/03)
(Formerly Liverpool North Central Methodist Circuit)
Year Ended 31 August 2023

Evangelism - *We try to share the love of Jesus in our everyday lives.*

We seek to achieve the following:

- providing opportunities for sharing our faith stories and enabling others to share their faith stories in the wider world
- to strengthen existing relationships with children and families already attending church-linked groups and activities
- to engage with people in the community and encourage them to explore faith

We seek to achieve our objectives through collaborative working of ordained staff, lay employees and volunteers from church and community.

The Circuit recognises the inter-connectedness of service, worship and evangelism and the varied related opportunities that exist for achievement and delivery of its aims.

2 ACHIEVEMENTS AND PERFORMANCE

2.1 Intergenerational working

Through its focus on children and families, volunteering, worship and faith development, the Circuit has continued to develop the “Community Intergenerational Project” which has concluded its fourth year. This project works in some of the most deprived areas of North Liverpool from the existing church bases at Kensington and West Derby, and at County Methodist Hub (Walton/Kirkdale).

The Children and Family Worker (CFW) and Community and Church Liaison Officer (CCLO) are two part time posts supporting the existing ministry team under the supervision of the Superintendent Minister. We seek to integrate local, established traditional church culture with a fresh embrace of the needs of the surrounding local communities.

This project continues to focus primarily upon addressing isolation and loneliness with both adults and older adults, young families with small children and the integration of these component communities. This focus includes school holiday provision for local families with school-aged children. Our activities continue to encourage socialisation whilst fostering interpersonal support networks.

The CCLO and CFW discontinued the ‘Arts and Hearts’ group in May 2022 when similar resources became available elsewhere within the community. They continued to look for other ways to respond to adults in need of support throughout the community through an ongoing process of observation, conversation and discernment. This process continued during the year.

The Community Intergenerational Project successfully applied for a Liverpool District ‘Warm Spaces Grant’ during this year. County Methodist Hub was opened to the community once a week for 13 sessions, providing a warm space and lunch free of charge. This proved to be a welcome feature and served a total of 75 lunches over 13 sessions. This new feature received positive feedback, including one resident commenting that it helped her general wellbeing and has since developed an increased confidence for her to attend other events at County Methodist Hub on her own.

Other ongoing and continuing activities include the following:

- The CFW continues to receive small grants and donations to fund school holiday sessions called ‘Rise and Shine’ within the County Hub building. This project includes a

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food provision, craft activities, family-oriented films and seasonally themed parties and activities. Periodically, parents have been provided with food parcels as available. Families have continued to express their gratitude for this provision as the entire 'Rise and Shine' project has assisted them with coping with their children during school holidays and the ongoing cost of living pressures. Overall, during the year ending 31 August 2023, a total of 70 children from 36 families benefitted from this project.

- The 'Bumps and Babies' group, aimed at parents and carers of children under one year old or expectant mothers, continues to operate successfully. This expression provides refreshments, soft play areas, a baby bank for equipment and clothing and an opportunity to offer socialisation, networking and support for young families in the Walton area.
- 'Table Sale' continues on a monthly basis at County Hub, which is run by volunteers and provides good links with the local Walton community. This has become a popular local event which makes 'pre-loved' household items available to local residents. This community event enables relationships to develop with various vulnerable adults from the immediate Walton community.
- 'Channel,' a small local charity, continues to maintain a store at the County Hub building and partners with the Intergenerational Project and Table Sale on occasions. This charity supports local social workers, family support workers and health visitors. Through the provision of small grants, bedding, baby equipment and household items, Channel assists some of Liverpool's most deprived families.
- Kensington Food Bank is primarily an independent safety net for those in need of a food provision. During the year this continues to operate twice monthly and allowed a total of approximately 700 food parcels to be distributed at the door. Whilst this activity is considered to be a Circuit-based community activity, its operations are taken on by volunteers from the Kensington Methodist Church congregation.
- Kensington Community Lunch continued to serve hot food at the doors with the CCLO and two or three volunteers until December 2022. This project had run its season after many years of strong witness since 2008.
- Support of the existing uniformed organisations is provided by CFW in two of our circuit churches. Boys' Brigade and Girls' Association (BB/GA) is based at West Derby Methodist Church and Girls' Brigade (GB) is based at Kensington Methodist Church.
- The CFW has successfully created programming for families at West Derby Methodist Church, comprising seasonally themed family activities such as 'Pumpkin Party' in October, 'Jesus' Birthday Party' during Advent, and Pancake Party on Shrove Tuesday, together with Lent Packs for home use. The CFW has also encouraged participation throughout the Circuit with 3-Generate, the annual Methodist Church youth gathering.
- "Summer at West Derby" has become a fixture during August of each year. This year featured a programme of Film Nights on Tuesdays, Activity Evenings on Thursdays and Café Church worship on Sunday mornings in August. This summer initiative attracts several local families together with new families from the West Derby community. This year featured a successful all-age quiz which welcomed both church and community families and adults. During Summer 2023, a total of 61 children from 41 families participated in 'Summer at West Derby.'
- CFW continues to organise follow-up gifts at Easter for all children baptised in both Kensington and West Derby Methodist Churches during the prior year.

The project's vision and community action continue to be well received and actively recognised through continued financial support by Liverpool Methodist District during the year.

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2.2 Circuit Churches and Pastoral Care

Following the closure and cessation of worship, Oakfield Methodist Church with County Hub congregation members dispersed to other Methodist churches and to other denominations within the local community. In order to preserve ongoing fellowship and pastoral care, a bi-monthly coffee morning with devotions hosted by County Methodist Hub has enabled ongoing pastoral contact and support. This activity has developed to include a wider network of attendees from both the community and other Circuit churches. The CCLO takes an active role in assisting with preparation for these events.

'Refreshment Stop,' the Circuit's mid-week worship and fellowship element, is primarily supported by the former Oakfield with County Hub congregation members. This expression continues to grow slowly in size and attracts regular worshippers primarily from the local Walton community.

The work at Kensington and West Derby Methodist Churches continues with some new members added at both churches.

West Derby Church is being supported in its building redevelopment plans particularly as it carries out a feasibility review.

Following the loss of tenants and some members Kensington Methodist Church has carried out a detailed financial review with Circuit support to establish a more secure financial footing.

2.3 Plans for future years

Following the closure of Oakfield Methodist Church with County Hub, the circuit is now faced with increased financial, governance and personnel issues.

In this regard, the Circuit will amalgamate with the Liverpool (North) Circuit and Crosby Circuit (excluding Formby Church) from September 2023.

The sale of the Oakfield building in Summer 2023 released cash funds for operations. The trustees committed to continue to fund Community Intergenerational Project for a further two years.

The circuit remains committed to develop the work of the Community Intergenerational Project in the circuit churches and within the base at County Hub. The circuit has established a steering group to oversee the day-to-day operations of the County Hub building and to support the work of the Community Intergenerational Project. This steering group serves in an advisory capacity to the Circuit Meeting in its role as trustee body for the premises. We remain committed to prioritise addressing social and economic deprivation throughout both the Walton and Kensington areas. In addition, the CFW continues to support the family work at West Derby Methodist Church.

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3 FINANCIAL REVIEW

During the year the Circuit received total income of £115k (2021-22: £577k) and dispersed £339k (2021-22: £119k). The resulting deficit of income was reduced by a net gain of £197k (2021-22: loss of £17k) on the properties, restricted reserves and endowments to produce a net deficit of income of £27k (2021-22: excess of £441k) and total reserves carried forward of £906k (2021-22: £933k).

During the year the sale was completed of the properties of Oakfield church and house at a price above the balance sheet valuation. In accordance with Methodist discipline a levy was transferred to the Connexional Property Fund and surplus funds were invested in the Circuit Model Trust Fund.

The usual main source of funding from assessments was badly affected by Oakfield's decision to close and Kensington's ongoing financial difficulties. Following a detailed review of Kensington's financial situation revised assessments were set and a Reserve Fund grant approved. The assessments received in the year amounted to £33,250 (2021-22: £36,978).

Grants received are from Liverpool District Advance Fund towards the costs of the Community Intergenerational project. Income from properties are lettings received from community and charitable tenants of the County Hub premises.

During the year, the Circuit faced severe liquidity and cash flow difficulties due to the delay in sale of the Oakfield properties. A number of private donations were received for general use to sustain and support Circuit ministry and mission.

Other donations to designated funds include monies received for the ongoing work at County Hub and a gift aid recovery for the Oakfield premises and charitable and individual contributions towards project activities of the Community Intergenerational project.

During the year the Circuit teamed with neighbouring Circuits to share Superintendency. One third of Superintendent's Stipend costs was paid by Liverpool (North) Circuit.

The unrestricted general account shows costs in line with budget. There were no significant events during the year. Stipend expenditure and lay employee rates have increased each financial year in line with conference approved increases. It is Circuit policy that all staff in the Circuit are paid at or above the real living wage as calculated by the Living Wage foundation.

The net deficits on the designated Oakfield Property and County Hub Property accounts are transferred to general account.

29% of general fund 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.

Disregarding the professional costs and connexional levy on property sale, the general account had a deficit of £15k (2021-22: deficit £40k). Despite this the level of deficit, the trustees of the Circuit have every reason to believe that the Circuit is a going concern, because of the high level of investment and property reserves.

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The Circuit holds three freehold properties being the Manses in Priory Road and Eaton Road, Liverpool and also the church property at County Hub. The sale of the Oakfield church was completed in August 2023. The Circuit has agreed to sell the Eaton Road property to fund future work.

The Circuit has adequate reserves to cover any shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any other factors that will significantly affect the financial performance in the next year or two.

The Circuit has agreed to amalgamate with Liverpool (North) Circuit and Crosby Circuit (excluding Formby Methodist Church) from September 2023. The amalgamation will establish a broader stability to the mission work of Methodism across North Liverpool and South Sefton and will support the continuing work of churches and mission projects in each of the Circuits.

3.1 Investment Policy and Performance

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit's trustees' investment policy is aligned with that of the CFB and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest. There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

3.2 Reserves level and policy

The Circuit Reserves policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit. The aims are:

- to secure and sustain the Circuit's viability and future.
- to give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

The reserves held at the end of the year were as follows:

	£
<i>Unrestricted funds</i>	
General Fund	664,050
Circuit Model Trust Fund	152,965
County Property Fund	<u>20,000</u>
Total unrestricted funds	837,015

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Restricted funds

Worship and Mission	(801)
Mission Capital	24,914
Oakfield Mission	12,938
Kensington Outreach	-
Intergenerational Mission	391
CIP Projects	<u>4,714</u>
Total restricted funds	<u>42,156</u>

Total endowment funds **26,996**

Total funds **906,167**

Available Reserves

Total unrestricted funds	837,015
Less: invested in properties	<u>(615,000)</u>
	<u>222,015</u>

Committed Funds

CIP Project 2023/24 and 2024/25	120,000
CMTF Grant to West Derby Methodist Church	<u>35,000</u>
	155,000

Uncommitted reserves, readily available **67,015**

There are no other funds materially in deficit. All investment funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The minimum policy level of the readily available part of the General Fund is such as to pay for:

- three months' payroll costs and closing costs of staff redundancies - £18k
- three months administration and staff expense costs - £ 3k
- manse repair reserve - £20k
- County Hub repair reserve - £20k
- three months connexional and district assessment - £ 4k

At 31 August 2023 this sum amounted to £65k against actual readily available reserves of £67k as stated above. Actual readily available reserves are consistent with policy at the year-end.

In addition, the trustees have agreed the sale of one manse property which should realise funds in excess of £100k.

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3.3 Plans for 2023/24

From September 2023 the Circuit will amalgamate to become a larger body.

A budget has been set with financial plans for the amalgamated Circuit to be the continuation and support of existing ministry and mission work of each of the Circuits whilst a review and analysis of priorities and policy takes place.

The amalgamated Circuit will hold relatively substantial cash, investments and property reserves. Given the level of reserves, it is anticipated that general account deficits will be supported for many years.

As from September 2023 an unchanged level of assessments has been requested from the circuit churches.

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4 TRUSTEES' RESPONSIBILITIES

For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the Circuit's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and applied them consistently using the accruals method
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards
- prepare accounts to comply with the Charities SORP

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enables them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the Circuit and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Circuit's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

4.1 Training

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment. A range of guidance produced by Methodist Connexion to support the effective running of the Circuit and the role of Trustees is utilised when required.

4.2 Risk

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

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.

4.3 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

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- 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 Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice. The 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.

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- Overall regulatory authority rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
- The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

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5.2 Purposes of the Methodist Church

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

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church
- any charitable purposes for the time being of any connexional, District, Circuit, local or other organisation of the Methodist Church
- any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church
- any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

5.3 Governance

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 4 September 2015.

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Tavistock Place London WC1H 9SF to provide guidance on changes that could affect the Circuit.

The appointment of Trustees and other officers follows the Constitutional Practice and Discipline of the Methodist Church (CPD). The primary governing body of the Circuit is the Circuit Meeting (the trustees), which is responsible for the general oversight of the Circuit. The Trustees receive no remuneration or other financial benefits.

The members of the Circuit Meeting are the Charity Trustees, membership being made up of Circuit office holders, ministers and representatives appointed by the churches. The Circuit Meeting normally meets four times per year and deals with routine and exceptional matters.

5.4 Management

Day to day management of the circuit is undertaken by the Circuit Staff and Circuit Stewards in consultation with the Circuit Meeting, along with the Local Preachers meeting and the Circuit Property Committee.

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6 REFERENCE AND ADMINISTRATION DETAILS

6.1 Charity Name

North Liverpool and South Sefton Methodist Circuit (Formerly Liverpool North Central Methodist Circuit. The charity was re-named North Liverpool and South Sefton Methodist Circuit on 1 September 2023 following amalgamation with Liverpool (North) Methodist Circuit and Crosby Methodist Circuit (excluding Formby Methodist Church.)

6.2 Charity Registration Number

1163418, registered in England and Wales

6.3 Principal Office

The principal office throughout the year 2022-23 was:

c/o County Methodist Hub

Harlech Street

Liverpool

L4 3RJ

E-mail finance@nlss.org.uk

Web Site www.nlss.org.uk

6.4 Superintendent Minister

The Revd Ian Hu

6.5 Secretary of the Circuit Meeting

The following served as Secretary during the year 2022-23

Mrs Ruth Stirrup

6.6 Circuit Stewards

The following served as Circuit Stewards throughout the year 2022-23

Mr David K Smith (Finance)

6.7 Circuit Property Team

The following served as members of the Circuit Property team throughout the year 2022-23

Mr Stephen Twist (Property)

Mr David Williamson (Property)

6.8 Circuit Minister

There were no other ministers who served in the Circuit during 2022-23

6.9 Names of trustees

The following served as trustees throughout part or all of the year 2022-23 or were trustees at the time of this report being approved:

The Revd Ian Hu

Mr Brian Kiel

Ms Joan Lewis

Mrs Patricia McGinty until August 2023

Ms Lorraine Oram

Mr David K Smith

Mrs Ruth Stirrup until August 2023

Mrs Jill Stubbs

Mrs Alison Twist until August 2023

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Mr Stephen Twist
Mr David Williamson
Mrs Jean Barnes from September 2023
Mr Tom Battersby from September 2023
Revd Susan Edwards from September 2023
Mr David Evans from September 2023
Mrs Norma Evans from September 2023
Mrs Valerie Gee from September 2023
Mr Stephen Gent from September 2023
Mrs Hilary Henshall from September 2023
Mr David Hird from September 2023
Revd Helen Kirkup from September 2023
Mrs Edna Korman from September 2023
Mrs Margaret Langton from September 2023
Mr Alan Lewis from September 2023
Mrs Viv Marriott from March 2024
Ms Angela McAvoy from September 2023
Mrs Hilary Ness from September 2023
Mr Sachin Patil from September 2023
Mr Ian Roxburgh from September 2023
Mrs Anne Roxburgh from September 2023
Mrs Liz Shaw from September 2023
Mr Richard Stevens from September 2023
Revd Neil Stubbens from September 2023
Mr Joseph Thomas from September 2023
Mrs Wendy Thomas from September 2023
Ms Lynette Thompson from September 2023

No trustee claims exemption from disclosure of his or her name here.

6.10 Children and Family Worker

Mrs Alison Twist

6.11 Community and Church Liaison Officer

Ms Karen Macklin

6.12 Circuit Lay Worker

There were no other lay workers who served in the Circuit during 2022-23

6.13 Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
ME19 4JQ

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

HSBC plc
99 – 101 Lord Street
LIVERPOOL
L2 6PG

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6.14 Investment managers and custodian trustees

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

6.15 Independent Examiner

Mr Anthony Kletz FCA
17 Gleneagles Drive
Ainsdale
Southport
PR8 3PP

Approvals

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 3 September 2024.

Signed on behalf of the Circuit Meeting, as authorised:

Ian Hu (signed)

David K Smith (signed)

Rev Ian Hu
Superintendent

Date: 3 September 2024

David K Smith

Circuit Treasurer

Date: 3 September 2024

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

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2022-23 £	Totals 2021-22 £
Income and Endowments								
Donations and legacies	7	32,000		4,358	4,318		40,676	8,020
Income from monetary investments		223	288		1,314	949	2,774	1,007
Income from properties	3			7,045			7,045	3,140
Assessments on Churches	4	33,250					33,250	36,978
Capital Receipts	6							498,413
Grants received	5				29,905		29,905	29,176
Other charitable activities				1,000			1,000	
Total from charitable activities		65,473	288	12,403	35,537	949	114,650	576,734
Other income								
Total income and endowments		65,473	288	12,403	35,537	949	114,650	576,734
Expenditure								
Grants and donations	8		35,000				35,000	
Salaries and assoc. costs	9	26,754		5,538	35,780		68,072	73,355
Property maintenance	11	9,419		24,915			34,334	15,829
Connexional assess & Levy	13	163,150					163,150	13,352
District assessment & Levy	14	4,643	109				4,752	1,836
Capital Payments	16				5,836	430	6,266	
Office & admin costs	12	18,553	13	779	1,307	91	20,743	8,002
Other charitable activities	15				6,281		6,281	6,453
Total charitable expenditure		222,519	35,122	31,232	49,204	521	338,598	118,827
(Losses) on monetary investments					(1,625)	(1,151)	(2,776)	(1,874)
Gains/(losses) on properties		200,000					200,000	(15,000)
Net income/(expenditure)		42,954	(34,834)	(18,829)	(15,292)	(723)	(26,724)	441,033
Transfers between funds	18	(227,320)	183,438	38,829	5,911	(858)		
Net movement in funds		(184,366)	148,604	20,000	(9,381)	(1,581)	(26,724)	441,033
Reconciliation of funds:								
Total funds brought forward		848,416	4,361		51,537	28,577	932,891	491,858
Total funds carried forward		664,050	152,965	20,000	42,156	26,996	906,167	932,891

Balance Sheet as at 31 August 2023

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Fixed Assets								
Circuit Manse and Properties	19	615,000					615,000	865,000
Investment property								
Investments					27,814	25,251	53,065	61,446
Total fixed assets		615,000			27,814	25,251	668,065	926,446
Current Assets								
Debtors	20	21,110		20,000			41,110	34,319
Investments with TMCP	21	5,440	207,965		10,040	1,745	225,190	22,084
Central Finance Board	22							
Deposits		24,161			4,302		28,463	9,336
Cash at Bank and in hand		14,457					14,457	10,452
Total current assets		65,168	207,965	20,000	14,342	1,745	309,220	76,191
Current liabilities								
Creditors (due in under 1 year)	23	16,118	55,000				71,118	69,746
Net current assets/liabilities		49,050	152,965	20,000	14,342	1,745	238,102	6,445
Total assets less current liabilities		664,050	152,965	20,000	42,156	26,996	906,167	932,891
Net assets		664,050	152,965	20,000	42,156	26,996	906,167	932,891
Funds of the Circuit								
General Fund (Unrestricted)		664,050					664,050	848,416
Circuit Model Trust Fund (Unrestricted)			152,965				152,965	4,361
Designated Funds (Unrestricted)				20,000			20,000	
Total Unrestricted Funds		664,050	152,965	20,000			837,015	852,777
Restricted Funds					42,156		42,156	51,537
Endowment Funds						26,996	26,996	28,577
Total Funds		664,050	152,965	20,000	42,156	26,996	906,167	932,891

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

1 Accounting framework and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2019 version of *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the SORP") and in accordance with the "true and fair override" provision contained therein.

ii Public benefit entity

The North Liverpool and South Sefton Methodist Circuit (Formerly Liverpool North Central Methodist Circuit) ("Circuit") meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii 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.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

v Going concern

Based on the monetary assets and human resources available at 31 August 2023, the trustees believe that the Circuit is a going concern.

vi Consolidation

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

vii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Circuit. No attempt is made to measure the value of services donated by volunteers.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in the following matters:

- the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church – "Connexional Funds".
- the payment of accounts to the church cleaner on behalf of West Derby Methodist Church.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

- the payment of accounts to the church cleaner on behalf of Kensington Methodist Church.

