

Report of the Trustees and
Financial Statements for the Year ended 31 August 2022
for
Oldham Methodist Circuit

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For the Year Ended 31st August 2022**

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Oldham Methodist Circuit
Report of the Trustees
for the Year Ended 31 August 2022

The trustees present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of the Charities Act 2011 and the Charities 'Statement of Recommended Practice (SORP) 2015 ' in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATION DETAILS

Registered Charity number 1194708

Principal address

2 The Avenue
Shaw
Oldham
OL2 7HE

Trustees

The members of the Circuit Meeting are the Charity Trustees. A full list of trustees is included Appendix A of the trustees report.

Solicitor

North Ainley Halliwell
34/36 Clegg Street
Oldham
OL1 1PS

Independent Examiner

Leanne Nield ACA BSc
Arc Accountancy Solutions Limited
51 Laverton Road
Lytham St. Annes
Lancashire
FY8 1EN

Advisers

The charity's investment managers are TMCP, Central Buildings, Oldham Street, Manchester M1 1JQ.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Oldham Methodist Circuit is part of the Methodist Church of Great Britain.

Type of Governing Document: Deed of Union (1932) and Methodist Church Act (1976)

How the Charity is Constituted: Act of Parliament

The Charity's Trustees are the members of the Oldham Methodist Circuit meeting. Membership is made up of ministers appointed to the circuit, circuit office holders, representatives appointed by the local churches and representatives appointed by the Local Preachers' Meeting. Full membership is shown in Appendix A to this report.

The Trustees for Methodist Church Purposes are the Custodian Trustees of Circuit properties.

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Report of the Trustees
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ORGANISATION OF OLDHAM METHODIST CIRCUIT

The Oldham and Saddleworth Circuit and the Shaw and Royton Circuits came together in September 2021 to create the new Oldham Circuit - the Oldham and Saddleworth and Shaw and Royton Circuits therefore ceased to exist as separate entities at the end of 2020-21.

The Oldham Circuit provides ministerial oversight and pastoral care for the fourteen churches in the Oldham area.

Circuit Meetings (trustees' meetings) are held three times per year. The Circuit Leadership Team (the circuit's ministers and circuit stewards) meets at least six times per year and has limited powers to transact business on behalf of the trustees between trustees' meetings. The Circuit Superintendent, if present, chairs meetings of these groups. In the absence of the Superintendent, one of the other ministers takes on the role of Chair.

Sub-committees responsible to the trustees, including both representatives of the trustees and others with appropriate skills and experience, have been established for a number of routine purposes and for day-to-day management of the Christians Against Poverty Debt Centre and for the former Salt Cellar building and restaurant, the Salt Cellar Youth Project which have now ceased as of July 2022.

The Circuit is part of the Manchester and Stockport District of the Methodist Church and is accountable to the Methodist Conference. Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church (CPD) by order of the annual conference.

Additional Governance Issues

Induction/Training of Trustees

As is evident from Appendix A, the appointment of a substantial number of trustees is the responsibility of the local churches. On appointment, all trustees are made aware of the duties and responsibilities of trustees through relevant guidance notes issued by the Methodist Connexion and the Charity Commission.

Risk Management

The trustees regularly review the risks faced by the Charity, both financial and otherwise; professional advice is taken, when required. Procedures and guidelines for mitigating risks issued by the Methodist Church are consulted. The Methodist Church's robust safeguarding policy and safeguarding procedures are adopted by the Circuit in the Circuit's Safeguarding Policy and in the Salt Cellar Youth Project's Safeguarding Policy, which are both reviewed annually. Safeguarding is an agenda topic at every Circuit Meeting.

Related Parties

Salt Cellar Ltd was a related party initially of the Oldham and Saddleworth Methodist Circuit and later the Oldham Methodist Circuit. The two directors of the Company were appointed by the Circuit trustees and the trustees established an Executive Board, including representatives of the trustees and others, to manage the Company. The principal activities of the Company were management and maintenance of the Salt Cellar premises, the operation of a café/restaurant and managing long-term and ad-hoc lettings. The annual taxable profits of Salt Cellar Limited were paid to the Circuit as the parent charity under the gift aid scheme.

