



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

LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT

Number 18/03

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, 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 (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 treasurerDavid 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 meetingIan 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**

Date17 March 2022.....