In all these matters the transactions are not reflected in the SOFA because they are the income and expenditure of either the Connexion or church as appropriate.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or notes where the value is considered material.

viii Expenditure

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.

ix VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

x Tangible fixed assets

All tangible fixed assets costing more than £1,000 are capitalised and included initially at cost, including any incidental expenses of acquisition and irrecoverable VAT.

Subsequently, charitable (functional) land and buildings are held at valuation. The Circuit undertakes to perform the valuations every five years to ensure that the carrying amount does not differ materially from the fair value of the asset at the end of the reporting period. Work to existing properties which is capable of extending the useful life or otherwise adding to the value of the property is capitalised. All other expenditure incurred in respect of general repairs to functional assets is charged to the SOFA in the year it is incurred. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The properties have been reviewed for impairment.

xi Investments

The investments of the Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 26 below.

xii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

xiii Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to the Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds controlled and administered by the Methodist Church.

xiv Endowment funds

Where the Circuit holds money that may not be spent and must be retained (as capital) to generate an income the money or assets to be retained are classified as an Endowment Fund. The capital will be shown in the balance sheet in the column for endowment funds. The income may be restricted or unrestricted depending on the terms of the endowment.

xv Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits in kind for ministers as HMRC does not seek to tax these receipts in the hands of the ministers.

2 Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office at Methodist Church House, all Methodist Circuits, Circuits and Churches in Great Britain

District: a group of contiguous Circuits

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain (Liverpool North Central Circuit)

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its lay employees

RMG: Resourcing Mission Group. The policy committee of the District

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

3 Income from Properties

Letting income is received from community and charitable groups using the County Hub premises.

	General	CMTF	Desig	Restricted	Endow	Total	2022
Letting Income:							
County Hub			7,045			7,045	3,140
Totals						<u>7,045</u>	<u>3,140</u>

4 Assessments on Circuits

From May 2022, Oakfield with County Hub ceased to meet for worship and closed with all assets transferred to the Circuit. The Circuit now comprises 2 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all its net core costs from the Assessment.

	General	CMTF	Desig	Restricted	Endow	Total	2022
Assessments:							
Oakfield with County Hub						5,871	5,871
Kensington	11,214					11,214	9,071
West Derby	<u>22,036</u>					<u>22,036</u>	<u>22,036</u>
Totals	<u>33,250</u>					<u>33,250</u>	<u>36,978</u>

An assessment on churches is annually determined based on church income and ability to pay. Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is treated as a creditor.

Following a detailed review of Kensington's financial situation, the assessment was adjusted to an agreed and affordable level of £2,500 per quarter.

5 Grants received

	General	CMTF	Desig	Restricted	Endow	Total	2022
Intergenerational Ministry							
Methodist Church							16,672
District Advance Fund				<u>29,905</u>		<u>29,905</u>	<u>12,504</u>
Totals				<u>29,905</u>		<u>29,905</u>	<u>29,176</u>

The District Advance Fund grant continued to support intergenerational work across the Circuit for 2022/23 following the completion of a three-year grant to support community intergenerational work across the Circuit from Methodist Church and District Advance Fund.

There is no grant funding approved for 2023/24.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

6 Capital receipts

In May 2022, Oakfield with County Hub ceased to meet for worship and closed with all assets transferred to the Circuit. Assets included two church properties at Oakfield Road, Anfield, Liverpool and Harlech Street, Walton, unrestricted cash funds and a number of restricted and endowment funds. The church properties were valued based on professional advice received by the trustees.

	General	CMTF	Desig	Restricted	Endow	Total	2022
Oakfield church and house properties							250,000
County Hub property							200,000
Oakfield sale of chattels, fixtures and fittings							2,020
Oakfield Trust (Unrestricted)							1,840
Oakfield Trusts (Restricted)							19,138
Oakfield Endowment Trusts							25,415
Totals							<u>498,413</u>

7 Donations and legacies

	General	CMTF	Desig	Restricted	Endow	Total	2022
Donations:							
Personal and charitable donations	32,000		4,358	4,318		40,676	8,020
Totals			<u>4,358</u>	<u>4,318</u>		<u>40,676</u>	<u>8,020</u>

During the year, the Circuit faced severe liquidity and cash flow difficulties due to the delay in sale of the Oakfield properties. A number of private donations were received for general use to support Circuit ministry and mission.

Donations to designated funds include monies received for the ongoing work at County Hub and a gift aid recovery for the Oakfield premises.

Restricted fund donations include various private and charitable contributions towards project activities of the Intergenerational project.

8 Grants and donations

	General	CMTF	Desig	Restrtd	Endow	Total	2022
CMTF Grants							
Kensington Reserve		10,000				10,000	
West Derby Redevelopment		5,000				5,000	
Kensington Kitchen Fund		20,000				20,000	
County Hub Kitchen Fund		20,000	(20,000)				
Totals		<u>55,000</u>	<u>(20,000)</u>			<u>35,000</u>	

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

Following the completion of sale of Oakfield properties funds were transferred to CMTF.

In accordance with Circuit grant procedures a number of grant applications were received and approved.

The grant awards of £20,000 to Kensington and to County Hub (designated fund) were to meet project costs only with any excess funds to be returned.

The grant award to West Derby Redevelopment was to cover initial feasibility costs in respect of architect and fundraising consultancy fees. (A further grant was approved subject to the positive outcome of the feasibility process. This grant is disclosed under contingent liabilities.

9 Salaries and associated costs

During the year the Circuit teamed with neighbouring Circuits to share Superintendency. One third of Superintendent's Stipend costs was paid by Liverpool (North) Circuit. (2021-22: one full time Superintendent.) Stipends paid were as follows:

Stipends

	General	CMTF	Desig	Restricted	Endow	Total	2022
Stipends	19,862					19,862	28,571
National Insurance contributions	2,063					2,063	2,941
Pension Fund contributions	<u>4,829</u>					<u>4,829</u>	<u>6,947</u>
Totals	<u>26,754</u>					<u>26,754</u>	<u>38,459</u>

The Circuit employs three part time, (2021-22: three) lay staff as follows:

	General	CMTF	Desig	Restricted	Endow	Total	2022
Salary			5,538	31,954		37,492	31,610
National Insurance contributions				1,926		1,926	1,688
Pension Fund contributions				1,900		1,900	1,798
Totals			<u>5,538</u>	<u>35,780</u>		<u>41,318</u>	<u>34,896</u>

Contracted Hours (pw)

10

40

Salaries and associated costs Totals	<u>26,754</u>		<u>5,538</u>	<u>35,780</u>		<u>68,072</u>	<u>73,355</u>
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No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the real living wage as calculated by the Living Wage foundation.

Pensions

Stipendiary Circuit Ministers are eligible to join the Methodist Ministers' Pension Scheme (MMPS). The MMPS is a funded defined benefit scheme maintained by The Methodist Church of Great Britain. As the Circuit is unable to identify its share of the underlying assets and liabilities of the scheme, the Circuit has taken the advantage of the exemption in Financial Reporting Standard (FRS) 17, Retirement Benefits, and has accounted its

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contribution payable by the Circuit in the year. The contribution rates are set each year by the Methodist Conference.

Lay employees are contractually employees and may be required to be auto enrolled in the Circuit's Pensions Trust Auto Enrolment pension scheme which is a defined benefit scheme and the Circuit contribute as an employer to this scheme.

10 Cost of Superintendent and Trustees

The Superintendent of the Circuit and the remaining members of the CLT are considered as key management personnel. The Superintendent chairs meetings of the CLT and Circuit meetings. The members of the Circuit meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard this as a benefit in kind in the hands of the minister.

Each Minister is entitled to a three-month sabbatical every seven years and the expenses incurred by the Minister are met by the Connexion with the Circuit continuing to pay the stipend. During the year there has been no sabbatical. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay.

	Total	2022
	£	£
Stipends of Ministers	19,862	28,571
Employer's National Insurance contributions	2,063	2,941
Employer's Pension contributions to a defined benefit pension scheme	4,829	6,947
Total cost	<u>26,754</u>	<u>38,459</u>

Payments to trustees

It is generally not Circuit policy to reimburse non-ministerial members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Ministers of the Circuit undertake the primary executive roles within the Circuit. Apart from the Ministers, the Children and Family worker and the Community and Church Liaison officer no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs may at times be re-imbursed in relation to specific projects.

One trustee (Circuit Children and Family worker) is an employee of the Circuit and is in receipt of a salary and other employment related expenses.

Travel and administration costs of £nil (2021-22: £nil) were paid to other trustees.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

11 Property maintenance

The Circuit is managing trustee for two manses, one of which is occupied by a minister stationed in the Circuit. The Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

Manse costs	General	CMTF	Desig	Restricted	Endow	Total	2022
Repairs and maintenance							
131 Priory Road	437					437	961
25 Eaton Road	703					703	2,427
Council Tax	3,448					3,448	2,234
Water Rates	1,091					1,091	746
Insurance	860					860	1,149
Totals	6,539					6,539	7,517

The Circuit covers the cost of quinquennial and electrical inspections in the circuit churches. The following costs were incurred:

Other property costs	General	CMTF	Desig	Restricted	Endow	Total	2022
Quinquennial on church properties	2,880					2,880	1,450
Totals	2,880					2,880	1,450

From May 2022, Oakfield and County Hub properties became responsibility of the Circuit. There are some residual billing costs included as costs incurred. Oakfield properties were marketed for sale with completion in August 2023. Increased insurance costs were due to the buildings being vacant.

Designated property costs	General	CMTF	Desig	Restricted	Endow	Total	2022
Oakfield Designated							
Council Tax							91
Water Rates			1,124			1,124	360
Heat and Light			660			660	1,386
Repairs and clearance			3,206			3,206	
Building Insurance			5,982			5,982	2,969
Totals			10,972			10,972	4,806
County Hub Designated							
Repairs and maintenance			5,170			5,170	500
Building Insurance			4,147			4,147	1,052
Heat and Light			3,622			3,622	396
Water Rates			1,004			1,004	
Cleaning Supplies			-			-	108
Totals			13,943			13,943	2,056
Property maintenance Totals	9,419		24,915			34,334	15,829

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

12 Office and administration costs

	General	CMTF	Desig	Restricted	Endow	Total	2022
PPSA, IT and equipment	2,852		277	374		3,503	1,793
Sundries	878					878	992
Training							210
Telephone	1,767		502			2,269	788
Travel	2,862			257		3,119	3,103
Safeguarding							
Legal, survey and professional expenses	10,189					10,189	908
Preaching and worship expenses				548		548	97
TMCP charges	<u>5</u>	<u>13</u>		<u>128</u>	<u>91</u>	<u>237</u>	<u>111</u>
Totals	<u>18,553</u>	<u>13</u>	<u>779</u>	<u>1,307</u>	<u>91</u>	<u>20,743</u>	<u>8,002</u>

13 Connexional Assessment

The Connexional Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District.

Under Methodist Standing Order 970, the Connexional Priority Fund ("CPF") levy is charged on the proceeds from the disposition of virtually all Methodist Model Trust Property. (A proportion of the CPF levy may be reclaimed and used to fund a qualifying Replacement Project.) This levy was charged following the disposal of Oakfield Church. There is no provision for any reclaim included in these accounts.

	General	CMTF	Desig	Restrtd	Endow	Total	2022
Methodist Church Fund (MCF)	<u>14,005</u>					<u>14,005</u>	<u>13,352</u>
Connexional Priority Fund ("CPF") levy							
Sale of Oakfield Church	<u>149,145</u>					<u>149,145</u>	
Connexional assessment and levy Totals	<u>163,150</u>					<u>163,150</u>	<u>13,352</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

14 District Assessment

The District Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

Standing order provides that a levy be taken into District Advance Funds (DAFs) on all capital money held in each circuit model trust fund. The levy is 2.5% on the first £100,000.

	General	CMTF	Desig	Restricted	Endow	Total	2022
District assessment and Levy	<u>4,643</u>	<u>109</u>				<u>4,752</u>	<u>1,836</u>
Totals	<u>4,643</u>	<u>109</u>				<u>4,752</u>	<u>1,836</u>

15 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2022
CFW projects running costs				2,679		2,679	4,410
3Generate expenses				2,750		2,750	645
Kensington projects running costs				<u>852</u>		<u>852</u>	<u>1,398</u>
Totals				<u>6,281</u>		<u>6,281</u>	<u>6,453</u>

16 Capital Payments

A detailed review of model trust funds and permanent endowments has been carried out to understand charitable purposes with support from TMCP, Liverpool District and Charity Commission.

Following review, it was determined to transfer two model trust funds to West Derby Methodist Church and one Permanent endowment to Kensington Methodist Church as best means to ensure charitable benefit is best applied.

17 Investment management

During the year the Circuit paid £237 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and various endowment funds (2021-22: £111)). The sum of £237 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated. See Note 12 above.

18 Transfers between funds

During the year the following transfers were made:

- £300,855 between general fund and circuit model trust fund property disposals of £450,000 less connexional property levy of £149,145.
- £17,137 between circuit model trust fund and general fund being legal and survey costs on completion of property disposals.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

- £80,000 between circuit model trust fund and general fund being transfers to support circuit grants and other operating expenditure.
- £20,000 between circuit model trust fund and County designated fund being transfer to support kitchen refurbishment
- £859 between endowment funds and restricted funds being income earned on endowments available for restricted use.
- £600 between CIP Projects and County designated fund to support utility costs
- £1,200 between CIP Projects and Intergenerational fund to support salary costs
- £852 between general fund and restricted funds Kensington outreach costs.
- £4,800 between general fund and Intergenerational project fund.

19 Manse and other property

In accordance with Circuit policy to obtain revised valuations every five years, valuations remain unaltered following revision on all properties in 2022.

The property in Eaton Road, Liverpool is no longer required as a manse and is currently for sale.

The properties at Oakfield, Liverpool were sold during the year.

There is no depreciation on the properties as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation 131 Priory Road			
Balance b/f at 1 September	35,000	130,000	165,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2023	<u>35,000</u>	<u>130,000</u>	<u>165,000</u>
Cost or valuation 25 Eaton Road			
Balance b/f at 1 September	70,000	180,000	250,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2023	<u>70,000</u>	<u>180,000</u>	<u>250,000</u>
Cost or valuation Oakfield properties			
Balance b/f at 1 September	100,000	150,000	250,000
Revaluation on disposal	<u>40,000</u>	<u>160,000</u>	<u>200,000</u>
Sold in year	<u>(140,000)</u>	<u>(310,000)</u>	<u>(450,000)</u>
Balance c/f at 31 August 2023	=	=	=
Cost or valuation County hub properties			
Balance b/f at 1 September	75,000	125,000	200,000
Revaluation in year	=	=	=
Balance c/f at 31 August 2023	<u>75,000</u>	<u>125,000</u>	<u>200,000</u>
Totals carried forward at 31 August 2023	180,000	435,000	615,000

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

20 Debtors and prepayments

Debtors were made up as follows:	2022-23	2021-22
	£	£
General Fund:		
Trade debtors		
Grant – Liverpool Methodist District	-	12,504
Stipend costs – Liverpool (North) Circuit	13,371	-
Payroll costs – West Derby MC	<u>1,450</u>	<u>3,944</u>
	14,821	16,448
Prepayments and accrued income		
Payments in advance	<u>6,289</u>	<u>17,871</u>
<i>Unrestricted Prepayments:</i>	6,289	17,871
Total General Fund	21,110	34,319
Designated Fund: County Hub		
Other debtors		
Approved grant award from CMTF	<u>20,000</u>	-
<i>Other debtors</i>	20,000	-
Total	41,110	34,319

All sums shown as Debtors at 1 September 2022 were received during the following year.
All sums paid in advance at 1 September 2022 were for activities that have been held during 2022-23.

21 Trustees for Methodist Church Purposes

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

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day-to-day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

22 Central Finance Board (CFB) and Cash at Bank

The Circuit has two accounts at HSBC plc, and one current account and one deposit at CAF Bank, both authorised institutions. The sums held on those accounts are immediately available.

Following the transfer of assets from Oakfield Methodist Church in 2022 the Circuit has operated two “legacy” accounts at HSBC plc. These accounts were closed in September 2023.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

In addition, the Circuit has one deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

23 Creditors and accrued expenses

Creditors were made up as follows:	2022-23	2021-22
	£	£
General Fund:		
Trade creditors		
Connexional Assessment	9,324	4,639
Minister's expenses	<u>781</u>	<u>5,780</u>
<i>Total trade creditors</i>	<i>10,105</i>	<i>10,419</i>
Other creditors		
Advance payment	<u>2,400</u>	<u>57,488</u>
<i>Other creditors</i>	<i>2,400</i>	<i>57,488</i>
Accruals and deferred income		
Various accruals	<u>3,613</u>	<u>1,839</u>
<i>Unrestricted Accruals:</i>	<i>3,613</i>	<i>1,839</i>
Total General Fund	16,118	69,746
Circuit Model Trust Fund:		
Other creditors		
Approved grant awards	<u>55,000</u>	-
<i>Other creditors</i>	<i>55,000</i>	-
Total	71,118	69,746

Maturity analysis of financial liabilities				
	Accrued at		Accrual	Accrued at
	01-Sep-22	Paid in year	Made in year	31-Aug-23
Trade creditors				
Minister's expenses	5,780	5,780	781	781
Connexional Assessment	<u>4,639</u>	<u>4,639</u>	<u>9,324</u>	<u>9,324</u>
<i>Total trade creditors</i>	<i>10,419</i>	<i>10,419</i>	<i>10,105</i>	<i>10,105</i>
Other creditors				
Advance payment	<u>57,488</u>	<u>57,488</u>	<u>2,400</u>	<u>2,400</u>
<i>Other creditors</i>	<i>57,488</i>	<i>57,488</i>	<i>2,400</i>	<i>2,400</i>
Accruals and deferred income				
Various accruals	<u>1,839</u>	<u>1,839</u>	<u>3,613</u>	<u>3,613</u>
<i>Unrestricted Accruals:</i>	<i>1,839</i>	<i>1,839</i>	<i>3,613</i>	<i>3,613</i>
Total	69,746	69,746	16,118	16,118

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

With the exception of items marked thus (*) all sums shown as Creditors at 1 September 2022 were paid during the following year. It is expected that all sums accrued at 31 August 2023 will be paid during the year to 31 August 2024.

24 Unrestricted Funds

24.1 General Fund – balance £664,050 at 31 August 2023 (2022: £848,416)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes.

During the year the Circuit completed disposal of the properties at Oakfield, Liverpool with significant gain on disposal, payment of Connexional levy in accordance with Methodist discipline and transfer of excess funds to the Circuit Model Trust Investment Fund.

Income and expenditure relating to properties is managed through separate designated funds with deficits funded by transfer from the General Fund.

At the end of year 92% of this fund, by valuation, is held as freehold properties.

24.2 Circuit Model Trust Fund – balance £152,965 at 31 August 2023 (2022: £4,361)

This unrestricted fund is for use at the discretion of trustees in the furtherance of the general objectives of the Circuit.

Funds were received from investment by transfer from the General Fund, following sale of the Oakfield properties.

Grants were awarded to church property projects in the year.

The trustees have committed £120,000 to the work of the Community Intergenerational Project until August 2025.

The trustees have approved a grant of £35,000 to the West Derby redevelopment project subject to the project being fully funded.

24.3 Oakfield Property Fund – balance £nil at 31 August 2023 (2022: £nil)

This fund is closed following sale of the properties in August 2023. Costs include maintenance and costs relating to disposal whilst the properties were being marketed.

24.4 County Property Fund – balance £20,000 at 31 August 2023 (2022: £nil)

This fund includes income and expenditure relating to the use of the premises at County Hub which serves as a primary base for the work of the Community Intergenerational project.

Transfers are received from General Fund to cover the net costs.