The churches forming the Circuit are either excepted charities or registered charities and, as they are responsible for their own financial affairs, their accounts are reported separately by the individual churches.

CHARITABLE OBJECTIVES AND MAIN ACTIVITIES

Summary of the Objects of the Charity set out in its Governing Document

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

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;
- any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church;

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- 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 to the Methodist Church.

Summary of the Main Activities undertaken for Public Benefit in Relation to these Objects

We confirm that the trustees have regard to the Charity Commission's guidance on public benefit, including the specific guidance on charities for the advancement of religion.

The Circuit aims to live out the Calling of the Methodist Church, summarised as:

- to increase awareness of God's presence and to celebrate God's love;
- to help people to grow and learn as Christians through mutual support and care;
- to be a good neighbour to people in need and to challenge injustice;
- to make more followers of Jesus Christ.

The trustees are committed to reaching as many people as possible in the Circuit's geographical area. The Circuit produces a quarterly preaching plan to ensure that regular public acts of worship take place at each of the fourteen churches. Worship is open to all people (church members and non-members alike) without charge.

The churches forming the Circuit provide Christian teaching, pastoral care (including visiting the sick and bereaved) and, as part of their outreach, provide activities for a broad section of the whole community (from toddlers to senior citizens). The Circuit supports and encourages the churches in this work and funds the provision of ministers, also supplying and maintaining their accommodation (manses) and covering their legitimate expenses.

The Circuit had oversight of the work of the former 'Salt Cellar', which offered a café, and ministry to the public from its base at Church Lane in the centre of Oldham.

Through its 'Salt Cellar Youth Project', the Circuit engaged in work of various forms with young people in Oldham and the surrounding area.

The Circuit has a Partnership Agreement with the national debt counselling charity 'Christians Against Poverty' to provide a free debt counselling service to the residents of Oldham.

A number of ministry and mission activities throughout the local area are provided with financial support.

ACHIEVEMENTS AND PERFORMANCE

Circuit Staff

The Revd Dr Adrian Burdon is the Circuit Superintendent and Chairperson of the Circuit Trustees. Revd Dr Burdon is responsible for Fir Lane, Gravelhole, Shore Edge Trinity, South Chadderton and East Oldham Methodist churches, with support from supernumerary ministers Revd R Davies, Revd I Coverdale and Revd L Neal. Revd Eddie Gordon is responsible for Bardsley and Limeside Methodist churches, Revd Suva Catford was appointed in September 2021 as minister for Hollins and Zion churches, with continued oversight of Hey with Zion school along with the role of Oldham Town Centre Mission. Revd Ken McNally continued to work with the Saddleworth churches. Pioneer Missioners Paul and Maura Cook continued in their work in the Royton area of the circuit until Easter 2022, when 18 months into a five-year project they resigned. The Pioneer Missioner post remained vacant whilst the circuit reviewed the situation considering future needs and areas of mission.

Revd Natalie Hackett left the circuit in August 2021.

Further New Appointments

None

Worship, Prayer and Discipleship

Worship continued in a variety of patterns across the Circuit. Honeywell Lane Church sadly closed in December 2021.

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for the Year Ended 31 August 2022

Funding of Ministry and Mission Projects

Churches and individuals continue to support the Christians Against Poverty Debt Centre Project and members supported and participated in the Oldham project to provide winter overnight accommodation for homeless people.

Circuit Properties (Manse)

The Circuit currently owns six manse which are inspected regularly to identify essential maintenance issues and to help plan for renewals of major items. Both routine and emergency repair works have been carried out during the year. The vacant manse at Brae Side was rented out on a six-month rolling tenancy, until its future use as a manse, is determined. The Denbydale manse also became unoccupied during April 22 and discussions on the future of the empty dwelling were ongoing at the year end.

General Administration

The circuit continue to adhere to the Circuit Safeguarding Policy for Children and Vulnerable Adults, dated September 2020, which continues to reflect current Connexional policy.

The Salt Cellar

The Salt Cellar continued to run its café for visitors to the town centre, let space to local businesses and continued to be used as a meeting venue by various charitable groups.

Prayer continued to be central to the work of the Salt Cellar and each day began with a prayer time. A lunchtime 'Half Hour with Jesus' worship session, was regularly held on Fridays and continued up to the closure in July 2022. The 'Half Hour Jesus' session moved to Costa Coffee after the Salt Cellar closure and has continued to grow with more people attending on a weekly basis.

Christians Against Poverty (CAP) Debt Centre

Since Autumn 2012 a free debt counselling service has been provided for local residents. This is a partnership between the Circuit and Christians Against Poverty. The project is managed by a management committee appointed by and responsible to the trustees. The service has proved highly successful in helping clients to deal with debt and related problems. Over 100 clients have been helped since its start. The project is home-based and does not need an office.

Mrs Eike Harvey who led the project from the start stepped down at the end of June 2022. Kelkina Ackrill, who was working alongside Eike as Debt Coach, took over as Centre Manager.

The paid Manager is assisted and supported by around 20 'befrienders' and other volunteers from the churches in Oldham and Saddleworth.

The Debt Centre also operates in partnership with Keyring & Oldham Food Bank running the Ancora Project helping people in crisis. This project includes running the CAP Lifeskills course

The demand for the service is ever increasing as more people are experiencing financial hardship as a result of Covid 19 and the cost of living. For some time, CAP has been wanting (us) to try and increase its capacity.

We were able to employ Kelkina as additional part-time Debt Coach from July 2021 to June 2022. However we have not replaced Kelkina following her promotion to Centre Manager as current funding does not allow for this.

The project is funded by a combination of regular and occasional donations from churches and church members and a grant of £8000 per year from the Circuit

Volunteer Contributions

A valuable resource for the Circuit continues to be the many volunteers who assist in various ways with the ministries of the Circuit and CAP Debt Centre and at the Salt Cellar prior to its closure.

The Future

The Circuit was successful in an application to appoint a presbyter from Minister from Other Churches and Conferences (MOCC) as from September 2022. Revd Kennedy Gondongwe, from Zimbabwe, has taken up office covering South Chadderton, Fir Lane and Gravelhole churches. The circuit has reviewed the mission opportunities within the circuit. A deacon is to be appointed to support mission work in the High Crompton and Shaw area of Oldham as from September 2023 and support mission across the circuit.

Oldham Methodist Circuit
Report of the Trustees
for the Year Ended 31 August 2022

FINANCIAL REVIEW

Review of 2021-22 Accounts

General Fund (Unrestricted)

The main source of income continues to be the assessment contributions from local churches, which brought in £205,770. Churches were experiencing financial difficulties, some of this due to the impact of covid19. Churches in Shaw and Royton Circuit had received, in the previous year, the equivalent of a one quarter reduction in the assessment. It was therefore agreed that the churches in the Saddleworth & Oldham Circuit should receive the same benefit. In addition, the budget included for £19,000 income from rent of vacant manses but only £14,153 was received. Consequently, income overall was a little over £40,000 less than predicted.

The major outgoings are the costs of employing the ministerial team, the Circuit's financial contribution to the Manchester and Stockport Methodist District and the costs associated with providing the manses. The stipend costs were broadly as expected, as were the administrator's salary costs. Property maintenance costs were almost £10,000 more than the original projected budget.

Circuit Model Trust Fund (Unrestricted)

The Circuit Model Trust Fund (CMTF) is an unrestricted fund which holds the proceeds of sales from Model Trust property (local churches, manses etc); these are paid to the custodian trustees (the Trustees for Methodist Church Purposes) for investment. The managing trustees of the CMTF are the Circuit trustees who use the fund to support the Circuit's ministry/mission, including some property-related projects, and also to provide grants/loans to local Methodist churches for the same purposes. Grants/donations/loans are also made to other causes which are in accord with the Circuit's own mission purposes. A compulsory annual levy (based on the year-end balance of the fund) is payable from the CMTF to the District Advance Fund.

Property sale of Honeywell Lane Church achieved a gross sale of £371,833, offset by The Connexional Levy of £124,733. St Paul's, Shaw, gross sale was £144,899 with a repayable grant on the property of £140,000. No property was purchased in 2021/22. The Salt Cellar closed in July 2022 and the property was put on the market for a value of around £500,000. A sale of the Salt Cellar property has not yet been completed.