A balance of £20,000 is held being committed funds for a Kitchen refurbishment, completed in November 2023.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

25 Restricted Funds - *balance £42,156 at 31 August 2023 (2022: £51,537)*

The Worship and Mission Fund, balance (£801) (2022 £439, is used principally to support worship and mission costs in the circuit. Total expenditure in the year was £3,298. A capital amount, £24,914 at 31 August 2023, is invested to provide income to support the purposes of the fund.

The Kensington Outreach Fund – balance £nil (2022: £nil) provides funds for the circuit projects at Kensington Methodist church including the community food bank. Total income in the year was £nil and expenditure was £852. A transfer from general funds of £852 was made to this fund.

The Oakfield Mission fund – balance £12,938 (2022: £19,146) is the amalgamation of a number of funds received by transfer on the closure of Oakfield church. Total income in the year was £549 being investment income and expenditure of £54. A transfer of £503 was made to the Worship and Mission fund. Following review with TMCP (see Note 16) two funds were transferred to West Derby Methodist Church.

The Intergenerational Fund – balance £391 (2022: £899) is a project to support Community Intergenerational work across the Circuit initially supported by Methodist Church connexion and the District Advance Fund. This project commenced in August 2019 with Connexion funding ended in 2022 but matched by District Advance funding for 2023. The trustees have committed to use reserves for this project until August 2025.

The CIP Projects – balance £4,714 (2022: £4,874) funds various community and intergenerational activities of the Community Intergenerational project. This fund is a catchall for various activities with specific restrictions relating to some donations. Strict compliance is ensured by the management of the children and family worker in association with the treasurer. Total income in the year was £4,318 and expenditure was £2,678 with transfers out of £1,800.

The market valuations for the various funds have been provided by TMCP. The funds of the Intergenerational project are held on deposit at CAF, HSBC and CFB.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

26 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-22	Income	Expenditure	Transfers	Gains/ Losses	31-Aug-23
	£	£	£	£	£	£
General Fund	848,416	65,473	(222,519)	(227,320)	200,000	664,050
Circuit Model Trust Fund	4,361	288	(35,122)	183,438		152,965
Oakfield Property		3,058	(10,973)	7,915		
County Property		<u>9,345</u>	<u>(20,259)</u>	<u>30,914</u>		<u>20,000</u>
Total unrestricted	852,777	78,164	(288,873)	(5,053)	200,000	837,015
Worship and Mission	439		(3,298)	2,058		(801)
Mission Capital	26,179	765	(303)	(696)	(1,031)	24,914
Kensington Projects			(852)	852		
Oakfield Mission	19,146	549	(5,660)	(503)	(594)	12,938
Intergenerational project	899	29,905	(36,413)	6,000		391
CIP Projects	<u>4,874</u>	<u>4,318</u>	<u>(2,678)</u>	<u>(1,800)</u>		<u>4,714</u>
Total restricted	51,537	35,537	(49,204)	5,911	(1,625)	42,156
Circuit Account (Trust 822)	196	6		(6)		196
Hugh Rowlands (Trust 280)	378	24	(2)	(22)		378
J Edmondson Bequest (Trust 867)	2,158	140	(14)	(127)	(71)	2,086
Edith Rimmer Bequest (Trust 5243)	430	28	(432)	(26)		-
H J Stones Bequest (Trust 3840)	5,277	156	(15)	(141)	(224)	5,053
May Crane Bequest (Trust 8240)	<u>20,138</u>	<u>595</u>	<u>(58)</u>	<u>(536)</u>	<u>(856)</u>	<u>19,283</u>
Total endowment	28,577	949	(521)	(858)	(1,151)	26,996
Total Funds	932,891	114,650	(338,598)		197,224	906,167

27 Connected organisations and related parties

All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees in their Churches.

Connected organisations include the Methodist Connexion, Liverpool Methodist District, Churches within the Circuit, other Methodist Circuits in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors and autonomous administration such that the Circuit has no significant influence over any of them, nor they over the Circuit. They are, therefore, not considered related parties.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2023

Names of Connected Organisations	Receipts £	Payments £
Donee: Liverpool Methodist District – District assessment		(4,752)
Donee: The Methodist Church Fund – Connexional assessment		(14,005)
Donee: The Methodist Church Fund – Connexional priority levy		(149,145)
Donee: Kensington Methodist Church CMTF Grants		(30,000)
Donee: West Derby Methodist Church CMTF Grant		(5,000)
Donor: Churches within Former Liverpool North Central Circuit (assessments on Churches}	33,250	
Donor: Liverpool Methodist District – Grant from District Advance Fund	29,905	

There were no related party transactions.

28 Volunteer contributions

Every entity (Connexion, Circuit, Circuit, and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the Circuit that deal with mission, manses, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

29 Capital commitments and contingent liabilities

The Circuit trustees have committed an amount of £120,000 from the Circuit Model trust fund to extend the work of the Community Intergenerational project until at least August 2025. It is proposed that a further review of progress be carried out in early 2024/25. (2021-22: nil).

A further grant of £35,000 has been awarded to West Derby Methodist Church towards the costs of redevelopment to the main church building. The grant to be paid only on the project being fully funded through other grants and donations.

30 Lease commitments

The Circuit has no lease commitments

31 Independent examiner

No accrual has been made for the fee of the independent examiner who has provided his services free of charge (2021-22: Nil). The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2023 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Policy Committee.

Signature of treasurer David K Smith.....Date...20 August 2024

Name of treasurer ,,,**DAVID K SMITH,**,,,,,,,,,,,,,,

Address ...**16 DALEGARTH AVENUE, LIVERPOOL L12 0AJ**.....

Presentation to the Circuit Meeting

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 3 September 2024...

Signature of the Chair of the meeting Ian Hu.....

Name of the Chair of the meeting**REVD IAN HU**... Date 3 September 2024.....

Independent Examiner's Report to the Trustees of the Circuit, named above

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2023 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

Liverpool North Central Methodist Circuit (Number 18/3)

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act 2011
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- (3) I 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.....Anthony M Kletz.....

Name of independent examiner ...**MR ANTHONY M KLETZ**.....

Relevant professional qualification of independent examiner ...**FCA**.....

Address ...**17 Gleneagles Drive, Ainsdale, Southport PR8 3PP**.....

Date September 2024.....

Accounts



The Methodist Church

LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT



TRUSTEES' ANNUAL REPORT AND ACCOUNTS YEAR ENDED 31 AUGUST 2022

Registered Charity No 1163418
c/o County Methodist Hub
Harlech Street
Liverpool
L4 3RJ

www.liverpoolnorthcentral.org.uk

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

1 OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities, the Circuit Meeting which normally meets four times in each year, has given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives and conforms to the Charities Act 2011.

It is noted that the Circuit Meeting met for a total of five times during the year.

1.1 Mission Statement

Liverpool North Central Methodist Circuit seeks to lead and support its churches to live out their Christian faith through worship, prayer, practical service and mission initiatives which serve the needs of the communities in which we are based; i.e. Kensington, Walton and West Derby.

1.2 Mission Objectives

Worship - *We offer a range of worship: different days, times and styles.*

We seek to encourage the following:

- exploration of new styles of worship for all ages
- opportunities for prayer – to be prayed for and to be prayed with
- looking and listening for God in reading Scripture & Christian literature, song and everyday experiences & encounters

Learning and caring - *We care for each other.*

We seek to carry out the following:

- to support all ages through faith development opportunities
- to provide effective pastoral care to our congregations and the wider community
- to nurture, encourage and actively appreciate our volunteers
- encouraging our congregations to consider our individual responsibilities in caring for the environment
- encouraging progression of Eco-church status

Service - *Our Intergenerational Project supports our communities and beyond.*

We aim to carry out the following:

- encouraging genuine, caring relationships in order to improve well being
- supporting children and families within the community through the provision of all-year round activities and promoting good parenting
- to engage with older people and those people facing loneliness and isolation who frequently have no or limited support networks
- to engage with adults who have complex needs as a result of homelessness, substance misuse or mental health issues.
- tackling hunger and poverty not only through the provision of activities but also challenging inequality and injustice
- working collaboratively with other voluntary community, ecumenical and charitable organisations

Evangelism - *We try to share the love of Jesus in our everyday lives.*

We seek to achieve the following:

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

- providing opportunities for sharing our faith stories and enabling others to share their faith stories in the wider world
- to strengthen existing relationships with children and families already attending church-linked groups and activities
- to engage with people in the community and encourage them to explore faith

We seek to achieve our objectives through collaborative working of ordained staff, lay employees and volunteers from church and community.

The Circuit recognises the inter-connectedness of service, worship and evangelism and the varied related opportunities that exist for achievement and delivery of its aims.

2 ACHIEVEMENTS AND PERFORMANCE

2.1 Intergenerational working

Through its focus on children and families, volunteering, worship and faith development, the Circuit has continued to develop the “Community Intergenerational Project” which has concluded its third year. This project works in some of the most deprived areas of North Liverpool from the existing church bases at Kensington and West Derby, and at County Methodist Hub (Walton/Kirkdale).

The Children and Family Worker (CFW) and Community and Church Liaison Officer (CCLO) are two part time posts supporting the existing ministry team under the supervision of the Superintendent Minister. We seek to integrate local, established traditional church culture with a fresh embrace of the needs of the surrounding local communities.

This third year of the project has emerged from the COVID-19 pandemic restrictions to focus primarily upon addressing isolation and loneliness with both adults and older adults, young families with small children and the integration of these component communities. Our activities continue to encourage socialisation whilst fostering interpersonal support networks.

The CCLO and CFW continue to collaborate in the running of ‘Arts and Hearts’ group. Art therapy strategies foster mindfulness, socialisation and creative expression, whilst attempting to tackle loneliness and mental health issues. This activity attracted up to twelve participants per week and was very well received. This group continued until May 2022 when the decision was made to conclude its work as similar resources became available elsewhere within the community.

Other ongoing and continuing activities include the following:

- Rise and Shine is an open access play scheme for children and families in the Walton area and resumed in-person gatherings at County Methodist Hub. Offered during all school breaks and holidays, this programme averaged three sessions per week. These included a food provision, craft activities, family-oriented films and parties. Periodically, parents have been provided with food parcels to offset increased cost of living pressures.
- During Summer 2022, the government Holiday and Food Programme (HAF) partially funded a three-week block of three sessions per week called ‘Rise and Shine’ within the County Hub building. The CFW has successfully acquired small grants and donations to fund other school holiday provisions. Over the course of the year, ‘Rise and Shine’ has worked with over 45 families and 65 children.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

- In March 2022, the CFW and CCLO launched a new group called 'Bumps and Babies,' aimed at parents and carers of children under one year old or expectant mothers. This expression provided refreshments, soft play areas, a baby bank for equipment and clothing and an opportunity to offer socialisation, networking and support for young families in the Walton area.
- 'Table Sale' continues on a monthly basis at County Hub, which is run by volunteers and provides good links with the local Walton community. This has become a popular local event which makes 'pre-loved' household items available to local residents.
- 'Channel,' a small local charity, continues to maintain a store at the County Hub building and partners with the Intergenerational Project and Table Sale on occasions. This charity supports local social workers, family support workers and health visitors. Through the provision of small grants, bedding, baby equipment and household items, Channel assists some of Liverpool's most deprived families.
- Kensington Food Bank is primarily an independent safety net for those in need of a food provision. During the year this continues to operate twice monthly and allowed a total of approximately 484 food parcels to be distributed at the door. During this year, the CCLO has enabled operational responsibility to be taken on by volunteers from the Kensington Methodist Church congregation.
- Kensington Community Lunch has continued to serve hot food at the doors with the CCLO and two or three volunteers. During this current year, 578 lunches have been served in lunch bags and distributed at the doors, ranging from eight to 20 people each week. This reflects an increase from last year's total of 459 lunches. We continue to distribute clothes for the seasons and maintain a good stock of donations for the colder months. Most of the people who come to us are from the surrounding area of Kensington (primarily postcodes L6 and L7) and some from further afield. We have witnessed a significant increase in drug and alcohol abuse, homelessness, and an increase of those on benefits who are struggling cope with rapidly rising costs of living.
- Support of the existing uniformed organisations is provided by CFW in two of our circuit churches. Boys' Brigade and Girls' Association (BB/GA) is based at West Derby Methodist Church and Girls' Brigade (GB) is based at Kensington Methodist Church.
- Following a time with events being restricted to Zoom or via social media, "in person" events for families restarted at West Derby during school holidays and at time of Christian festivals.
- "Summer at West Derby" returned in August with a full programme of activity evenings, film nights and weekly all age worship co-ordinated and led by the CFW. Aimed at families across all generations, events were well received and supported throughout the month.
- CFW continues to organise follow-up gifts at Easter for all children baptised in both Kensington and West Derby Methodist Churches during the prior year.

The project's vision and community action continue to be well received and actively recognised through continued financial support by the Methodist Church Connexion and Liverpool Methodist District. Connexional funding for this project ceased in August 2022, and the circuit has successfully obtained a new Liverpool Methodist District grant for one year in order for this project to continue.

Circuit Churches and Pastoral Care

In September 2021, the circuit began the year with three worshipping churches contained in four buildings. The decision had been made to close Oakfield Methodist Church with County Hub effective Easter 2022. On 7 March 2022 the circuit meeting passed a resolution that following the cessation of worship on Sunday 17 April 2022, the Oakfield

Liverpool North Central Methodist Circuit (Number 18/03)

Year Ended 31 August 2022

Methodist Church building on Oakfield Road would be sold, and that proceeds would be earmarked for mission work in the circuit. It was decided to retain the County Hub building to house the Community Intergenerational Project with trusteeship transferring to the Liverpool North Central Circuit Meeting. On closure of the Oakfield building, the circuit office was relocated to County Methodist Hub. In addition, the Liverpool branch of the Zimbabwean Methodist Fellowship relocated from the Oakfield building to Kensington Methodist Church. At the close of this current year, normal progress for the Oakfield sale has been ongoing.

Oakfield Methodist Church with County Hub congregation members dispersed to other Methodist churches and to other denominations within the local community. In order to preserve ongoing fellowship and pastoral care, a bi-monthly coffee morning with devotions hosted by County Methodist Hub has proven to allow for ongoing pastoral contact and support.

The work at Kensington and West Derby Methodist Churches continues post pandemic. Following the loss of tenants and some members Kensington Methodist Church has alerted the Circuit about potential financial vulnerability concerns.

'Refreshment Stop,' the Circuit's mid-week worship and fellowship element, is primarily supported by the former Oakfield with County Hub congregation members. This expression has grown in size over the past year and has attracted regular worshippers primarily from the surrounding Walton community.

2.2 Plans for future years

With the closure of Oakfield Methodist Church with County Hub, the circuit is now faced with increased financial, governance and personnel issues.

In this regard, conversations are ongoing with regard to the potential amalgamation of the Circuit together with the Liverpool North and Crosby Circuits from September 2023.

The Circuit has agreed a sale of the Oakfield buildings to release necessary cash to fund operations.

The Circuit is committed to develop the work of the Community Intergenerational Project in the circuit churches and within the base at County Hub. The Circuit has established a steering group to oversee the day-to-day operations of the County Hub building ensuring its suitability as a base for the office and activities of the Community Intergenerational Project. This steering group serves in an advisory capacity to the Circuit Meeting in its role as trustee body for the premises. We remain committed to prioritise addressing social and economic deprivation throughout both the Walton and Kensington areas. In addition, the CFW continues to support the family work at West Derby Methodist Church.

Changes to Methodist Church grant making capabilities will impact continuation of the Circuit's Community Intergenerational Project beyond 2023. The Circuit meeting is committed to utilise reserves to fund this project through 2023-24. Tentative arrangements have been agreed to apply for one additional year of grant assistance from the Liverpool Methodist District in the event that building sale proceeds are delayed.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

3 FINANCIAL REVIEW

During the year the Circuit received total income of £577k (2020-21: £84k) and dispersed £119k (2020-21: £108k). The resulting excess of income was reduced by an unrealised loss of £17k (2020-21: gain of £4k) on the properties, restricted reserves and endowments to produce a net excess of income of £441k (2020-21: deficit of £20k) and total reserves carried forward of £933k (2020-21: £492k).

The Circuit's main source of funding was the transfer of property, cash and endowment funds following the closure of Oakfield Methodist Church. The properties of Oakfield church and house and County Hub are included at valuation at date of transfer. After the year end an offer to buy the Oakfield properties has been accepted at a price above the balance sheet valuation.

The usual main source of funding from assessments obtained from each Church within the Circuit was badly affected by the impact of the Covid pandemic on church finances. Both Oakfield and Kensington churches were unable to meet the set assessments. Oakfield's decision to close and Kensington's ongoing financial difficulties means that this will not be recovered. The assessments received in the year amounted to £36,978 (2020-21: £51,864).

Grants received are from Methodist Church connexion and Liverpool District Advance Fund towards the costs of the Community Intergenerational project. Income from properties are lettings received from community and charitable tenants of the County Hub premises. Donations are primarily charitable and individual contributions towards project activities of the Children and Family worker.

The unrestricted general account shows costs in line with budget as work practices returning to some normality despite various restrictions of the Covid pandemic in place in the year. There were no significant events during the year. Stipend expenditure and lay employee rates have increased each financial year in line with conference approved increases. It is Circuit policy that all staff in the Circuit are paid at or above the real living wage as calculated by the Living Wage foundation.

The net deficits on the designated Oakfield Property and County Hub Property accounts are transferred to general account. A contribution from general account is also transferred to the Intergenerational Project account.

25% of general fund 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.

Disregarding capital receipts, the general account incurred a deficit of £40k (2020-21: £23k). Despite this the level of deficit, the trustees of the Circuit have every reason to believe that the Circuit is a going concern, because of the high level of property reserves.

The Circuit holds four freehold properties being the Manses in Priory Road and Eaton Road, Liverpool and also the church and house properties at Oakfield and church buildings at County Hub. The sale of the Oakfield church and house will realise cash funds to pay off existing creditors, fund assessment shortfall in 2022/23 and fund essential maintenance and refurbishment of the Eaton Road manse. The Circuit has previously agreed to sell the Priory Road property to fund future work.

Liverpool North Central Methodist Circuit (Number 18/03)

Year Ended 31 August 2022

The Circuit has adequate reserves to cover any shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any other factors that will significantly affect the financial performance in the next year or two.

After the year end the Circuit has agreed to amalgamate with Liverpool North Circuit and Crosby Circuit (excluding Formby Methodist Church) from September 2023. The amalgamation will establish a broader stability to the mission work of Methodism across North Liverpool and South Sefton and will support the continuing work of churches and mission projects in each of the Circuits. The structural, governance and management arrangements for the amalgamated Circuit are currently being finalised.

3.1 Investment Policy and Performance

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit's trustees' investment policy is aligned with that of the CFB and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest. There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

3.2 Reserves level and policy

The Circuit Reserves policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit. The aims are:

- to secure and sustain the Circuit's viability and future.
- to give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

The reserves held at the end of the year were as follows:

	£
<i>Unrestricted funds</i>	
General Fund	848,416
Circuit Model Trust Fund	<u>4,361</u>
Total unrestricted funds	852,777

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

Restricted funds

Worship and Mission	439
Mission Capital	26,179
Oakfield Mission	19,146
Kensington Outreach	-
Intergenerational Mission	899
CFW Projects	<u>4,874</u>
Total restricted funds	<u>51,537</u>

Total endowment funds **28,577**

Total funds **932,891**

Available Reserves

Total unrestricted funds	852,777
Less: invested in properties	<u>(865,000)</u>

Uncommitted reserves, readily available **(12,223)**

There are no other funds materially in deficit. All investment funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The minimum policy level of the readily available part of the General Fund is such as to pay for:

- three months' payroll costs and closing costs of staff redundancies - £18k
- three months administration and staff expense costs - £ 2k
- manse repair reserve - £20k
- three months connexional and district assessment - £ 4k

At 31 August 2022 this sum amounted to £44k against actual readily available reserves of (£12k) as stated above. Actual readily available reserves were thus in deficit of policy at the year-end by £56k.

After the year end the sale of Oakfield church and house is agreed at an amount above the balance sheet valuation. On completion this will release substantial and sufficient funds to cover reserves policy requirement, pay creditors, cover budget shortfall for 2022/23 and provide funds for essential maintenance and refurbishment of the Eaton Road manse.

In addition, the trustees have previously agreed the sale of one manse property which should realise funds in excess of £100k to cover work for future years.

3.3 Plans for 2022/23

Circuit financial plans for the coming year are for a continuation of one full time ordained staff member along with two part time lay workers and one part time cleaner. Plans include anticipated cost of living stipend increases, combined with a small increase in the assessment paid to the District and Connexion such that on average a 2.5% assessment increase has been requested from the circuit churches.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

4 TRUSTEES' RESPONSIBILITIES

For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the Circuit's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and applied them consistently using the accruals method
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards
- prepare accounts to comply with the Charities SORP

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enables them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the Circuit and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Circuit's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

4.1 Training

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment. A range of guidance produced by Methodist Connexion to support the effective running of the Circuit and the role of Trustees is utilised when required.

4.2 Risk

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

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.

4.3 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

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

- 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 Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice. The 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.

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- Overall regulatory authority rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
- The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

5.2 Purposes of the Methodist Church

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

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church
- any charitable purposes for the time being of any connexional, District, Circuit, local or other organisation of the Methodist Church
- any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church
- any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

5.3 Governance

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 4 September 2015.

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the Circuit.

The appointment of Trustees and other officers follows the Constitutional Practice and Discipline of the Methodist Church (CPD). The primary governing body of the Circuit is the Circuit Meeting (the trustees), which is responsible for the general oversight of the Circuit. The Trustees receive no remuneration or other financial benefits.

The members of the Circuit Meeting are the Charity Trustees, membership being made up of Circuit office holders, ministers and representatives appointed by the churches. The Circuit Meeting normally meets four times per year and deals with routine and exceptional matters.

5.4 Management

Day to day management of the circuit is undertaken by the Circuit Staff and Circuit Stewards in consultation with the Circuit Meeting, along with the Local Preachers meeting and the Circuit Property Committee.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

6 REFERENCE AND ADMINISTRATION DETAILS

6.1 Charity Name

Liverpool North Central Methodist Circuit

6.2 Charity Registration Number

1163418, registered in England and Wales

6.3 Principal Office

c/o County Methodist Hub

Harlech Street

Liverpool

L4 3RJ

E-mail finance@liverpoolnorthcentral.org.uk

Web Site www.liverpoolnorthcentral.org.uk

6.4 Superintendent Minister

The Revd Ian Hu

6.5 Secretary of the Circuit Meeting

Mrs Ruth Stirrup

6.6 Circuit Stewards

Mr Frank McFarlane (Managerial) (Deceased February 2022)

Mr David K Smith

Mr Stephen Twist (Property) from February 2022

Mr David Williamson (Property) from February 2022

6.7 Names of trustees

The following served as trustees throughout part or all of the year 2021-22 or were trustees at the time of this report being approved:

Mrs Gillian Culshaw to May 2022

Mr Ian Culshaw to May 2022

The Revd Ian Hu

Mr Brian Kiel

Ms Joan Lewis

Mr Frank McFarlane (Deceased February 2022)

Mrs Patricia McGinty

Ms Lorraine Oram

Mr David K Smith

Mr David Stirrup to May 2022

Mrs Ruth Stirrup

Mrs Jill Stubbs

Mrs Alison Twist

Mr Steve Twist

Mr David Williamson

No trustee claims exemption from disclosure of his or her name here.

6.8 Children and Family Worker

Mrs Alison Twist

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2022

6.9 Community and Church Liaison Officer

Ms Karen Macklin

6.10 Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
ME19 4JQ

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

HSBC plc
99 – 101 Lord Street
LIVERPOOL
L2 6PG

6.11 Investment managers and custodian trustees

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

6.12 Independent Examiner

Mr Anthony Kletz FCA
17 Gleneagles Drive
Ainsdale
Southport
PR8 3PP

Approvals

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 5 June 2023.

Signed on behalf of the Circuit Meeting, as authorised:

Ian Hu (signed)

David K Smith (signed)

Rev Ian Hu
Superintendent Date: 5 June 2023

David K Smith
Circuit Treasurer Date: 5 June 2023

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

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2021-22 £	Totals 2020-21 £
Income and Endowments								
Donations and legacies	7			60	7,960		8,020	2,970
Income from monetary investments		23	20		706	258	1,007	452
Income from properties	3			3,140			3,140	
Assessments on Churches	4	36,978					36,978	51,864
Capital Receipts	6	450,000		3,860	19,138	25,415	498,413	
Grants received	5				29,176		29,176	28,392
Other charitable activities								
Total from charitable activities		487,001	20	7,060	56,980	25,673	576,734	83,678
Other income								
Total income and endowments		487,001	20	7,060	56,980	25,673	576,734	83,678
Expenditure								
Grants and donations	8							
Salaries and assoc. costs	9	38,459		1,716	33,180		73,355	75,911
Property maintenance	11	8,967		6,862			15,829	4,436
Connexional assessment	13	13,352					13,352	13,576
District assessment and Levy	14	1,724	112				1,836	4,200
Office and administration costs	12	5,244	11	1,164	2,211	17	8,647	5,933
Other charitable activities	15				5,808		5,808	3,965
Total charitable expenditure		67,746	123	9,742	41,199	17	118,827	108,021
(Losses)/gains on monetary investments					(1,701)	(173)	(1,874)	3,622
(Losses)/gains on properties		(15,000)					(15,000)	
Net income/(expenditure)		404,255	(103)	(2,682)	14,080	25,483	441,033	(20,721)
Transfers between funds	17	(9,060)	(4)	2,682	6,623	(241)		
Net movement in funds		395,195	(107)		20,703	25,242	441,033	(20,721)
Reconciliation of funds:								
Total funds brought forward		453,221	4,468		30,834	3,335	491,858	512,579
Total funds carried forward		848,416	4,361		51,537	28,577	932,891	491,858

Balance Sheet as at 31 August 2022

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Fixed Assets								
Circuit Manse and Properties	18	865,000					865,000	150,000
Investment property	19							280,000
Investments					35,044	26,402	61,446	26,265
Total fixed assets		865,000			35,044	26,402	926,446	456,265
Current Assets								
Debtors	20	34,319					34,319	30,832
Investments with TMCP	21	5,267	4,361		10,281	2,175	22,084	12,824
Central Finance Board	22							
Deposits		3,564			5,772		9,336	18,854
Cash at Bank and in hand		10,012			440		10,452	1,915
Total current assets		53,162	4,361		16,493	2,175	76,191	64,425
Current liabilities								
Creditors (due in under 1 year)	23	69,746					69,746	28,832
Net current assets/liabilities		(16,584)	4,361		16,493	2,175	6,445	35,593
Total assets less current liabilities		848,416	4,361		51,537	28,577	932,891	491,858
Net assets		848,416	4,361		51,537	28,577	932,891	491,858
Funds of the Circuit								
General Fund (Unrestricted)		848,416					848,416	453,221
Circuit Model Trust Fund (Unrestricted)			4,361				4,361	4,468
Designated Funds (Unrestricted)								
Total Unrestricted Funds		848,416	4,361				852,777	457,689
Restricted Funds					51,537		51,537	30,834
Endowment Funds						28,577	28,577	3,335
Total Funds		848,416	4,361		51,537	28,577	932,891	491,858

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

1 Accounting framework and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2019 version of *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the SORP") and in accordance with the "true and fair override" provision contained therein.

ii Public benefit entity

The Liverpool North Central Methodist Circuit ("Circuit") meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii 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.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

v Going concern

Based on the monetary assets and human resources available at 31 August 2022, the trustees believe that the Circuit is a going concern.

vi Consolidation

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

vii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Circuit. No attempt is made to measure the value of services donated by volunteers.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church – "Connexional Funds".
- the payment of accounts to the church cleaner on behalf of West Derby Methodist Church.
- the payment of accounts to the church cleaner on behalf of Oakfield with County Hub Methodist Church (ceased April 2022.)

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

- the payment of accounts to the church cleaner on behalf of Kensington Methodist Church.

In all these matters the transactions are not reflected in the SOFA because they are the income and expenditure of either the Connexion or church as appropriate.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or notes where the value is considered material.

viii Expenditure

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.

ix VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

x Tangible fixed assets

All tangible fixed assets costing more than £1,000 are capitalised and included initially at cost, including any incidental expenses of acquisition and irrecoverable VAT.

Subsequently, charitable (functional) land and buildings are held at valuation. The Circuit undertakes to perform the valuations every five years to ensure that the carrying amount does not differ materially from the fair value of the asset at the end of the reporting period. Work to existing properties which is capable of extending the useful life or otherwise adding to the value of the property is capitalised. All other expenditure incurred in respect of general repairs to functional assets is charged to the SOFA in the year it is incurred. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The properties have been reviewed for impairment.

xi Investments

The investments of the Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 26 below.

xii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

xiii Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to the Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds controlled and administered by the Methodist Church.

xiv Endowment funds

Where the Circuit holds money that may not be spent and must be retained (as capital) to generate an income the money or assets to be retained are classified as an Endowment Fund. The capital will be shown in the balance sheet in the column for endowment funds. The income may be restricted or unrestricted depending on the terms of the endowment.

xv Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits in kind for ministers as HMRC does not seek to tax these receipts in the hands of the ministers.

2 Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office at Methodist Church House, all Methodist Circuits, Circuits and Churches in Great Britain

District: a group of contiguous Circuits

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain (Liverpool North Central Circuit)

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its lay employees

RMG: Resourcing Mission Group. The policy committee of the District

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

3 Income from Properties

Following the receipt of the County Hub building from May 2022, letting income is received from community and charitable groups using the premises.

	General	CMTF	Desig	Restricted	Endow	Total	2021
Letting Income:							
County Hub			3,140			3,140	-
Totals						<u>3,140</u>	<u>=</u>

4 Assessments on Circuits

From May 2022, Oakfield with County Hub ceased to meet for worship and closed with all assets transferred to the Circuit. The Circuit now comprises 2 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all its net core costs from the Assessment.

	General	CMTF	Desig	Restricted	Endow	Total	2021
Assessments:							
Oakfield with County Hub	5,871					5,871	16,400
Kensington	9,071					9,071	13,428
West Derby	<u>22,036</u>					<u>22,036</u>	<u>22,036</u>
Totals	<u>36,978</u>					<u>36,978</u>	<u>51,864</u>

An assessment on churches is annually determined based on church income and ability to pay. Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is treated as a creditor.

Oakfield with County Hub made a number of payments prior to closure and transfer of assets. Amounts owed to circuit for payments on its behalf in respect of staff wages are deducted with remainder allocated as assessment income.

Kensington encountered a decline in income both in donations and room lettings due to restrictions resulting from the covid pandemic. As a result, the church was unable to meet its assessment commitments which have been written off as unrecoverable.

5 Grants received

	General	CMTF	Desig	Restricted	Endow	Total	2021
Intergenerational Ministry							
Methodist Church				16,672		16,672	16,228
District Advance Fund				<u>12,504</u>		<u>12,504</u>	<u>12,164</u>
Totals				<u>29,176</u>		<u>29,176</u>	<u>28,392</u>

The grants from Methodist Church and District Advance Fund towards intergenerational ministry are for year three of a three-year grant to support community intergenerational work across the Circuit.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

The Circuit has been awarded a District Advance Fund grant to continue to support intergenerational work across the Circuit for 2022/23.

6 Capital receipts

From May 2022, Oakfield with County Hub ceased to meet for worship and closed with all assets transferred to the Circuit. Assets included two church properties at Oakfield Road, Anfield, Liverpool and Harlech Street, Walton, unrestricted cash funds and a number of restricted and endowment funds. The church properties are valued based on professional advice received by the trustees.

	General	CMTF	Desig	Restricted	Endow	Total	2021
Oakfield church and house properties	250,000					250,000	
County Hub property	200,000					200,000	
Oakfield sale of chattels, fixtures and fittings			2,020			2,020	
Oakfield Trust (Unrestricted)			1,840			1,840	
Oakfield Trusts (Restricted)				19,138		19,138	
Oakfield Endowment Trusts					25,415	25,415	
Totals	450,000		3,860	19,138	25,415	498,413	

7 Donations and legacies

	General	CMTF	Desig	Restricted	Endow	Total	2021
CFW Projects							
Personal and charitable donations			60	7,960		8,020	2,970
Totals			60	7,960		7,960	2,970

8 Grants and donations

There were no grants or donations made during the year.

9 Salaries and associated costs

Stipends paid to one full time (2020-21: one) employee were as follows:

Stipends

	General	CMTF	Desig	Restricted	Endow	Total	2021
Stipends	28,571					28,571	28,241
National Insurance contributions	2,941					2,941	2,784
Pension Fund contributions	6,947					6,947	6,915
Totals	38,459					38,459	37,940

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

The Circuit employs three part time, (2020-21: two) lay staff and no part time minister (2020-21 one) as follows:

	General	CMTF	Desig	Restricted	Endow	Total	2021
Salary			1,716	29,894		31,610	34,457
National Insurance contributions				1,688		1,688	1,753
Pension Fund contributions				1,798		1,798	1,761
Totals			<u>1,716</u>	<u>33,180</u>		<u>34,896</u>	<u>31,840</u>

Contracted Hours (pw)

10

40

Salaries and associated costs Totals	<u>38,459</u>		<u>1,716</u>	<u>33,180</u>		<u>73,355</u>	<u>75,911</u>
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No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the real living wage as calculated by the Living Wage foundation.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

The Connexion accounts for the MMPS pension scheme and shows the figures in the annual Methodist Church in Great Britain accounts. At the last triennial valuation 31 August 2020, the scheme was in deficit by £14m. The Connexion has been negotiating with the Trustee of the Scheme to agree a recovery plan and long-term funding objective for the Scheme. The Recovery Plan consists of core payments of £1.1m per annum for 6 years; conditional payments (dependant on scheme funding position) of up to £3.4m per annum for 6 years, and a further £0.8m per annum to cover the increase in the rate of future accrual. All the amounts are being funded from the Pension Reserve Fund. Further details of this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

On the other hand, lay employees are contractually employees and have the option of joining The Pensions Trust in accordance with Auto-enrolment legislation.

10 Cost of Superintendent and Trustees

The Superintendent of the Circuit and the remaining members of the CLT are considered as key management personnel. The Superintendent chairs meetings of the CLT and Circuit meetings. The members of the Circuit meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard this as a benefit in kind in the hands of the minister.

Each Minister is entitled to a three-month sabbatical every seven years and the expenses incurred by the Minister are met by the Connexion with the Circuit continuing to pay the stipend. During the year there has been no sabbatical. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay.

	Total	2021
	£	£
Stipends of Ministers	28,571	28,241
Employer's National Insurance contributions	2,941	2,784
Employer's Pension contributions to a defined benefit pension scheme	<u>6,947</u>	<u>6,915</u>
Total cost	<u>38,459</u>	<u>37,940</u>

Payments to trustees

It is generally not Circuit policy to reimburse non-ministerial members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Ministers of the Circuit undertake the primary executive roles within the Circuit. Apart from the Ministers, the Children and Family worker and the Community and Church Liaison officer no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs may at times be re-imbursed in relation to specific projects.

One trustee (Circuit Children and Family worker) is an employee of the Circuit and is in receipt of a salary and other employment related expenses.

Travel and administration costs of £nil (2020-21: £nil) were paid to other trustees.

11 Property maintenance

The Circuit is managing trustee for two manses, one of which is occupied by a minister stationed in the Circuit. The Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

Manse costs	General	CMTF	Desig	Restricted	Endow	Total	2021
Repairs and maintenance							
131 Priory Road	961					961	329
25 Eaton Road	2,427					2,427	511
Council Tax	2,234					2,234	1,213
Water Rates	746					746	1,444
Insurance	<u>1,149</u>					<u>1,149</u>	<u>939</u>
Totals	<u>7,517</u>					<u>7,517</u>	<u>4,436</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

The Circuit covers the cost of quinquennial and electrical inspections in the circuit churches. The following costs were incurred:

Other property costs	General	CMTF	Desig	Restricted	Endow	Total	2021
Quinquennial on church properties	<u>1,450</u>					<u>1,450</u>	
Totals	<u>1,450</u>					<u>1,450</u>	

From May 2022, Oakfield and County Hub properties became responsibility of the Circuit. There are some residual billing costs included as costs incurred. Oakfield properties are marketed for sale with increased insurance costs due to the buildings being vacant.

Designated property costs	General	CMTF	Desig	Restricted	Endow	Total	2021
Oakfield Designated							
Council Tax			91			91	
Water Rates			360			360	
Heat and Light			1,386			1,386	
Building Insurance			<u>2,969</u>			<u>2,969</u>	
Totals			<u>4,806</u>			<u>4,806</u>	
County Hub Designated							
Repairs and maintenance			500			500	
Building Insurance			1,052			1,052	
Heat and Light			396			396	
Cleaning Supplies			<u>108</u>			<u>108</u>	
Totals			<u>2,056</u>			<u>2,056</u>	
Property maintenance Totals	<u>8,967</u>		<u>6,862</u>			<u>15,829</u>	<u>4,436</u>

12 Office and administration costs

	General	CMTF	Desig	Restricted	Endow	Total	2021
PPSA	1,317			476		1,793	1,371
Office expenses							498
Sundries	728			264		992	1,129
Training				210		210	
Telephone	532		256			788	451
Travel	2,665			438		3,103	1,733
Safeguarding							63
Legal expenses			908			908	420
3Generate expenses				645		645	
Preaching and worship expenses				97		97	197
TMCP charges	<u>2</u>	<u>11</u>		<u>81</u>	<u>17</u>	<u>111</u>	<u>71</u>
Totals	<u>5,244</u>	<u>11</u>	<u>1,164</u>	<u>2,211</u>	<u>17</u>	<u>8,647</u>	<u>5,933</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

13 Connexional Assessment

The Connexional Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

	General	CMTF	Desig	Restricted	Endow	Total	2021
Methodist Church Fund (MCF)	<u>13,352</u>					<u>13,352</u>	<u>13,576</u>
Totals	<u>13,352</u>					<u>13,352</u>	<u>13,576</u>

14 District Assessment

The District Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

Standing order provides that a levy be taken into District Advance Funds (DAFs) on all capital money held in each circuit model trust fund. The levy is 2.5% on the first £100,000.

	General	CMTF	Desig	Restricted	Endow	Total	2021
District assessment and Levy	<u>1,724</u>	<u>112</u>				<u>1,836</u>	<u>4,200</u>
Totals	<u>1,724</u>	<u>112</u>				<u>1,836</u>	<u>4,200</u>

15 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2021
CFW projects running costs				4,410		4,410	3,159
Kensington projects running costs				<u>1,398</u>		<u>1,398</u>	<u>806</u>
Totals				<u>5,808</u>		<u>5,808</u>	<u>3,965</u>

16 Investment management

During the year the Circuit paid £111 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and various endowment funds (2020-21: £71). The sum of £111 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated. See Note 12 above.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

17 Transfers between funds

During the year the following transfers were made:

- £292 between endowment funds and restricted funds being income earned on endowments available for restricted use.
- £1,382 between general fund and restricted funds Kensington outreach costs.
- £5,000 between general fund and Intergenerational project fund.

18 Manse and other property

In accordance with Circuit policy to obtain revised valuations every five years, valuations are revised on all properties in the year.

The property in Eaton Road, Liverpool is determined to be returned to use as a manse and is transferred from investment property.

The properties at Oakfield, Liverpool and County hub, Liverpool were received following the closure of Oakfield church. Both properties are included at valuation.

There is no depreciation on the properties as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation 131 Priory Road			
Balance b/f at 1 September	30,000	120,000	150,000
Revaluation in year	<u>5,000</u>	<u>10,000</u>	<u>15,000</u>
Balance c/f at 31 August 2022	<u>35,000</u>	<u>130,000</u>	<u>165,000</u>
Cost or valuation 25 Eaton Road			
Transfer from Investment property	70,000	210,000	280,000
Revaluation in year		<u>(30,000)</u>	<u>(30,000)</u>
Balance c/f at 31 August 2022	<u>70,000</u>	<u>180,000</u>	<u>250,000</u>
Cost or valuation Oakfield properties			
Capital receipt at valuation	<u>100,000</u>	<u>150,000</u>	<u>250,000</u>
Balance c/f at 31 August 2022	<u>100,000</u>	<u>150,000</u>	<u>250,000</u>
Cost or valuation County hub properties			
Capital receipt at valuation	<u>75,000</u>	<u>125,000</u>	<u>200,000</u>
Balance c/f at 31 August 2022	<u>75,000</u>	<u>125,000</u>	<u>200,000</u>
Totals carried forward at 31 August 2022	280,000	585,000	865,000

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

19 Investment property

The trustees have determined that the property in Eaton Road, Liverpool be returned to use as a manse and will no longer classify the same as an Investment Property.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	70,000	210,000	280,000
Transfer to Circuit manse and properties	<u>(70,000)</u>	<u>(210,000)</u>	<u>(280,000)</u>
Balance carried forward at 31 August 2022	-	-	-

20 Debtors and prepayments

Debtors were made up as follows:	2021-22	2020-21
	£	£
Trade debtors		
Grant – Liverpool Methodist District	12,504	-
Payroll costs – Oakfield MC	-	5,531
Payroll costs – West Derby MC	<u>3,944</u>	<u>2,995</u>
	16,448	8,526
Prepayments and accrued income		
Payments in advance	<u>17,871</u>	<u>22,306</u>
<i>Unrestricted Prepayments:</i>	<u>17,871</u>	<u>22,306</u>
Total (net)	34,319	30,832

All sums shown as Debtors at 1 September 2021 were received during the following year. All sums paid in advance at 1 September 2021 were for activities that have been held during 2021-22.