Restricted Funds

Restricted Funds comprise a number of Circuit funds invested with the Trustees for Methodist Church Purpose and CAP Debt Centre. The Salt Cellar closed in July 2022. The Salt Cellar Resource Centre Funds of £21,886 were transferred to the circuit. At 31st August 2022, restricted funds totalled £42,883, made up of £22, 382 internal organisations (CAP), £3,250 TMCP investments and £17,251 for the closure of the Salt Cellar Resource Centre.

Endowment Funds

Endowment Funds at the start of the year were £29,155 at the end £29,209. The trustees are still intending to explore the potential release of capital from the James Cocker Gift.

Tangible Fixed Assets

Tangible Fixed assets comprise the Circuit's manses and the Salt Cellar building. These properties are included in the accounts at the valuations used for insurance purposes at September 2021 - except for the Salt Cellar building which has been revalued at £500,000 (previous value £250,000), being the estimated sale value.

As a result of these revaluations, the accounts show a gain on revaluations of £442,378.

These assets are included in the unrestricted funds total.

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for the Year Ended 31 August 2022

Reserves Policies

General Fund (Unrestricted)

In order to meet its ongoing financial obligations, including payment of minister employment costs monthly in advance, and to provide both for the possibilities of future assessment income failing to keep pace with Circuit expenditure and for unanticipated or emergency expenditure, the Circuit must maintain sufficient 'free' general unrestricted reserves. 'Free' reserves are defined as unrestricted reserves less the investment in tangible assets/property and designated funds. In line with guidance provided by the Methodist Church, the trustees aim to maintain 'free' reserves at a level of between three and six months' typical expenditure i.e. between £70,000 and £140,000.

On the above basis, 'free' reserves at 31st August 2022 totalled £229,571. It is anticipated that the Circuit will continue to provide financial support to the individual churches within the Circuit, and that this will reduce the free reserves to a level within the target range.

Circuit Model Trust Fund - CMTF (Unrestricted)

The balance on the Circuit Model Trust Fund had increased to £352,197 by 31st August 2022, mainly as a result of the proceeds from the sale of closed churches.

It is anticipated that these funds will be utilised for future expenditure such as the missionary work in High Crompton and Shaw, a replacement for the Salt Cellar project in Oldham town centre, and necessary work to /replacement of the Circuit manses.

Restricted Funds

Restricted funds amounted to £42,883 at 31st August 2022. Most of these funds are restricted for use by the Christians Against Poverty (CAP) project with £17,251 for the closure of the Salt Cellar Resource Centre.

OTHER OPTIONAL INFORMATION

No further information

DECLARATION

The trustees declare that they have approved the trustees' report above at the trustees' meeting held on

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Signed on behalf of the charity's trustees.

Signatures



The Revd Dr

Adrian Burdon

Janet Abbott

Position

Superintendent Minister

Senior Circuit Steward

Date

26 March 2023

Oldham Methodist Circuit
Report of the Trustees
for the Year Ended 31 August 2022

Appendix A – Member of the Circuit Meeting – circuit trustees

1. The Revd Dr Adrian Burdon	Superintendent Minister Chair of the Meeting
2. The Revd Suva Catford	Circuit Minister
3. The Revd Dr Kennedy Gondongwe	Circuit Minister
4. The Revd Kenneth McNally	Circuit Minister
5. The Revd Robert Davies	Supernumerary Minister
6. The Revd Edward Gordon	Supernumerary Minister
7. The Revd Neville Whitehead	Supernumerary Minister
8. Janet Abbott	Senior Circuit Steward
9. Dave Allonby	Greenfield Steward
10. Bob Ashton	Hollins Steward
11. Nigel Bacon	Trinity Treasurer
12. Moira Bergin	Zion Steward
13. Ian Crossley	Trinity Royton Steward
14. Annie Goldthorpe	Bardsley Steward
15. Stephen Foster	Zion Treasurer
16. Barbara Howard	Delph Steward
17. Kathryn Heathcote	Circuit Steward (Pastoral)
18. Denis Heyes	Limeside Steward
19. Julie Hughes	Shore Edge Shaw Treasurer
20. Steve Jones	South Chadderton Treasurer
21. Glennis Kirkwood	Circuit Steward (Property) Hollins Treasurer
22. Judith McArdle	Gravelhole Royton Steward
23. June Mills	East Oldham Steward
24. Malcom Milwain	Hey with Zion School (Chair of Gvs)
25. Janet Mitchell	St Andrew's Shaw Treasurer
26. Susan Nuttall	Gravelhole Treasurer
27. Joanna Ortiz (Secretary) (non-voting)	Secretary to the Meeting Circuit Safeguarding Officer Circuit GDPR Officer
28. Lesley Perry	St Andrews Shaw Steward
29. Graham Radcliffe	Circuit Steward (Mission)
30. Ruth Radcliffe	South Chadderton Steward
31. Val Ridley	Shore Edge Steward
32. Dorothy Roberts	Uppermill Steward
33. Gordon Roscoe	East Oldham Treasurer Chair of CAP Management Cttee
34. Carol Stopford	Fir Lane Steward
35. Margaret Taylor	Delph Finance Committee Rep
36. Dorothy Thorpe	Bardsley Treasurer
37. Paul Titmuss	Greenfield Rep
38. Norman Unsworth	Local Preachers' Secretary
39. Jim Upton	Uppermill Treasurer
40. Michael Wilson	Limeside Treasurer
41. Edwin Winterbottom	Fir Lane Treasurer

Oldham Methodist Circuit
Statement of Financial Activities
for the Year Ended 31 August 2022

	Note	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
		£	£	£	£	£
Income						
1 Donations and legacies		4		827		831
2 Income from monetary investments		334	1,900	23	137	2,394
3 Income from investment properties		14,153				14,153
4 Assessments on Churches		205,770				205,770
5 Net capital receipts	3		251,999			251,999
6 Grants received				500		500
7 Internal Organisations	13			10,503		10,503
8 Other charitable income	4	20,558		22,650		43,208
9 Total income		240,819	253,899	34,503	137	529,358
Expenditure						
Expenditure on charitable activities:						
10 Grants and donations	5	1,990	35,000	4,300		41,290
11 Stipends, salaries, NIC and pension costs	6	151,530		15,412		166,942
12 Property maintenance		39,830		1,107		40,937
13 District Assessment & Levy		64,355	7,163			71,518
14 Purchase of property						-
15 Depreciation						-
16 Office, administration and travel expenses		23,720	660	10	83	24,473
17 Internal Organisations				56,449		56,449
18 Other outgoings	9	370		1,298		1,668
19 Total charitable expenditure		281,795	42,823	78,576	83	403,277
20 Net income before investment losses/gains		(40,976)	211,076	(44,073)	54	126,081
21 Losses/gains on monetary investments			(750)	(266)		(1,016)
22 Gains on revaluation of fixed assets		442,378				442,378
23 Net income/(expenditure) before transfers		401,402	210,326	(44,339)	54	567,443
22 Transfers between funds		79,795	(90,000)	10,205		-
23 Reclassification of funds						-
24 Other gains/(losses)						-
25 Net movement in funds		481,197	120,326	(34,134)	54	567,443
26 Funds brought forward						
27 Total Funds transferred (1 st September 2021)	2	2,247,031	231,871	77,017	29,155	2,585,074
29 Total funds carried forward		2,728,228	352,197	42,883	29,209	3,152,517

Oldham Methodist Circuit
Balance Sheet
for the Year Ended 31 August 2022

Note	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2022
	£	£	£	£	£

Fixed Assets

Circuit Manses & Equipment	10	1,762,321				1,762,321
Other Properties (resource centre)	10	500,000				500,000
Investment Properties	10	236,336				236,336
Investments	14				29,209	29,209
Total fixed assets		2,498,657	0	0	29,209	2,527,866

Current Assets

Debtors	11	21,432				21,432
Loans by the Circuit						-
Investments with TMCP		55	352,197	3,250		355,502
Central Finance Board Deposits		78,214				78,214
Cash at Bank and in hand		142,413		39,633		182,046
Total current assets		242,114	352,197	42,883	-	637,194

Current liabilities

Creditors (due in under 1 year)	12	12,543				12,543
Grants payable within 2022-23						-
Total current liabilities		12,543	-	-	-	12,543
Net current assets/liabilities		229,571	352,197	42,883	-	624,651