21 Trustees for Methodist Church Purposes

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

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day-to-day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

22 Central Finance Board (CFB) and Cash at Bank

The Circuit has two accounts at HSBC plc, and one current account and one deposit at CAF Bank, both authorised institutions. The sums held on those accounts are immediately

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

available. In addition, the Circuit has one deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

23 Creditors and accrued expenses

Creditors were made up as follows:	2021-22	2020-21
	£	£
Trade creditors		
Connexional Assessment	4,639	
Minister's expenses	<u>5,780</u>	<u>4,221</u>
<i>Total trade creditors</i>	<i>10,419</i>	<i>4,221</i>
Other creditors		
Advance payment	<u>57,488</u>	<u>17,000*</u>
<i>Other creditors</i>	<i>57,488</i>	<i>17,000</i>
Accruals and deferred income		
Assessments received in advance	-	4,100
Various accruals	<u>1,839</u>	<u>3,511</u>
<i>Unrestricted Accruals:</i>	<i>1,839</i>	<i>7,611</i>
Total	69,746	28,832

Maturity analysis of financial liabilities				
	Accrued at		Accrual	Accrued at
	01-Sep-21	Paid in year	Made in year	31-Aug-22
Trade creditors				
Minister's expenses	4,221	4,221	5,780	5,780
Connexional Assessment			<u>4,639</u>	<u>4,639</u>
<i>Total trade creditors</i>	<i>4,221</i>	<i>4,221</i>	<i>10,419</i>	<i>10,419</i>
Other creditors				
Advance payment	<u>17,000*</u>		<u>40,488</u>	<u>57,488</u>
<i>Other creditors</i>	<i>17,000</i>		<i>40,488</i>	<i>57,488</i>
Accruals and deferred income				
Assessments received in advance	4,100	4,100		
Various accruals	<u>3,511</u>	<u>3,511</u>	<u>1,839</u>	<u>1,839</u>
<i>Unrestricted Accruals:</i>	<i>7,611</i>	<i>7,611</i>	<i>1,839</i>	<i>1,839</i>
Total	28,832	11,832	52,746	69,746

With the exception of items marked thus (*) all sums shown as Creditors at 1 September 2021 were paid during the following year. It is expected that all sums accrued at 31 August 2022 will be paid during the year to 31 August 2023.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

24 Unrestricted Funds

24.1 General Fund – balance £848,416 at 31 August 2022 (2021: £453,221)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes.

During the year the Circuit received by transfer properties at Oakfield and County hub. Income and expenditure relating to these properties is managed through separate designated funds with the net balance being a transfer to the General Fund.

Over 100% of this fund, by valuation, is held as freehold properties.

25 Restricted Funds - balance £51,537 at 31 August 2022 (2021: £30,834)

The Worship and Mission Fund, balance £439 (2021 £326, is used principally to support worship and mission costs in the circuit. Total expenditure in the year was £742. A capital amount, £26,179 at 31 August 2022, is invested to provide income to support the purposes of the fund.

The Kensington Outreach Fund – balance £nil (2021: £16) provides funds for the circuit projects at Kensington Methodist church including the weekly community lunch. Total income in the year was £nil and expenditure was £1,398. A transfer from general funds of £1,382 was made to this fund.

The Oakfield Mission fund – balance £19,146 (2021: Nil) is the amalgamation of a number of funds received by transfer during the year. Total income in the year was £19,244 being transfer value and investment income and expenditure of £2. A transfer of £96 was made to the Worship and Mission fund.

The Intergenerational Fund – balance £899 (2021: £1,291) is a project to support Community Intergenerational work across the Circuit supported by Methodist Church connexion and the District Advance Fund. This project commenced in August 2019 with Connexion funding ended in 2022. Further District Advance funding is agreed for 2023.

The CFW Projects – balance £4,874 (2021: £1,324) funds various community activities led by the Children and Family worker. Total income in the year was £7,960 and expenditure was £4,410.

The market valuations for the various funds have been provided by TMCP. The funds of the Intergenerational project are held on deposit at CAF, HSBC and CFB.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

26 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-21	Income	Expenditure	Transfers	Gains/ Losses	31-Aug-22
	£	£	£	£	£	£
General Fund	453,221	487,001	(67,746)	(9,060)	(15,000)	848,416
Circuit Model Trust Fund	4,468	20	(123)	(4)		4,361
Oakfield Property		3,920	(5,714)	1,794		
County Property		<u>3,140</u>	<u>(4,028)</u>	888		
Total unrestricted	457,689	494,081	(77,611)	(6,382)	(15,000)	852,777
Worship and Mission	326		(742)	855		439
Mission Capital	27,877	600	(79)	(518)	(1,701)	26,179
Kensington Projects	16		(1,398)	1,382		
Oakfield Mission		19,244	(2)	(96)		19,146
Intergenerational project	1,291	29,176	(34,568)	5,000		899
CFW Projects	<u>1,324</u>	<u>7,960</u>	<u>(4,410)</u>			<u>4,874</u>
Total restricted	30,834	56,980	(41,199)	6,623	(1,701)	51,537
Circuit Account (Trust 822)	196	1		(1)		196
Hugh Rowlands (Trust 280)	378	3	(2)	(1)		378
J Edmondson Bequest (Trust 867)	2,331	27	(12)	(15)	(173)	2,158
Edith Rimmer Bequest (Trust 5243)	430	4	(3)	(1)		430
H J Stones Bequest (Trust 3840)		5,324		(47)		5,277
May Crane Bequest (Trust 8240)		<u>20,314</u>		<u>(176)</u>		<u>20,138</u>
Total endowment	3,335	25,673	(17)	(241)	(173)	28,577
Total Funds	491,858	576,734	(118,827)		(16,874)	932,891

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2022

27 Connected organisations and related parties

All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees in their Churches.

Connected organisations include the Methodist Connexion, Liverpool Methodist District, Churches within the Circuit, other Methodist Circuits in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors and autonomous administration such that the Circuit has no significant influence over any of them, nor they over the Circuit. They are, therefore, not considered related parties.

Names of Connected Organisations	Receipts £	Payments £
Donee: Liverpool Methodist District – District assessment		(1,724)
Donee: The Methodist Church Fund – Connexional assessment		(13,352)
Donor: Churches within Liverpool North Central Circuit (assessments on Churches}	36,978	
Donor: Liverpool Methodist District – Grant from District Advance Fund	12,504	
Donor: The Methodist Church Fund – Connexional grant	16,672	

There were no related party transactions.

28 Volunteer contributions

Every entity (Connexion, Circuit, District, and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the Circuit that deal with mission, manse, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

29 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year-end (2020-21: nil).

30 Lease commitments

The Circuit has no lease commitments

31 Independent examiner

No accrual has been made for the fee of the independent examiner who has provided his services free of charge (2020-21: Nil). The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Policy Committee.

Signature of treasurer David K Smith.....Date...5 June 2023...

Name of treasurer ,,,**DAVID K SMITH**,,,,,,,,,,,,,,

Address ...**16 DALEGARTH AVENUE, LIVERPOOL L12 0AJ**.....

Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were presented to the Circuit Meeting at its meeting on 5 June 2023...

Signature of the Chair of the meeting Ian Hu.....

Name of the Chair of the meeting**REVD IAN HU**... Date 5 June 2023.....

Independent Examiner's Report to the Trustees of the Circuit, named above

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2021 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

Liverpool North Central Methodist Circuit (Number 18/3)

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act 2011
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- (3) I 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.....Anthony M Kletz.....

Name of independent examiner ...**MR ANTHONY M KLETZ**.....

Relevant professional qualification of independent examiner ...**FCA**.....

Address ...**17 Gleneagles Drive, Ainsdale, Southport PR8 3PP**.....

Date June 2023.....

Accounts



The Methodist Church

LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT



TRUSTEES' ANNUAL REPORT AND ACCOUNTS YEAR ENDED 31 AUGUST 2021

Registered Charity No 1163418
c/o Oakfield Methodist Church
Oakfield Road
Liverpool
L4 0UQ

www.liverpoolnorthcentral.org.uk

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

1 OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities, the Circuit Meeting which normally meets four times in each year, has given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives and conforms to the Charities Act 2011.

It is noted that the Circuit Meeting met for a total of five times during the year.

Our mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the Churches in our Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the Church family.

The Circuit endeavours to lead and support its churches to live out their Christian faith through worship, prayer, practical service and mission initiatives which serve the needs of the communities of North Liverpool.

The aims of the circuit reflect the priorities of The Methodist Church as documented in "Our Calling" with particular emphasis:

- to enable the Church to be a good neighbour, supporting community development especially among the most deprived and poor.
- to make more followers of Jesus Christ through developing confidence in the capacity to speak of God and faith in ways that make sense to all involved.
- to find ways to support the improvement in the quality and variety of worship offered to God including fresh ways of being Church.

The Circuit's mission objective is founded on an original plan for four "Mission Centres of Excellence" at different locations with focuses on Volunteering (Learning and Caring), Worship and Faith development (Evangelism) and Children and Families (Service).

This approach has now developed to form a focus on intergenerational working across the circuit through work with children and families and older and isolated people.

We seek to achieve our objectives through collaborative working of ordained staff, lay employees and volunteers from church and community.

The Circuit recognises the inter-connectedness of service, worship and evangelism and the varied related opportunities that exist for achievement and delivery of its aims.

2 ACHIEVEMENTS AND PERFORMANCE

2.1 Intergenerational working

Through its focus on children and families, volunteering, worship and faith development, the Circuit has continued to develop the "Community Intergenerational Project" which has concluded its second year. This project works in some of the most deprived areas of North Liverpool from the existing church bases at County (Kirkdale), Kensington and West Derby. The Children and Family Worker (CFW) and Community and Church Liaison Officer (CCLO) are two part time posts supporting the existing ministry team under the supervision of the Superintendent Minister. We seek to integrate local, established traditional church culture with a fresh embrace of the needs of the surrounding local communities.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

This second year of the project has been severely impacted by the COVID-19 pandemic with lockdowns, mandatory restrictions, social distancing requirements and a significant unease within communities. We have re-prioritised our original desired outcomes to focus primarily upon addressing isolation and loneliness with both adults and older adults, young families with small children and the integration of these component communities. Our activities continue to encourage socialisation, whilst fostering interpersonal support networks.

The CCLO initially implemented periodic Friday quiz events, alternating with a 'tea room' social gathering format, both utilising the Zoom platform. The Kensington Community Lunch element resumed its weekly presence through the distribution of prepared lunches at the door, and the twice monthly Food Bank distribution continued.

The CFW established daily posts on Facebook church pages throughout Advent, Epiphany, Lent and Easter, designed to appeal to all ages. Activity packs, including crafts and healthy food snacks, were prepared throughout the year for distribution to families. An easing into periodic in-person gatherings was established gently. As the popularity and diversity of the educational activity packs grew, the CFW has obtained external funding and support from diverse and local community resources.

Towards the end of the year, the CCLO and CFW combined to successfully pilot "Arts and Hearts", an intergenerational expression. It uses art therapy strategies to foster mindfulness, socialisation and creative expression, whilst attempting to tackle loneliness and mental health issues. This activity, truly intergenerational in scope, attracted up to twelve participants per week. Initially piloting during the school summer holidays, enabled many participants to include their school-aged children. We have observed a synergistic combination of families and single adults taking part in the group. Participants have provided positive feedback and support to encourage full implementation in the year ahead.

Other ongoing and continuing activities include the following, many of which were either suspended or modified due to COVID-19 restrictions:

- Support of the existing uniformed organisations in two of our churches: Boys' Brigade and Girls' Association (BB/GA) based at West Derby Methodist Church and Girls' Brigade (GB) based at Kensington Methodist Church. Meetings utilised the Zoom platform when face-to-face meetings were not possible.
- Rise and Shine – an open access play scheme for children and families in the Walton area. This includes a food provision. Throughout the school term breaks and holidays, families with children received 'Play and Craft' activity packs. These were distributed three days per week to approximately thirty families.
- During Summer 2021, the government Holiday and Food Programme (HAF) partially funded nine of these sessions within the County Hub building. This funding allowed approximately fifty children to access for many essential nourishment with over 600 meals provided and over 1,000 craft activities distributed.
- 'Table Sale' at County Hub, which is run by volunteers and providing good links with the local Walton community.
- CFW also has initiated baptism follow up gifts at Easter for all children baptised in the Circuit churches during the prior year. In addition, CFW created occasional Zoom activity sessions for children from the West Derby area.
- Kensington Food Bank was originally created with encouragement from Liverpool City Council as an independent resource outside of the national Trussell Trust framework.

Liverpool North Central Methodist Circuit (Number 18/03)

Year Ended 31 August 2021

This was designed primarily as a safety net for those under sanction who could not access a regular Food Bank as a result. During the year this has operated twice monthly and allowed a total of approximately 210 food parcels to be distributed at the door.

- The Wednesday Kensington Community Lunch was re-formatted as a result of COVID-19 to distribution of packed lunches including jacket potatoes and hot soup from the door. During the year, approximately 460 prepared lunches were distributed, ranging from three to approximately twenty people each week.

The project's vision and community action continue to be well received and actively recognised through continued financial support by the Methodist Church Connexion and Liverpool Methodist District.

Circuit Churches and Pastoral Care

In September 2020, the circuit welcomed Rev. Ian Hu as full-time Superintendent Minister after he previously served five years in a half-time capacity. We also welcomed Rev. Kwadwo Boateng, a presbyter from the Methodist Church of Ghana. Rev. Boateng was authorised as an Associate Presbyter to the Circuit.

During the year, Liverpool North Central Circuit continued to operate with three church congregations based within four buildings: Kensington Methodist Church, West Derby Methodist Church and Oakfield Methodist Church with County Hub. During the COVID-19 national lockdowns, Oakfield Methodist Church with County Hub distributed at-home worship resources by post and e-mail. West Derby Methodist Church transitioned into weekly Sunday services via Zoom and were joined by the congregation of Kensington Methodist Church. Each congregation focused upon telephone and e-mail communication to maintain contact and support for each other.

As the year progressed, the church communities eased into face-to-face worship and ancillary activities on their premises. Throughout the pandemic, the churches were faced with a variety of problems and challenges regarding safe use of buildings, tenancy requirements and the residual financial impact.

Oakfield with County Hub Methodist Church Decisions

Oakfield with County Hub Methodist Church was already beginning to experience financial and personnel resource difficulties prior to COVID-19. These difficulties were amplified during the pandemic. On 17 May 2021, the Church Council took the decision to 'cease to meet', effective from Easter 2022. The Circuit Meeting was notified of the Church Council's unanimous decision on the same day.

An extraordinary Circuit Meeting was held to consider Oakfield with County Hub's decision. Circuit staff presented a paper entitled 'Liverpool North Central Circuit Mission – A Vision Forward.'

It was anticipated that the work at Kensington and West Derby Methodist Churches would continue. It was also anticipated that the Intergenerational Project workers would continue to be based in the Walton area, where established community work could be continued and developed.

'Refreshment Stop,' the Circuit's mid-week worship and fellowship element, is primarily supported by the Oakfield with County Hub congregation members. It was envisaged that

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

this mid-week meeting would continue post-Easter 2022 and provide an ongoing pastoral and fellowship link for the existing church members.

The Circuit Meeting voted unanimously to support the decision and to notify the Liverpool Methodist District Synod.

2.2 Plans for future years

Given the limitations from the various COVID-19 restrictions over the past year, it is clear that the circuit churches have demonstrated and developed much resilience. Having to incorporate Oakfield with County Hub's decision to 'cease to meet' as of Easter 2022, the circuit is now faced with increased financial, governance and personnel issues. The Circuit remains committed to seek Methodist partners to function effectively and best resource our mission objectives.

We will continue to develop the work of the Intergenerational Project in the circuit churches and within a base in the Walton area. We will continue to prioritise addressing social and economic deprivation throughout both the Walton and Kensington areas.

Changes to Methodist Church grant making capabilities will impact continuation of the circuit's Intergenerational Project beyond 2022. We will need to identify new funding streams to support lay personnel costs.

3 FINANCIAL REVIEW

During the year the Circuit received total income of £84k (2019-20: £116k) and dispersed £108k (2019-20: £120k). The resulting excess of expenditure was reduced by an unrealised gain of £4k (2019-20: £0k) on the restricted reserves and endowments to produce a net excess of expenditure of £20k (2019-20: £4k) and total reserves carried forward of £492k (2019-20: £512k).

The Circuit's main source of funding was the assessments obtained from each Church within the Circuit based on financial capabilities of the Churches and this was used to defray most of the cost of administering the Circuit. This sum amounted to £51,864 (2019-20: £62,484).

There was no income received from property in the year due to a private tenant being in default and the ending in 2020 of the shared ministry arrangement with Liverpool City Centre Circuit.

Grants received are from Methodist Church connexion and Liverpool District Advance Fund towards the costs of the Community Intergenerational project.

The unrestricted general account shows increased salary and associated costs to budget, being the costs of the part time associate presbyter employed on a short-term contract during the year. These costs were partly offset by lower travel, property and administration costs, due to necessary changes in work practices during the Covid pandemic. There were no significant events during the year. Stipend expenditure and lay employee rates have increased each financial year in line with conference approved increases.

Liverpool North Central Methodist Circuit (Number 18/03)

Year Ended 31 August 2021

25% of general fund 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.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because Churches continue to meet their assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two.

The COVID-19 pandemic is an ongoing impact to the Circuit. Whilst current income streams remain robust and reserve levels strong, there may be changes in the wider Methodist Church that affect the financial performance or position in the immediate years ahead.

The Circuit continues to hold two freehold properties being the Manses in Priory Road and Eaton Road, Liverpool. The Circuit has agreed to sell the Priory Road property to fund future work.

3.1 Investment Policy and Performance

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit's trustees' investment policy is aligned with that of the CFB and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest. There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

3.2 Reserves level and policy

The Circuit Reserves policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit. The aims are:

- to secure and sustain the Circuit's viability and future.
- to give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

The reserves held at the end of the year were as follows:

	£
<i>Unrestricted funds</i>	
General Fund	453,221
Circuit Model Trust Fund	<u>4,468</u>
Total unrestricted funds	457,689
<i>Restricted funds</i>	
Mission Income	326
Mission Capital	27,877
Kensington Outreach	16
CFW Projects	1,324
Intergenerational Mission	<u>1,291</u>
Total restricted funds	30,834
 Total endowment funds	 <u>3,335</u>
 Total funds	 <u>491,858</u>
 Available Reserves	
Total unrestricted funds	457,689
Less: invested in the manse	<u>(430,000)</u>
 Uncommitted reserves, readily available	 <u>27,689</u>

There are no funds materially in deficit. All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment. The minimum policy level of the readily available part of the General Fund is such as to pay for:

- three months' payroll costs and closing costs of staff redundancies - £18k
- three months administration and staff expense costs - £ 3k
- manse repair reserve - £20k
- three months connexional and district assessment - £ 4k

At 31 August 2021 this sum amounted to £45k against actual readily available reserves of £28k as stated above. Actual readily available reserves were thus in deficit of policy at the year-end by £18k.

As stated above, the trustees have agreed the sale of one manse property which should realise funds in excess of £100k to cover reserves and also fund planned deficits for the next two years.

The trustees are mindful of the potential impact of the Covid-19 pandemic on future income from church assessments. These funds are not secure and it is judged prudent to retain a buffer against this funding volatility.

3.3 Plans for 2021/22

Circuit financial plans for the coming year are for a continuation of one full time ordained staff member along with two part time lay workers. Plans include anticipated cost of living stipend increases, combined with a small increase in the assessment paid to the District

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

and Connexion such that on average a 2.5% assessment increase has been requested from the circuit churches.

4 TRUSTEES' RESPONSIBILITIES

For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the Circuit's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and applied them consistently using the accruals method
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards
- prepare accounts to comply with the Charities SORP

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enables them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the Circuit and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Circuit's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

4.1 Training

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment. A range of guidance produced by Methodist Connexion to support the effective running of the Circuit and the role of Trustees is utilised when required.

4.2 Risk

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

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.

4.3 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:

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

- 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 Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice. The 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.

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- Overall regulatory authority rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
- The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

5.2 Purposes of the Methodist Church

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

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church
- any charitable purposes for the time being of any connexional, District, Circuit, local or other organisation of the Methodist Church
- any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church
- any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

5.3 Governance

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 4 September 2015.

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the Circuit.

The appointment of Trustees and other officers follows the Constitutional Practice and Discipline of the Methodist Church (CPD). The primary governing body of the Circuit is the Circuit Meeting (the trustees), which is responsible for the general oversight of the Circuit. The Trustees receive no remuneration or other financial benefits.

The members of the Circuit Meeting are the Charity Trustees, membership being made up of Circuit office holders, ministers and representatives appointed by the churches. The Circuit Meeting normally meets four times per year and deals with routine and exceptional matters.

5.4 Management

Day to day management of the circuit is undertaken by the Circuit Staff and Circuit Stewards in consultation with the Circuit Meeting, along with the Local Preachers meeting and the Circuit Property Committee.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

6 REFERENCE AND ADMINISTRATION DETAILS

6.1 Charity Name

Liverpool North Central Methodist Circuit

6.2 Charity Registration Number

1163418, registered in England and Wales

6.3 Principal Office

c/o Oakfield Methodist Church

Oakfield Road

Liverpool

L4 0UQ

E-mail mail@liverpoolnorthcentral.org.uk

Web Site www.liverpoolnorthcentral.org.uk

6.4 Superintendent Minister

The Revd Ian Hu

6.5 Secretary of the Circuit Meeting

Mrs Ruth Stirrup

6.6 Circuit Minister

Revd Kwadwo Boateng from September 2020 to August 2021

6.7 Circuit Stewards

Mr Frank McFarlane (Managerial) (Deceased February 2022)

Mr David K Smith

6.8 Property Secretary

Mr Ian Culshaw

6.9 Names of trustees

The following served as trustees throughout part or all of the year 2020-21 or were trustees at the time of this report being approved:

Mrs Gillian Culshaw

Mr Ian Culshaw

Mr William Eales until August 2021

The Revd Ian Hu

Mr Brian Kiel

Ms Joan Lewis

Mr Frank McFarlane (Deceased February 2022)

Mrs Patricia McGinty

Ms Lorraine Oram

Mr David K Smith

Mr David Stirrup

Mrs Ruth Stirrup

Mrs Jill Stubbs

Mrs Alison Twist

Mr Steve Twist

Mr David Williamson

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2021

No trustee claims exemption from disclosure of his or her name here.

6.10 Children and Family Worker

Mrs Alison Twist

6.11 Community and Church Liaison Officer

Ms Karen Macklin

6.12 Bankers

HSBC plc
99 – 101 Lord Street
LIVERPOOL
L2 6PG

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

6.13 Investment managers and custodian trustees

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

6.14 Independent Examiner

Mr Anthony Kletz FCA
46 Talbot Street
Southport
PR8 1HS

Approvals

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 17 March 2022.

Signed on behalf of the Circuit Meeting, as authorised:

Ian Hu (signed)

David K Smith (signed)

Rev Ian Hu

Superintendent

Date: 17 March 2022

David K Smith

Circuit Treasurer

Date: 17 March 2022

Statement of Financial Activities (SOFA) for the year ended 31 August 2021

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020-21 £	Totals 2019-20 £
Income and Endowments								
Donations and legacies	7				2,970		2,970	3,542
Income from monetary investments		23	15		387	27	452	786
Income from investment properties	3							(3,900)
Assessments on Churches	4	51,864					51,864	62,484
Capital Receipts								
Grants received	5				28,392		28,392	48,821
Other charitable activities	6							4,541
Total from charitable activities		51,887	15		31,749	27	83,678	116,274
Other income								
Total income and endowments		51,887	15		31,749	27	83,678	116,274
Expenditure								
Grants and donations	8							
Salaries and associated costs	9	43,179			32,732		75,911	88,935
Property maintenance	11	4,436					4,436	4,131
Connexional assessment	13	13,576					13,576	12,875
District Assessment and Levy	14	4,085	115				4,200	4,015
Office and administration costs	12	4,302	9		1,609	13	5,933	6,397
Other charitable activities	15				3,965		3,965	3,718
Total charitable expenditure		69,578	124		38,306	13	108,021	120,071
Gains/(losses) on monetary investments					3,644	(22)	3,622	(335)
Net income/(expenditure)		(17,691)	(109)		(2,913)	(8)	(20,721)	(4,132)
Transfers between funds	17	(5,814)	(5)		5,833	(14)		
Net movement in funds		(23,505)	(114)		2,920	(22)	(20,721)	(4,132)
Reconciliation of funds:								
Total funds brought forward		476,726	4,582		27,914	3,357	512,579	516,711
Total funds carried forward		453,221	4,468		30,834	3,335	491,858	512,579

Balance Sheet as at 31 August 2021

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
Fixed Assets								
Circuit Manse	18	150,000					150,000	150,000
Investment property	19	280,000					280,000	280,000
Investments					25,105	1,160	26,265	22,643
Total fixed assets		430,000			25,105	1,160	456,265	452,643
Current Assets								
Debtors	20	30,832					30,832	13,029
Investments with TMCP Central Finance Board	21	3,409	4,468		2,772	2,175	12,824	12,925
Deposits	22	16,240			2,614		18,854	21,218
Cash at Bank and in hand		1,572			343		1,915	46,282
Total current assets		52,053	4,468		5,729	2,175	64,425	93,454
Current liabilities								
Creditors (due in under 1 year)	23	28,832					28,832	33,518
Net current assets/liabilities		23,221	4,468		5,729	2,175	35,593	59,936
Total assets less current liabilities		453,221	4,468		30,834	3,335	491,858	512,579
Net assets		453,221	4,468		30,834	3,335	491,858	512,579
Funds of the Circuit								
General Fund (Unrestricted)		453,221					453,221	476,726
Circuit Model Trust Fund (Unrestricted)			4,468				4,468	4,582
Designated Funds (Unrestricted)								
Total Unrestricted Funds		453,221	4,468				457,689	481,308
Restricted Funds					30,834		30,834	27,914
Endowment Funds						3,335	3,335	3,357
Total Funds		453,221	4,468		30,834	3,335	491,858	512,579

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

1 Accounting framework and accounting policies

i Accounting framework

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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (the Charities SORP (FRS 102) as amended by Update Bulletin 1) – in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the “true and fair override” provision contained therein.

ii Public benefit entity

The Liverpool North Central Methodist Circuit (“Circuit”) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii 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.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

v Going concern

Based on the monetary assets and human resources available at 31 August 2019, the trustees believe that the Circuit is a going concern.

vi Consolidation

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

vii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Circuit. No attempt is made to measure the value of services donated by volunteers.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church – “Connexional Funds”.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

- the payment of accounts to the Property Caretaker and church cleaner on behalf of West Derby Methodist Church.
- the payment of accounts to the church cleaner on behalf of Oakfield with County Hub Methodist Church.
- the payment of accounts to the church cleaner on behalf of Kensington Methodist Church.

In all these matters the transactions are not reflected in the SOFA because they are the income and expenditure of either the Connexion or church as appropriate.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or notes where the value is considered material.

viii Expenditure

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.

ix VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

x Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold properties are shown in the accounts at 2015 deemed values, of which the land component is deemed to be £100,000. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The properties have been reviewed for impairment.

xi Investments

The investments of the Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 26 below.

xii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

xiii Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to the Methodist Church Fund most of the sum received from

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds controlled and administered by the Methodist Church.

xiv Endowment funds

Where the Circuit holds money that may not be spent and must be retained (as capital) to generate an income the money or assets to be retained are classified as an Endowment Fund. The capital will be shown in the balance sheet in the column for endowment funds. The income may be restricted or unrestricted depending on the terms of the endowment.

xv Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits in kind for ministers as HMRC does not seek to tax these receipts in the hands of the ministers.

2 Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office at Methodist Church House, all Methodist Circuits, Circuits and Churches in Great Britain

District: a group of contiguous Circuits

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

JRBT: Joseph Rank Benevolent Trust

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain (Liverpool Circuit)

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its lay employees

RMG: Resourcing Mission Group. The policy committee of the Circuit

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

3 Income from Investment Property

The trustees have determined that the property listed below is likely to be returned to use as a manse in 2022-23 and therefore will no longer classify the same as an Investment Property. There is no letting income in the year following tenant default, although rent arrears remain outstanding.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

	General	CMTF	Desig	Restricted	Endow	Total	2020
Letting Income:							
25 Eaton Road							(3,900)
Totals							<u>(3,900)</u>

4 Assessments on Circuits

The Circuit comprises of 3 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all its net core costs from the Assessment.

	General	CMTF	Desig	Restricted	Endow	Total	2020
Assessments:							
Oakfield with County Hub	16,400					16,400	27,020
Kensington	13,428					13,428	13,428
West Derby	<u>22,036</u>					<u>22,036</u>	<u>22,036</u>
Totals	<u>51,864</u>					<u>51,864</u>	<u>62,484</u>

An assessment on churches is annually determined based on church income and ability to pay. Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is treated as a creditor.

All churches paid their assessments to the Circuit during the year or shortly after its end.

5 Grants received

	General	CMTF	Desig	Restricted	Endow	Total	2020
Circuit Ministry							
District Advance Fund							16,000
Intergenerational Ministry							
Methodist Church				16,228		16,228	16,000
District Advance Fund				12,164		12,164	12,000
Job Retention Scheme							<u>4,821</u>
Totals				<u>28,392</u>		<u>28,392</u>	<u>48,821</u>

The District Advance Fund grant to support ministry and mission work in deprived inner city communities within the circuit ended in 2020.

The grants from Methodist Church and District Advance Fund towards intergenerational ministry are for year two of a three-year grant to support community intergenerational work across the Circuit.

The job retention scheme grant was received from Government during the Covid pandemic in 2020.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

6 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2020
Manse contribution							
Liverpool City Centre Circuit							4,541
Totals							<u>4,541</u>

7 Donations and legacies

	General	CMTF	Desig	Restricted	Endow	Total	2020
CFW Projects							
Personal donations				2,970		2,970	3,542
MWIB							
Project Donations							
At Home Days							
Easter Offerings							
Totals							
Donations and legacies costs Totals				<u>2,970</u>		<u>2,970</u>	<u>3,542</u>

8 Grants and donations

	General	CMTF	Desig	Restricted	Endow	Total	2020
MWIB							
Project Donations							
Totals							

9 Salaries and associated costs

Stipends paid to one full time (2019-20: one) and no part time (2019-20: one) employees were as follows:

Stipends

	General	CMTF	Desig	Restricted	Endow	Total	2020
Stipends	28,241					28,241	42,799
National Insurance contributions	2,784					2,784	4,267
Pension Fund contributions	<u>6,915</u>					<u>6,915</u>	<u>10,029</u>
Totals	<u>37,940</u>					<u>37,940</u>	<u>57,095</u>

The Circuit employs two part time, (2019-20: two) lay staff and one part time minister (2019-20 nil) as follows:

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

	General	CMTF	Desig	Restricted	Endow	Total	2020
Salary	5,105			29,352		34,457	28,580
National Insurance contributions	134			1,619		1,753	1,545
Pension Fund contributions				1,761		1,761	1,715
Totals	<u>5,239</u>			<u>32,732</u>		<u>31,840</u>	<u>31,840</u>
Contracted Hours (pw)	8			40			
Salaries and associated costs Totals	<u>43,179</u>			<u>32,732</u>		<u>75,911</u>	<u>88,935</u>

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand, lay employees are contractually employees and may have the option of joining The Pensions Trust in accordance with Auto-enrolment legislation.

The Connexion accounts for the MMPS pension scheme and shows the figures in the annual Methodist Church in Great Britain accounts. The pension scheme is in deficit as at the last valuation date in September 2020. The Pension Reserve Fund has sufficient reserves to cover the existing deficits. Further funding is being sought from the Church to replenish this fund and reduce risk. Voluntary funding requests have been made with a fixed levy to be introduced if this is not successful. Further details of this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

10 Cost of Superintendent, Ministers and Trustees

The Superintendent of the Circuit, the other ministers and the remaining members of the CLT are considered as key management personnel. The Superintendent chairs meetings of the CLT and Circuit meetings. The members of the Circuit meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard this as a benefit in kind in the hands of the minister.

Each Minister is entitled to a three-month sabbatical every five years and the expenses incurred by the Minister are met by the Connexion with the Circuit continuing to pay the stipend. During the year there has been no sabbatical. The Circuit does not accrue for

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

holiday pay cover as the remaining staff cover the holidays as needed and without extra pay.

	Total	2020
	£	£
Stipends of Ministers	28,241	42,799
Employer's National Insurance contributions	2,784	4,267
Employer's Pension contributions to a defined benefit pension scheme	<u>6,915</u>	<u>10,029</u>
Total cost	<u>37,940</u>	<u>57,095</u>

Payments to trustees

It is generally not Circuit policy to reimburse non-ministerial members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Ministers of the Circuit undertake the primary executive roles within the Circuit. Apart from the Ministers and the Children and Family worker no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs may at times be re-imbursed in relation to specific projects.

One trustee (Circuit Children and Family worker) is an employee of the Circuit and is in receipt of a salary and other employment related expenses.

Travel and administration costs of £nil (2019-20: £nil) were paid to other trustees.

11 Property maintenance

The Circuit is managing trustee for two manses, one of which is occupied by a minister stationed in the Circuit. One manse (25 Eaton Road) is let on an Assured Shorthold Tenancy. With the exception of the let manse, the Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

Manse costs	General	CMTF	Desig	Restricted	Endow	Total	2020
Repairs and maintenance							
131 Priory Road	329					329	332
25 Eaton Road	511					511	476
Council Tax	1,213					1,213	1,162
Water Rates	1,444					1,444	932
Insurance	<u>939</u>					<u>939</u>	<u>879</u>
Totals	<u>4,436</u>					<u>4,436</u>	<u>3,781</u>

The Circuit covers the cost of quinquennial and electrical inspections in the circuit churches. The following costs were incurred:

Other property costs	General	CMTF	Desig	Restricted	Endow	Total	2020
Covid cleaning and maintenance	-					-	350
Totals	=					=	<u>350</u>
Property maintenance Totals	<u>4,436</u>					<u>4,436</u>	<u>4,131</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

12 Office and administration costs

	General	CMTF	Desig	Restricted	Endow	Total	2020
Internal transfer							(1,639)
PPSA	971			400		1,371	1,411
Office expenses				498		498	613
Sundries	764			365		1,129	943
Training							270
Telephone	451					451	265
Travel	1,633			100		1,733	3,925
Safeguarding	63					63	144
Legal expenses	420					420	
Preaching and worship expenses				197		197	394
TMCP charges		<u>9</u>		<u>49</u>	<u>13</u>	<u>71</u>	<u>71</u>
Totals	<u>4,302</u>	<u>9</u>		<u>1,609</u>	<u>13</u>	<u>5,933</u>	<u>6,397</u>

13 Connexional Assessment

The Connexional Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

	General	CMTF	Desig	Restricted	Endow	Total	2020
Methodist Church Fund (MCF)	<u>13,576</u>					<u>13,576</u>	<u>12,875</u>
Totals	<u>13,576</u>					<u>13,576</u>	<u>12,875</u>

14 District Assessment

The District Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

Standing order provides that a levy be taken into District Advance Funds (DAFs) on all capital money held in each circuit model trust fund. The levy is 2.5% on the first £100,000.

	General	CMTF	Desig	Restricted	Endow	Total	2020
District assessment and Levy	<u>4,085</u>	<u>115</u>				<u>4,200</u>	<u>4,015</u>
Totals	<u>4,085</u>	<u>115</u>				<u>4,200</u>	<u>4,015</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

15 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2020
CFW projects running costs				3,159		3,159	2,720
Kensington projects running costs				<u>806</u>		<u>806</u>	<u>998</u>
Totals				<u>3,965</u>		<u>3,965</u>	<u>3,718</u>

16 Investment management

During the year the Circuit paid £71 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and various endowment funds (2019-20: £71). The sum of £71 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated. See Note 12 above.

17 Transfers between funds

During the year transfers of £14 were made between endowment funds and restricted funds being income earned on endowments available for restricted use. In addition, £820 was transferred between general fund and restricted funds Kensington outreach costs.

18 Manse and other property

The value of the Circuit manse in Priory Road, Liverpool is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £30,000. There is no depreciation on the manse as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	<u>30,000</u>	<u>120,000</u>	<u>150,000</u>
Balance carried forward at 31 August 2021	30,000	120,000	150,000

19 Investment property

The trustees have determined that the property in Eaton Road, Liverpool will be returned to use as a manse in 2022-23 and will no longer classify the same as an Investment Property. The value of the property is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £70,000. There is no depreciation on the property as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	<u>70,000</u>	<u>210,000</u>	<u>280,000</u>
Balance carried forward at 31 August 2021	70,000	210,000	280,000

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

20 Debtors and prepayments

Debtors were made up as follows:	2020-21	2019-20
	£	£
Trade debtors		
Payroll costs – Oakfield MC	5,531	
Payroll costs – West Derby MC	<u>2,995</u>	<u>2,767</u>
	8,526	2,767
Prepayments and accrued income		
Payments in advance	<u>22,306</u>	<u>10,262</u>
<i>Unrestricted Prepayments:</i>	<u>22,306</u>	<u>10,262</u>
Total (net)	30,832	13,029

With the exception of items marked thus (*) all sums shown as Debtors at 1 September 2020 were received during the following year. All sums paid in advance at 1 September 2020 were for activities that have been held during 2020-21.

21 Trustees for Methodist Church Purposes

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

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

22 Central Finance Board (CFB) and Cash at Bank

The Circuit has two current accounts at HSBC plc, an authorised institution. The sums held on those accounts are immediately available. In addition, the Circuit has one deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

23 Creditors and accrued expenses

Creditors were made up as follows:	2020-21	2019-20
	£	£
Trade creditors		
Minister's expenses	<u>4,221</u>	
<i>Total trade creditors</i>	<u>4,221</u>	
Other creditors		
Advance payment	<u>17,000*</u>	<u>17,000*</u>
<i>Other creditors</i>	<u>17,000</u>	<u>17,000</u>
Accruals and deferred income		
Assessments received in advance	4,100	4,100
Various accruals	<u>3,511</u>	<u>12,418</u>
<i>Unrestricted Accruals:</i>	<u>7,611</u>	<u>16,518</u>
Total	28,832	33,518

Maturity analysis of financial liabilities				
	Accrued at		Accrual	Accrued at
	01-Sep-20	Paid in year	Made in year	31-Aug-21
Trade creditors				
Minister's expenses			<u>4,221</u>	<u>4,221</u>
Total trade creditors			<u>4,221</u>	<u>4,221</u>
Other creditors				
Advance payment	<u>17,000*</u>			<u>17,000</u>
<i>Other creditors</i>	<u>17,000</u>			<u>17,000</u>
Accruals and deferred income				
Assessments received in advance	4,100	4,100	4,100	4,100
Various accruals	<u>12,418</u>	<u>12,418</u>	<u>3,511</u>	<u>3,511</u>
<i>Unrestricted Accruals:</i>	<u>16,518</u>	<u>16,518</u>	<u>7,611</u>	<u>7,611</u>
Total	33,518	16,518	11,832	28,832

With the exception of items marked thus (*) all sums shown as Creditors at 1 September 2020 were paid during the following year. It is expected that all sums accrued at 31 August 2021 will be paid during the year to 31 August 2022.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

24 Unrestricted Funds

24.1 General Fund – balance £453,221 at 31 August 2021 (2020: £476,726)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 95% of this fund is held as freehold properties, the Circuit manse and Investment property.

25 Restricted Funds - balance £30,834 at 31 August 2021 (2020: £27,914)

The Worship and Mission income Fund, balance £326 (2020 £171, is used principally to support worship and preaching costs in the circuit. Total expenditure in the year was £197. A capital amount, £27,877 at 31 August 2021, is invested to provide income to support the purposes of the fund.