Total assets less current liabilities		2,728,228	352,197	42,883	29,209	3,152,517
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Long term liabilities (due after more than one year)						
Grants payable after 2022-23						-
Loans to the Circuit						-
Net assets		2,728,228	352,197	42,883	29,209	3,152,517

Funds of the Circuit

General Fund (Unrestricted)		2,728,228				2,728,228
Circuit Model Trust Fund (Unrestricted)			352,197			352,197
Designated Funds (Unrestricted)						
Total Unrestricted Funds						3,080,425
Restricted Funds				42,883		42,883
Endowment Funds					29,209	29,209
Total Funds	13	2,728,228	352,197	42,883	29,209	3,152,517

Oldham Methodist Circuit
Cash Flow Statement
for the Year Ended 31 August 2022

Statement of cash flows	2022 £
Cash from operating activities	
Net cash used in operating activities	(151,135)
Cash flows from investing activities	
Dividends and interest from investments	2,394
Proceeds from the sale of tangible fixed assets	251,999
Net cash provided by investing activities	254,393
Change in cash and cash equivalents in the year	103,258
Cash and cash equivalents at the date of merger (1 st September 2021)	541,713
Cash and cash equivalents at the end of the year	644,971

Reconciliation of net movement in funds to net cash flow from operating activities	2022 £
Net income for the period (as per Statement of Financial Activities)	567,443
Adjustments for:	
Dividends and interests from investments	(2,394)
Capital receipts	(251,999)
Increase in debtors	(213)
Decrease in creditors	(21,594)
Total cash generated from operating activities	(151,135)

Analysis of cash and cash equivalent	2022 £
Cash at bank	182,046
Central Finance Board Deposits	78,214
Trustees for Methodist Church Purposes deposits	384,711
Cash and cash equivalents at the end of the reporting period	644,971

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

1 Basis of accounting policies

i Accounting standard

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

ii Public benefit entity

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

iii Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There are also Endowment funds as listed. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

iv 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. The accruals basis has been used and trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

v 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.

vi 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.

vii 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.

viii Income recognition

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

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 administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion. In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or Churches as appropriate. Instead, the transactions are disclosed in the Notes to the Accounts as required by SORP (FRS102), module 19.12n.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. If goods are donated, a value will be shown in the SOFA or Notes where the value is considered material.

ix 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.

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

x Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

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

These are capitalised if they can be used for more than one year, and individually cost at least £500. The freehold and/or long leasehold residential property is shown in the accounts at September 2021 deemed values, being the insurance reinstatement according to Methodist Insurance as at September 2021. 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 current value. Any depreciation would not be material. The property has been reviewed for impairment.

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At that time the property is recognised as an asset at its anticipated net sale price as determined by professional valuation. Expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, likely to enhance sale value is capitalised at the time expenditure is incurred.

xiii (a) Investment Properties

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of two years, the property is classified as Investment Property (whether let out or not) and any lets are at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives

xiii (b) Investments

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102 and 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 are shown in the SOFA.

xiv Debtors and Prepayments

Debtors are stated at the amounts owed to the Circuit or prepaid.

xv Creditors and Accruals

Creditors are initially recognised at settlement amount after any trade discounts, or the amount advanced to the Circuit. Creditors include both sundry expenses and specifically the 1st quarter assessment received in August.

xvi 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 ministers.

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

2. Merger details

As at 1st September 2021, the Oldham & Saddleworth Circuit (Registered Charity No. 1134364) and Shaw & Royton Circuit (Registered Charity No. 1138074) amalgamated together, establishing the new Oldham Methodist Circuit (Registered Charity No. 1194708). The two pre-existing circuits ceased to exist as separate entities at the end of 2020-21 (31st August 2021).

Shaw & Royton Circuit prepared their 2020-21 accounts using the receipts and payments method, and therefore these 2020-21 figures have been restated using the accruals basis. Oldham & Saddleworth Circuit already reported using the accruals basis.