The Methodist Women in Britain Liverpool Circuit account – balance £nil (2020: nil) is prepared and controlled independently making donations to projects at home and overseas. Due to the covid pandemic there were no movements in fund during the year.

The Kensington Outreach Fund – balance £16 (2020: balance £2) provides funds for the circuit projects at Kensington Methodist church including the weekly community lunch. Total income in the year was £nil and expenditure was £806. A transfer from general funds of £820 was made to this fund.

The Intergenerational Fund – balance £1,291 (2020: £1,995) is a project to support Community Intergenerational work across the Circuit supported by Methodist Church connexion and the District Advance Fund. This project commenced in August 2019 with current external funding due to end in 2022.

The CFW Projects – balance £1,324 (2020: £1,514) funds various community activities led by the Children and Family worker. Total income in the year was £2,970 and expenditure was £3,160.

The market valuations for the various funds have been provided by TMCP. The funds of the Intergenerational project are held on deposit at HSBC and CFB.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

26 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-20	Income	Expenditure	Transfers	Gains/ Losses	31-Aug-21
	£	£	£	£	£	£
General Fund	476,726	51,887	(69,578)	(5,814)		453,221
Circuit Model Trust Fund	<u>4,582</u>	<u>15</u>	<u>(124)</u>	<u>(5)</u>		<u>4,468</u>
Total unrestricted	481,308	51,902	(69,702)	(5,819)		457,689
Worship and Mission	171		(197)	352		326
Mission Capital	24,232	388	(48)	(339)	3,644	27,877
Kensington Projects	2		(806)	820		16
MWIB Circuit						
CFW Projects	1,514	2,970	(3,160)			1,324
Intergenerational project	<u>1,995</u>	<u>28,391</u>	<u>(34,095)</u>	<u>5,000</u>		<u>1,291</u>
Total restricted	27,914	31,749	(38,306)	5,833	3,644	30,834
Circuit Account (Trust 822)	196	1		(1)		196
Hugh Rowlands (Trust 280)	378	3	(2)	(1)		378
J Edmondson Bequest (Trust 867)	2,353	20	(9)	(11)	(22)	2,331
Edith Rimmer Bequest (Trust 5243)	<u>430</u>	<u>3</u>	<u>(2)</u>	<u>(1)</u>		<u>430</u>
Total endowment	3,357	27	(13)	(14)	(22)	3,335
Total Funds	512,579	83,678	(108,021)		3,622	491,858

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2021

27 Connected organisations and related parties

All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees in their Churches.

Connected organisations include the Methodist Connexion, Liverpool Methodist District, Churches within the Circuit, other Methodist Circuits in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors and autonomous administration such that the Circuit has no significant influence over any of them, nor they over the Circuit. They are, therefore, not considered related parties.

Names of Connected Organisations	Receipts £	Payments £
Donee: Liverpool Methodist District – District assessment		(4,085)
Donee: The Methodist Church Fund – Connexional assessment		(13,576)
Donor: Churches within Liverpool North Central Circuit (assessments on Churches}	51,864	
Donor: Liverpool Methodist District – Grant from District Advance Fund	12,164	
Donor: The Methodist Church Fund – Connexional grant	16,228	

There were no related party transactions.

28 Volunteer contributions

Every entity (Connexion, Circuit, Circuit, and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the Circuit that deal with mission, manses, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

29 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year end (2019-20: nil).

30 Lease commitments

The Circuit has no lease commitments

31 Independent examiner

No accrual has been made for the fee of the independent examiner who has provided his services free of charge (2019-20: Nil). The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2021 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Policy Committee.

Signature of treasurer David K Smith.....Date...17 March 2022...

Name of treasurer ,,,**DAVID K SMITH**,,

Address ...**16 DALEGARTH AVENUE, LIVERPOOL L12 0AJ**.....

Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were presented to the Circuit Meeting at its meeting on 17 March 2022...

Signature of the Chair of the meeting Ian Hu.....

Name of the Chair of the meeting**REVD IAN HU**... Date 17 March 2022.....

Independent Examiner's Report to the Trustees of the Circuit, named above

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2021 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

Liverpool North Central Methodist Circuit (Number 18/3)

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Charities Act 2011
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(3) I 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.....Anthony M Kletz.....

Name of independent examiner ...**MR ANTHONY M KLETZ**.....

Relevant professional qualification of independent examiner ...**FCA**.....

Address ...**46 TALBOT STREET, SOUTHPORT PR8 1HS**

Date 17 March 2022.....

Accounts



The Methodist Church

LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT



TRUSTEES' ANNUAL REPORT AND ACCOUNTS YEAR ENDED 31 AUGUST 2020

Registered Charity No 1163418
c/o Oakfield Methodist Church
Oakfield Road
Liverpool
L4 0UQ

www.liverpoolnorthcentral.org.uk

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

1 OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities, the Circuit Meeting which normally meets four times in each year, has given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives and conforms to the Charities Act 2011.

It is noted that the Circuit Meeting met for a total of three times during the year. The meeting originally scheduled for May 2020 was abandoned as per guidance received by the UK government and the Methodist Church due to the nationwide COVID-19 lockdown in place at the time.

Our mission is to be a powerful spiritual influence in the Circuit and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the Churches in our Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the Church family.

The Circuit endeavours to lead and support its churches to live out their Christian faith through worship, prayer, practical service and mission initiatives which serve the needs of the communities of North Liverpool.

The aims of the circuit reflect the priorities of The Methodist Church as documented in "Our Calling" with particular emphasis:

- to enable the Church to be a good neighbour, supporting community development especially among the most deprived and poor.
- to make more followers of Jesus Christ through developing confidence in the capacity to speak of God and faith in ways that make sense to all involved.
- to find ways to support the improvement in the quality and variety of worship offered to God including fresh ways of being Church.

The Circuit's mission objective is founded on an original plan for four "Mission Centres of Excellence" at different locations with focuses on Volunteering (Learning and Caring), Worship and Faith development (Evangelism) and Children and Families (Service).

This approach has now developed to form a focus on intergenerational working across the circuit through work with children and families and older and isolated people.

We seek to achieve our objectives through collaborative working of ordained staff, lay employees and volunteers from church and community.

The Circuit recognises the inter-connectedness of service, worship and evangelism and the varied related opportunities that exist for achievement and delivery of its aims.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

2 ACHIEVEMENTS AND PERFORMANCE

2.1 Intergenerational working

Through its focus on children and families, volunteering, worship and faith development, the Circuit has developed the “Community Intergenerational Project” which commenced in September 2019. This project works in some of the most deprived areas of North Liverpool from the existing church bases at County (Kirkdale), Kensington and West Derby. The Children and Family Worker (CFW) and Community and Church Liaison Officer (CCLO) are two part time posts supporting the existing ministry team under the supervision of the Superintendent Minister. We seek to integrate local, established, traditional church culture with a fresh embrace of the needs of the surrounding local communities.

The project involves a variety of activities for children and families and for lonely and isolated people in various deprived communities in North Liverpool. Activities are open to all, free at point of use and take place in the safety of our church premises. They are led by workers and volunteers with a passion for community service and outreach. Many activities work closely with other church, community and charitable groups either directly or through sharing of volunteers or provision of resources. From March 2020 activities were modified or suspended due to COVID-19 lockdowns.

Community Intergenerational Project activities seek to:

- provide positive play activities within a safe place
- encourage healthy eating – feeding families in need
- reduce the isolation of adults, especially older adults
- help identify and reduce the likelihood of depression across the age ranges
- provide a sense of purpose for all ages - energise older adults and help children to feel valued
- provide an opportunity for old and young to learn new skills from each other
- develop shared family activities at little or no cost
- build community cohesion – a safe place for families to meet
- offer a safe place to meet and talk to others
- share celebration of Christian festivals with church and community families in a fun and relevant way
- plant and nurture the seeds of faith

Specific activities include the following, some of which were either suspended or modified during the year due to COVID-19 restrictions:

- Continued support of the existing uniformed organisations in two of our churches: Boys’ Brigade and Girls’ Association (BB/GA) based at West Derby Methodist Church and Girls’ Brigade (GB) based at Kensington Methodist Church.
- Continuation of Rise and Shine – an open access play scheme for children and families, offering play, crafts and healthy meals (some of which the families are involved in preparing). Funding for the running costs of this component is provided by The Liverpool Play Partnership. Since March 2020 and the start of the nationwide COVID-19 lockdown, Rise and Shine continued in a modified format focusing upon providing at-home educational materials and healthy eating provisions distributed to individual families.
- Supporting ‘Stay and Play,’ the independent parent and toddler group based at County Hub offering pastoral support to parents and volunteers in addition to helping them raise funds and manage their finances. (This scheme ended in August 2020).

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

- 'Table Sale' at County Hub, run by volunteers and providing good links with the local Walton community.
- Good links with the County Neighbourhood Watch Scheme.
- Intergenerational Activities ('one offs'), for example: Bread making, baking activities, Christian Celebrations, quiz evenings and a Brunch/Lunch pilot in Anfield.
- Film Club for children and families in County, showing U or PG films.
- Community lunch – a community outreach providing a weekly lunch to adults with various needs. See further detail below.
- Puppets – developing the use of puppets in worship and in the community
- 'That Reading Thing' – a programme designed to develop literacy skills, carried out in association with partners.
- Creative use of social media to tackle exclusion.

The Community Intergenerational Project's vision and action has been well received and actively recognised through continuing financial support by the Methodist Church Connexion and District.

Community lunch

In September 2019, the new CCLO joined the Deacon in coordinating the established Kensington Community Lunch, in advance of the Deacon's scheduled retirement in August 2020. This continued until the start of the Covid pandemic in March 2020 when immediate suspension of the Wednesday lunch sessions proved necessary.

The CCLO was placed on furlough for a short period, returning to post in July 2020. Subsequent focus was placed upon risk assessment analysis and developing strategy for re-introducing community projects in light of social distancing and health and safety requirements.

Prior to lockdown, a core group continued to attend each week with others who visited less regularly. The majority of visitors continue to be male although we have observed an increased number of females attending this year. All visitors continue to present with a variety of need, including homelessness, inadequate housing and need for supported living. Many visitors demonstrate degrees of learning difficulties, mental health problems and substance abuse. We regularly encounter individuals seeking asylum and in need of assistance in securing basic services. Many of our visitors have little support from family or friends and are quite socially isolated but respond well to the friendship and support that is offered.

Changes and cuts in welfare benefits continue to impact those who attend Community Lunch. Frequent sanctions or delays with benefit claims and difficulties with universal credit leave many people destitute with no money. We have observed a rise in the number of people known to us who find themselves homeless and to whom we have been able to provide clothing, introduction to food banks as well as other social or welfare services.

Our intercessory prayer ministry where prayer cards are placed on the tables and our visitors can ask for prayers for themselves or for family or friends has continued to be well used.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

In March 2020, our team of Community Lunch volunteers were stood down due to COVID-19 lockdown. Throughout the ensuing months, ongoing contact and support was maintained via text messaging and telephone calls.

Circuit Churches and Pastoral Care

During 2019-20, Liverpool North Central Circuit continued to operate with three church congregations based within four buildings: Kensington Methodist Church, West Derby Methodist Church and Oakfield Methodist Church with County Hub.

Worship and congregational life continued until mid-March 2020. During the COVID-19 national lockdowns, Oakfield Methodist Church with County Hub distributed at-home worship resources by post and e-mail. West Derby Methodist Church transitioned into weekly Sunday services via Zoom. Kensington Methodist Church elected to allow its members to utilise the availability of Methodist Church online worship which was broadcast weekly from Methodist Central Hall Westminster. Each congregation focused upon telephone and e-mail communication to maintain contact and support for one another.

2.2 Plans for future years

Our mission work enables us to continue to see on a daily basis the raw impact of deprivation within the communities of inner city North Liverpool. People and community remain at the heart of the vision of the Circuit and we continue to be passionate in developing our mission to those living most local to us.

Future plans include re-assessment of components and activities which were suspended due to COVID-19 lockdowns as discussed in the previous section.

In addition, the global pandemic has allowed the Intergenerational Project to identify and further clarify overall mental health links with loneliness, as a priority within our communities.

We hope to specifically address this area in the coming year. Future possibilities that we have already identified include using art therapy techniques in social settings, a film club feature aimed at isolated and elderly adults, and additional support work with families.

3 FINANCIAL REVIEW

During the year the Circuit received total income of £116k (2018-19: £101k) and dispersed £120k (2018-19 £108k). The resulting excess of expenditure was increased by a small unrealised loss of £335 (2018-19: gain of £392) on the restricted reserves and endowments to produce a net excess of expenditure of £4k (2018-19: £7k) and total reserves carried forward of £512k (2018-19: £516k).

The Circuit's main source of funding was the assessments obtained from each Church within the Circuit based on financial capabilities of the Churches and this was used to defray most of the cost of administering the Circuit. This sum amounted to £62,484 (2018-19: £60,808).

The income from properties relates to the rental of manses, one to a private tenant under an assured tenancy agreement and the other to the Liverpool City Centre Circuit under an agreement relating to the sharing of costs of the Superintendent Minister. The default of the tenant on rent payments has required a write back of previously accrued rentals.

Liverpool North Central Methodist Circuit (Number 18/03)

Year Ended 31 August 2020

Grants received are from the Liverpool District Advance Fund towards the general operating costs of the Circuit and from Methodist Church connexion and Liverpool District Advance Fund towards the costs of the Community intergenerational project. An additional job retention scheme grant was received from Government to offset the payroll costs of one intergenerational worker, on furlough for a number of months during the Covid pandemic.

The unrestricted general account shows an improvement on the budget deficit amount with lower travel, property and administration costs being offset by lower lettings income. There were no significant events during the year. Stipend expenditure has increased each financial year in line with conference approved increases.

15% of general fund 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.

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because Churches continue to meet their assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two.

The COVID-19 pandemic is an ongoing impact to the Circuit. Whilst current income streams remain robust and reserve levels strong, there may be changes in the wider Methodist Church that affect the financial performance or position in the immediate years ahead.

The Circuit continues to hold two freehold properties being the Manses in Priory Road and Eaton Road, Liverpool.

3.1 Investment Policy and Performance

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit's trustees' investment policy is aligned with that of the CFB and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest. There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

3.2 Reserves level and policy

The Circuit Reserves policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit. The aims are:

- to secure and sustain the Circuit's viability and future.
- to give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

The reserves held at the end of the year were as follows:

	£
<i>Unrestricted funds</i>	
General Fund	476,726
Circuit Model Trust Fund	<u>4,582</u>
Total unrestricted funds	<u>481,308</u>

<i>Restricted funds</i>	
Mission Income	171
Mission Capital	24,232
Kensington Outreach	2
CFW Projects	1,514
Intergenerational Mission	<u>1,995</u>
Total restricted funds	<u>27,914</u>

Total endowment funds	<u>3,357</u>
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Total funds	<u>512,579</u>
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Available Reserves

Total unrestricted funds	481,308
Less: invested in the manse	<u>(430,000)</u>

Uncommitted reserves, readily available	<u>51,308</u>
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There are no funds materially in deficit. All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The minimum policy level of the readily available part of the General Fund is such as to pay for:

- | | |
|---|--------|
| • three months' payroll costs and closing costs of staff redundancies | - £22k |
| • three months administration and staff expense costs | - £ 3k |
| • manse repair reserve | - £20k |
| • three months connexional and district assessment | - £ 4k |

At 31 August 2020 this sum amounted to £49k against actual readily available reserves of £51k as stated above. Actual readily available reserves were thus in excess of policy at the year end by £2k.

The trustees are mindful of the potential impact of the Covid-19 pandemic on future income from church assessments. These funds are not secure and it is judged prudent to retain a buffer against this funding volatility.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

3.3 Plans for 2020/21

Circuit financial plans for the coming year are for a reduction from one and a half full time ordained staff to one full time ordained staff member along with two part time lay workers. Plans include anticipated cost of living stipend increases, combined with a small increase in the assessment paid to the District and Connexion such that on average a 2.5% assessment increase has been requested from the circuit churches.

4 TRUSTEES' RESPONSIBILITIES

For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the Circuit's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and applied them consistently using the accruals method
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards
- prepare accounts to comply with the Charities SORP

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enables them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the Circuit and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Circuit's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

4.1 Training

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment. A range of guidance produced by Methodist Connexion to support the effective running of the Circuit and the role of Trustees is utilised when required.

4.2 Risk

The major risks have been identified and recorded by the Trustees with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

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.

4.3 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

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

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

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- Overall regulatory authority rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

- The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

5.2 Purposes of the Methodist Church

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

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church
- any charitable purposes for the time being of any connexional, District, Circuit, local or other organisation of the Methodist Church
- any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church
- any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

5.3 Governance

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 4 September 2015.

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the Circuit.

The appointment of Trustees and other officers follows the Constitutional Practice and Discipline of the Methodist Church (CPD). The primary governing body of the Circuit is the Circuit Meeting (the trustees), which is responsible for the general oversight of the Circuit. The Trustees receive no remuneration or other financial benefits.

The members of the Circuit Meeting are the Charity Trustees, membership being made up of Circuit office holders, ministers and representatives appointed by the churches. The Circuit Meeting normally meets four times per year and deals with routine and exceptional matters.

5.4 Management

Day to day management of the circuit is undertaken by the Circuit Staff and Circuit Stewards in consultation with the Circuit Meeting, alongside the Local Preachers meeting and the Circuit Property Committee.

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

6 REFERENCE AND ADMINISTRATION DETAILS

6.1 Charity Name

Liverpool North Central Methodist Circuit

6.2 Charity Registration Number

1163418, registered in England and Wales

6.3 Principal Office

c/o Oakfield Methodist Church

Oakfield Road

Liverpool

L4 0UQ

E-mail mail@liverpoolnorthcentral.org.uk

Web Site www.liverpoolnorthcentral.org.uk

6.4 Superintendent Minister

The Revd Ian Hu

6.5 Secretary of the Circuit Meeting

Mrs Ruth Stirrup

6.6 Circuit Minister

Deacon Flip den Uil until August 2020

6.7 Circuit Stewards

Mr Frank McFarlane (Managerial)

Mr David K Smith

6.8 Property Secretary

Mr Ian Culshaw

6.9 Names of trustees

The following served as trustees throughout part or all of the year 2019-20 or were trustees at the time of this report being approved:

Mr Don Ashton until February 2020

Mrs Gillian Culshaw

Mr Ian Culshaw

Mr William Eales

The Revd Ian Hu

Mr Brian Kiel

Ms Joan Lewis

Mr Frank McFarlane

Mrs Patricia McGinty

Ms Lorraine Oram

Mr David K Smith

Mr David Stirrup

Mrs Ruth Stirrup

Mrs Jill Stubbs

Mrs Alison Twist

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2020

Mr Steve Twist
Deacon Flip den-Uil until August 2020
Mr David Williamson

No trustee claims exemption from disclosure of his or her name here.

6.10 Children and Family Worker

Mrs Alison Twist

6.11 Community and Church Liaison Officer

Ms Karen Macklin from September 2019

6.12 Bankers

HSBC plc
99 – 101 Lord Street
LIVERPOOL
L2 6PG

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

6.13 Investment managers and custodian trustees

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

6.14 Independent Examiner

Mr Anthony Kletz FCA
46 Talbot Street
Southport
PR8 1HS

Approvals

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 17 March 2022.

Signed on behalf of the Circuit Meeting, as authorised:

Ian Hu (signed)

David K Smith (signed)

Rev Ian Hu
Superintendent Date: 17 March 2022

David K Smith
Circuit Treasurer Date: 17 March 2022

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2019-20 £	Totals 2018-19 £
Income and Endowments								
Donations and legacies	7				3,542		3,542	1,122
Income from monetary investments		249	41		438	58	786	1,107
Income from investment properties	3	(3,900)					(3,900)	
Assessments on Churches	4	62,484					62,484	60,808
Capital Receipts								
Grants received	5	16,000			32,821		48,821	33,422
Other charitable activities	6	4,541					4,541	4,511
Total from charitable activities		79,374	41		36,801	58	116,274	100,970
Other income								
Total income and endowments		79,374	41		36,801	58	116,274	100,970
Expenditure								
Grants and donations	8							282
Salaries and associated costs	9	57,095			31,840		88,935	69,727
Property maintenance	11	4,131					4,131	9,456
Connexional assessment	13	12,875					12,875	13,396
District Assessment and Levy	14	3,897	118				4,015	4,069
Office and administration costs	12	4,182	9		2,193	13	6,397	9,040
Other charitable activities	15				3,718		3,718	2,196
Total charitable expenditure		82,180	127		37,751	13	120,071	108,166
Gains/(losses) on monetary investments					(346)	11	(335)	392
Net income/(expenditure)		(2,806)	(86)		(1,296)	56	(4,132)	(6,804)
Transfers between funds	17	(968)	(30)		1,042	(44)		
Net movement in funds		(3,774)	(116)		(254)	12	(4,132)	(6,804)
Reconciliation of funds:								
Total funds brought forward		480,500	4,698		28,168	3,345	516,711	523,515
Total funds carried forward		476,726	4,582		27,914	3,357	512,579	516,711

Balance Sheet as at 31 August 2020

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Fixed Assets								
Circuit Manse	18	150,000					150,000	150,000
Investment property	19	280,000					280,000	280,000
Investments					21,461	1,182	22,643	22,978
Total fixed assets		430,000			21,461	1,182	452,643	452,978
Current Assets								
Debtors	20	13,029					13,029	20,227
Investments with TMCP Central Finance Board	21	3,396	4,582		2,772	2,175	12,925	13,000
Deposits	22	21,218					21,218	18,958
Cash at Bank and in hand		42,602			3,681		46,282	39,527
Total current assets		80,244	4,582		6,453	2,175	93,454	91,712
Current liabilities								
Creditors (due in under 1 year)	23	33,518					33,518	27,979
Net current assets/liabilities		46,726	4,582		6,453	2,175	59,936	63,733
Total assets less current liabilities		476,726	4,582		27,914	3,357	512,579	516,711
Net assets		476,726	4,582		27,914	3,357	512,579	516,711
Funds of the Circuit								
General Fund (Unrestricted)		476,726					476,726	480,500
Circuit Model Trust Fund (Unrestricted)			4,582				4,582	4,698
Designated Funds (Unrestricted)								
Total Unrestricted Funds		476,726	4,582				481,308	485,198
Restricted Funds					27,914		27,914	28,168
Endowment Funds						3,357	3,357	3,345
Total Funds		476,726	4,582		27,914	3,357	512,579	516,711

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

1 Accounting framework and accounting policies

i Accounting framework

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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (the Charities SORP (FRS 102) as amended by Update Bulletin 1) – in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the “true and fair override” provision contained therein.

ii Public benefit entity

The Liverpool North Central Methodist Circuit (“Circuit”) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii 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.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

v Going concern

Based on the monetary assets and human resources available at 31 August 2019, the trustees believe that the Circuit is a going concern.

vi Consolidation

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

vii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the Circuit. No attempt is made to measure the value of services donated by volunteers.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church – “Connexional Funds”.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

- the payment of accounts to the Property Caretaker and church cleaner on behalf of West Derby Methodist Church.

In both these matters the transactions are not reflected in the SOFA because they are the income and expenditure of either the Connexion or church as appropriate.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or notes where the value is considered material.

viii Expenditure

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.

ix VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

x Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold properties are shown in the accounts at 2015 deemed values, of which the land component is deemed to be £100,000. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The properties have been reviewed for impairment.

xi Investments

The investments of the Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 26 below.

xii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

xiii Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to the Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds controlled and administered by the Methodist Church.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

xiv Endowment funds

Where the Circuit holds money that may not be spent and must be retained (as capital) to generate an income the money or assets to be retained are classified as an Endowment Fund. The capital will be shown in the balance sheet in the column for endowment funds. The income may be restricted or unrestricted depending on the terms of the endowment.

xv Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits in kind for ministers as HMRC does not seek to tax these receipts in the hands of the ministers.

2 Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office at Methodist Church House, all Methodist Circuits, Circuits and Churches in Great Britain

District: a group of contiguous Circuits

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

JRBT: Joseph Rank Benevolent Trust

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain (Liverpool Circuit)

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its lay employees

RMG: Resourcing Mission Group. The policy committee of the Circuit

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

3 Income from Investment Property

The trustees have determined that the property listed below is unlikely to be returned to use as a manse in the foreseeable future and have therefore classified the same as an Investment Property. Following tenant default, prior year accrued income has been re-stated, although debt is still outstanding.

	General	CMTF	Desig	Restricted	Endow	Total	2019
Letting Income:							
25 Eaton Road	(3,900)					(3,900)	0
Totals	(3,900)					(3,900)	0

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

4 Assessments on Circuits

The Circuit comprises of 3 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all its net core costs from the Assessment.

	General	CMTF	Desig	Restricted	Endow	Total	2019
Assessments:							
Oakfield with County Hub	27,020					27,020	26,344
Kensington	13,428					13,428	12,428
West Derby	<u>22,036</u>					<u>22,036</u>	<u>22,036</u>
Totals	<u>62,484</u>					<u>62,484</u>	<u>60,808</u>

An assessment on churches is annually determined based on church income and ability to pay. Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is treated as a creditor.

All churches paid their assessments to the Circuit during the year or shortly after its end.

5 Grants received

	General	CMTF	Desig	Restricted	Endow	Total	2019
Circuit Ministry							
District Advance Fund	16,000					16,000	16,000
CFW Ministry							
Joseph Rank Ben. Trust							9,000
District Advance Fund							8,422
Intergenerational Ministry							
Methodist Church				16,000		16,000	
District Advance Fund				<u>12,000</u>		<u>12,000</u>	
Job Retention Scheme				<u>4,821</u>		<u>4,821</u>	
Totals	<u>16,000</u>			<u>32,821</u>		<u>48,821</u>	<u>33,422</u>

The District Advance Fund grant towards circuit ministry is year five of a five year priority grant to support ministry and mission work in deprived inner city communities within the circuit.

The grants from Joseph Rank Benevolent Trust and District Advance Fund towards Children and Family work (CFW ministry) ended in 2019.

The grants from Methodist Church and District Advance Fund towards intergenerational ministry are for year one of a three year grant to support community intergenerational work across the Circuit.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

The job retention scheme grant was received from Government to offset the payroll costs of an intergenerational worker on furlough for a number of months during the Covid pandemic.

6 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2019
Manse contribution							
Liverpool City Centre Circuit	4,541					4,541	4,511
Totals	<u>4,541</u>					<u>4,541</u>	<u>4,511</u>

7 Donations and legacies

	General	CMTF	Desig	Restricted	Endow	Total	2019
CFW Projects							
Personal donations				3,542		3,542	830
MWIB							
Project Donations							130
At Home Days							
Easter Offerings							<u>152</u>
Totals							<u>282</u>
Donations and legacies costs Totals				<u>3,542</u>		<u>3,542</u>	<u>1,122</u>

8 Grants and donations

	General	CMTF	Desig	Restricted	Endow	Total	2019
MWIB							
Project Donations							<u>282</u>
Totals							<u>282</u>

9 Salaries and associated costs

Stipends paid to one full time (2018-19: one) and one part time (2018-19: one) employees were as follows:

Stipends

	General	CMTF	Desig	Restricted	Endow	Total	2019
Stipends	42,799					42,799	41,072
National Insurance contributions	4,267					4,267	4,204
Pension Fund contributions	<u>10,029</u>					<u>10,029</u>	<u>9,752</u>
Totals	<u>57,095</u>					<u>57,095</u>	<u>55,028</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

The Circuit employs two part time, (2018-19: one) lay staff as follows:

	General	CMTF	Desig	Restricted	Endow	Total	2019
Salary				28,580		28,580	13,250
National Insurance contributions				1,545		1,545	654
Pension Fund contributions				1,715		1,715	795
Totals				31,840		31,840	14,699
Contracted Hours (pw)	40						
Salaries and associated costs Totals	<u>57,095</u>			<u>31,840</u>		<u>88,935</u>	<u>69,727</u>

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand lay employees are contractually employees and may have the option of joining The Pensions Trust in accordance with Auto-enrolment legislation.

The Connexion accounts for the MMPS pension scheme and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in surplus as at the 2017 actuarial valuation. Details of this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

10 Cost of Superintendent, Ministers and Trustees

The Superintendent of the Circuit, the other ministers and the remaining members of the CLT are considered as key management personnel. The Superintendent chairs meetings of the CLT and Circuit meetings. The members of the Circuit meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard this as a benefit in kind in the hands of the minister.

Each Minister is entitled to a three month sabbatical every five years and the expenses incurred by the Minister are met by the Connexion with the Circuit continuing to pay the stipend. During the year there has been no sabbatical. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

	Total	2019
	£	£
Stipends of Ministers	42,799	41,072
Employer's National Insurance contributions	4,267	4,204
Employer's Pension contributions to a defined benefit pension scheme	10,029	<u>9,752</u>
Total cost	<u>57,095</u>	<u>55,028</u>

Payments to trustees

It is generally not Circuit policy to reimburse non-ministerial members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Ministers of the Circuit undertake the primary executive roles within the Circuit. Apart from the Ministers and the Children and Family worker no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs may at times be re-imbursed in relation to specific projects.

One trustee (Circuit Children and Family worker) is an employee of the Circuit and is in receipt of a salary and other employment related expenses.

Travel and administration costs of £nil (2018-19: £nil) were paid to other trustees.

11 Property maintenance

The Circuit is managing trustee for two manses, one of which is occupied by a minister stationed in the Circuit. One manse (25 Eaton Road) is let on an Assured Shorthold Tenancy. With the exception of the let manse, the Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

Manse costs	General	CMTF	Desig	Restricted	Endow	Total	2019
Repairs and maintenance							
131 Priory Road	332					332	6,346
25 Eaton Road	476					476	450
Council Tax	1,162					1,162	1,107
Water Rates	932					932	700
Insurance	<u>879</u>					<u>879</u>	<u>853</u>
Totals	<u>3,781</u>					<u>3,781</u>	<u>9,456</u>

The Circuit covers the cost of quinquennial and electrical inspections in the circuit churches. The following costs were incurred:

Other property costs	General	CMTF	Desig	Restricted	Endow	Total	2019
Covid cleaning and maintenance	350					350	
Totals	<u>350</u>					<u>350</u>	=

Property maintenance Totals	<u>4,131</u>					<u>4,131</u>	<u>9,456</u>
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Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

12 Office and administration costs

	General	CMTF	Desig	Restricted	Endow	Total	2019
Internal transfer	(1,639)					(1,639)	
PPSA	1,022			389		1,411	491
Office expenses				613		613	1,382
Sundries	943					943	1,075
Training	25			245		270	95
Telephone	265					265	296
Travel	3,422			503		3,925	4,656
3Generate							360
Safeguarding	144					144	
Preaching and worship expenses				394		394	614
TMCP charges		<u>9</u>		<u>49</u>	<u>13</u>	<u>71</u>	<u>71</u>
Totals	<u>4,182</u>	<u>9</u>		<u>2,193</u>	<u>13</u>	<u>6,397</u>	<u>9,040</u>

13 Connexional Assessment

The Connexional Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

	General	CMTF	Desig	Restricted	Endow	Total	2019
Methodist Church Fund (MCF)	<u>12,875</u>					<u>12,875</u>	<u>13,396</u>
Totals	<u>12,875</u>					<u>12,875</u>	<u>13,396</u>

14 District Assessment

The District Assessment is calculated relative to the proportion of staffing (ministerial and lay), church members, church attendances and total relevant income of all circuits in the Liverpool District. One third of the overall cost is calculated using staffing proportions, one third income proportions, one sixth attendance proportions and one sixth membership proportions.

Standing order provides that a levy be taken into District Advance Funds (DAFs) on all capital money held in each circuit model trust fund. The levy is 2.5% on the first £100,000.

	General	CMTF	Desig	Restricted	Endow	Total	2019
District assessment and Levy	<u>3,897</u>	<u>118</u>				<u>4,015</u>	<u>4,069</u>
Totals	<u>3,897</u>	<u>118</u>				<u>4,015</u>	<u>4,069</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

15 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2019
CFW projects running costs				2,720		2,720	1,296
Kensington projects running costs				<u>998</u>		<u>998</u>	<u>900</u>
Totals				<u>3,718</u>		<u>3,718</u>	<u>2,196</u>

16 Investment management

During the year the Circuit paid £71 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and various endowment funds (2018-19: £71). The sum of £71 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated. See Note 12 above.

17 Transfers between funds

During the year transfers of £44 were made between endowment funds and restricted funds being income earned on endowments available for restricted use. In addition, £1,000 was transferred between general fund and restricted funds Kensington outreach costs.

18 Manse and other property

The value of the Circuit manse in Priory Road, Liverpool is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £30,000. There is no depreciation on the manse as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	<u>30,000</u>	<u>120,000</u>	<u>150,000</u>
Balance carried forward at 31 August 2020	30,000	120,000	150,000

19 Investment property

The trustees have determined that the property in Eaton Road, Liverpool is unlikely to be returned to use as a manse in the foreseeable future and have therefore classified the same as an Investment Property. The value of the property is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £70,000. There is no depreciation on the property as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	<u>70,000</u>	<u>210,000</u>	<u>280,000</u>
Balance carried forward at 31 August 2020	70,000	210,000	280,000

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

20 Debtors and prepayments

Debtors were made up as follows:		
	2019-20	2018-19
	£	£
Trade debtors		
Payroll costs – Liverpool District		4,644
Rent arrears – 25 Eaton Road		3,900*
Payroll costs – West Derby MC	<u>2,767</u>	<u>1,344</u>
	2,767	9,888
Prepayments and accrued income		
Payments in advance	<u>10,262</u>	<u>10,339</u>
<i>Unrestricted Prepayments:</i>	<i>10,262</i>	<i>10,339</i>
Total (net)	13,029	20,227

With the exception of items marked thus (*) all sums shown as Debtors at 1 September 2019 were received during the following year. All sums paid in advance at 1 September 2019 were for activities that have been held during 2019-20.

21 Trustees for Methodist Church Purposes

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

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

22 Central Finance Board (CFB) and Cash at Bank

The Circuit has two current accounts at HSBC plc, an authorised institution. The sums held on those accounts are immediately available. In addition, the Circuit has one deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

23 Creditors and accrued expenses

Creditors were made up as follows:	2019-20	2018-19
	£	£
Trade creditors		
Minister's expenses		1,714
<i>Total trade creditors</i>		<i>1,714</i>
Other creditors		
Advance payment	<u>17,000*</u>	<u>17,000*</u>
<i>Other creditors</i>	<i>17,000</i>	<i>17,000</i>
Accruals and deferred income		
Assessments received in advance	4,100	6,755
Various accruals	<u>12,418</u>	<u>2,510</u>
<i>Unrestricted Accruals:</i>	<i>16,518</i>	<i>9,265</i>
Total	33,518	27,979

Maturity analysis of financial liabilities				
	Accrued at		Accrual	Accrued at
	01-Sep-19	Paid in year	Made in year	31-Aug-20
Trade creditors				
Minister's expenses	1,714	1,714		
<i>Total trade creditors</i>	<i>1,714</i>	<i>1,714</i>		
Other creditors				
Advance payment	<u>17,000</u>			<u>17,000</u>
<i>Other creditors</i>	<i>17,000</i>			<i>17,000</i>
Accruals and deferred income				
Assessments received in advance	6,755	6,755	4,100	4,100
Various accruals	<u>2,510</u>	<u>2,510</u>	<u>12,418</u>	<u>12,418</u>
<i>Unrestricted Accruals:</i>	<i>9,265</i>	<i>9,265</i>	<i>16,518</i>	<i>16,518</i>
Total	27,979	10,979	16,518	33,518

With the exception of items marked thus (*) all sums shown as Creditors at 1 September 2019 were paid during the following year. It is expected that all sums accrued at 31 August 2020 will be paid during the year to 31 August 2021.

24 Unrestricted Funds

24.1 General Fund – balance £476,726 at 31 August 2020 (2019: £480,500)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 89% of this fund is held as freehold properties, the Circuit manse and Investment property.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

25 Restricted Funds - balance £27,914 at 31 August 2020 (2019: £28,168)

The Worship and Mission income Fund, balance £171 (2019 £133, is used principally to support worship and preaching costs in the circuit. Total expenditure in the year was £394. A capital amount, £24,232 at 31 August 2020, is invested to provide income to support the purposes of the fund.

The Methodist Women in Britain Liverpool Circuit account – balance £nil (2019: nil) is prepared and controlled independently making donations to projects at home and overseas. Due to the covid pandemic there were no movements in fund during the year.

The Kensington Outreach Fund – balance £2 (2019: balance £nil) provides funds for the circuit projects at Kensington Methodist church including the weekly community lunch. Total income in the year was £nil and expenditure was £998. A transfer from general funds of £1,000 was made to this fund.

The Intergenerational Fund (previously CFW Fund) – balance £1,995 (2019: £2,764) is a project to support Community Intergenerational work across the Circuit supported by Methodist Church connexion and the District Advance Fund. This project commenced in August 2019, following the end of external funding to the CFW project.

The CFW Projects – balance £1,514 (2019: £692) funds various community activities led by the Children and Family worker. Total income in the year was £3,542 and expenditure was £2,720.

The market valuations for the various funds have been provided by TMCP. The funds of the Intergenerational project are held on deposit at HSBC and CFB.

26 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-19	Income	Expenditure	Transfers	Gains/ Losses	31-Aug-20
	£	£	£	£	£	£
General Fund	480,500	79,374	(82,180)	(968)		476,726
Circuit Model Trust Fund	<u>4,698</u>	<u>41</u>	<u>(127)</u>	<u>(30)</u>		<u>4,582</u>
Total unrestricted	485,198	79,415	(82,307)	(998)		481,308
Worship and Mission	133		(394)	432		171
Mission Capital	24,579	438	(49)	(390)	(346)	24,232
Kensington Projects			(998)	1,000		2
MWIB Circuit						
CFW Projects	692	3,542	(2,720)			1,514
Intergenerational project	<u>2,764</u>	<u>32,821</u>	<u>(33,590)</u>			<u>1,995</u>
Total restricted	28,168	36,801	(37,751)	1,042	(346)	27,914

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

Circuit Account (Trust 822)	196	1		(1)		196
Hugh Rowlands (Trust 280)	378	7	(2)	(5)		378
J Edmondson Bequest (Trust 867)	2,342	42	(9)	(33)	11	2,353
Edith Rimmer Bequest (Trust 5243)	<u>429</u>	<u>8</u>	<u>(2)</u>	<u>(5)</u>		<u>430</u>
Total endowment	3,345	58	(13)	(44)	11	3,357
Total Funds	516,711	116,274	(120,071)		(335)	512,579

27 Connected organisations and related parties

All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees in their Churches.

Connected organisations include the Methodist Connexion, Liverpool Methodist District, Churches within the Circuit, other Methodist Circuits in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors and autonomous administration such that the Circuit has no significant influence over any of them, nor they over the Circuit. They are, therefore, not considered related parties.

Names of Connected Organisations	Receipts £	Payments £
Donee: Liverpool Methodist District – District assessment		(3,897)
Donee: The Methodist Church Fund – Connexional assessment		(12,875)
Donor: Churches within Liverpool North Central Circuit (assessments on Churches)	62,484	
Donor: Liverpool Methodist District – Grant from District Advance Fund	16,000	
Donor: Liverpool Methodist District – Grant from District Advance Fund	12,000	
Donor: The Methodist Church Fund – Connexional grant	16,000	
Donor: Liverpool City Centre Circuit – Manse contribution	4,541	

There were no related party transactions.

28 Volunteer contributions

Every entity (Connexion, Circuit, District, and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the Circuit that deal with mission, manse, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

29 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year end (2018-19: nil).

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2020

30 Lease commitments

The Circuit has no lease commitments

31 Independent examiner

No accrual has been made for the fee of the independent examiner who has provided his services free of charge (2018-19: Nil). The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2020 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Policy Committee.

Signature of treasurer David Smith.. Date.....17 March 2022

Name of treasurer ,,,**DAVID K SMITH**,,

Address ...**16 DALEGARTH AVENUE, LIVERPOOL L12 0AJ**.....

Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2020 were presented to the Circuit Meeting at its meeting on 17 March 2022...

Signature of the Chair of the meeting Ian Hu

Name of the Chair of the meeting**REVD IAN HU**..... Date ...17 March 2022.....

Independent Examiner's Report to the Trustees of the Circuit, named above

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2020 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

Liverpool North Central Methodist Circuit (Number 18/3)

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Charities Act 2011
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(3) I 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.....Anthony M Kletz.....

Name of independent examiner ...**MR ANTHONY M KLETZ**.....

Relevant professional qualification of independent examiner ...**FCA**.....

Address ...**46 TALBOT STREET, SOUTHPORT PR8 1HS**

Date 17 March 2022.....