Analysis of previous SoFA components for the previous reporting period (year ending 31 August 2021)

	Oldham & Saddleworth	Shaw & Royton (receipts & payments)	Adjustment for transition to accruals basis	Shaw & Royton (accruals)	Combined total
	£	£	£	£	£
Total income	206,620	100,388	-	100,388	307,008
Total expenditure	222,169	110,550	-	110,550	332,719
Net income/(expenditure)	(15,549)	(10,162)	-	(10,162)	(25,711)
Other gains/(losses)	1,891	-	-	-	1,891
Net movement in funds	(13,658)	(10,162)	-	(10,162)	(23,820)
Total funds brought forward	1,789,160	248,455	571,279	819,734	2,608,894
Total funds carried forward	1,775,502	238,293	-	809,572	2,585,074

Analysis of net assets at the date of merger (1 September 2021)

	Oldham & Saddleworth	Shaw & Royton (receipts & payments)	Adjustment for transition to accruals basis	Shaw & Royton (accruals)	Combined total
	£	£	£	£	£
Net assets	1,775,502	238,293	571,279	809,572	2,585,074
Represented by:					
Unrestricted funds	1,682,516	225,107	571,279	796,386	2,478,902
Restricted income funds	63,831	13,186	-	13,186	77,017
Endowment funds	29,155	-	-	-	29,155
Total funds	1,775,502	238,293	571,279	809,572	2,585,074

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

3. Capital Receipts

Capital receipts relates to the sale of the closed Honeywell Lane Methodist church and St. Pauls Methodist Church. All sales of Methodist property are subject to a levy by the Connexion calculated on a sliding scale based on the gross sale price. The figure is shown net of this CPF Levy. Also, any historic grants made by the Connexion to the closed church are reclaimed from the proceeds of sale before the CPF Levy is applied.

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Total 2021-22
	£	£	£	£
Gross sale (Honeywell Lane)		371,833		371,833
CPF Levy on property sales		(124,733)		(124,733)
Gross sale (St. Pauls)		144,899		144,899
Repayable grants on property		(140,000)		(140,000)
Total		251,999		251,999

4. Other Charitable Income

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Total 2021-22
	£	£	£	£
St. Pauls funds transferred	16,583			16,583
Contribution towards manse costs	3,975			3,975
Salt Cellar Resource Centre funds transferred			21,886	21,886
Pioneer missionary project			639	639
Other – Salt Cellar Resource Centre			125	125
Total	20,558		22,650	43,208

5. Grants and donations paid

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Total 2021-22
	£	£	£	£
Pension Reserve payment		35,000		35,000
Grant to Salt Cellar Ltd			4,300	4,300
Donation for 3 Generate tickets	1,990			1,990
Total	1,990	35,000	4,300	41,290

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

6. Staff Costs

Staff Costs paid during the year were:

	Ministers (trustees)	Lay staff	2021/22
	£	£	£
Stipends, salaries and benefits in kind	111,940	23,593	135,533
Social security costs	8,052	777	8,829
Pension costs	20,840	1,109	21,949
Apprenticeship levy	560	71	631
Total staff costs	141,392	25,550	166,942
Expenses (Travel, accommodation and other expenses incurred in the normal course of employment)	7,166	0	7,166
Average number of staff employed during the year were:	7	2.3	9.3

No employee received remuneration amounting to more than £60,000 in either year.

Wages and salary costs includes £nil in respect of redundancy payments in 2022.

7. Trustees' remuneration and expenses

	2021/22 £
Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting	0
Number of trustees who were paid expenses relating to trustee duties	0
Total amount paid	0
There were no trustees' remuneration or other benefits for the year ended 31 August 2022 other than that paid to ministers and lay staff in the normal course of their duties and disclosed above.	

8. Fees for examination or audit of the accounts

	2021/22 £
Independent examiner's or auditors' fees for reporting on the accounts	2,450
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	0
Total	2,450

9. Other outgoings

	2021/22 £
Pioneer missioner project expenditure	1,118
Other outgoings	550
Total	1,668

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

10. Fixed Assets (including investment properties)

Manses	Manses held as investment properties	Other buildings	Fixtures, fittings and equipment	Total
£	£	£		£

Cost or valuation

Balance brought forward	1,806,279		250,000	0	2,056,279
Additions					
Revaluations (+/-)	192,378	-	250,000		442,378
Disposals (-)					
Transfers * (+/-)	(236,336)	236,336			0
Balance carried forward	1,762,321	236,336	500,000	0	2,498,657

Accumulated depreciation

Balance brought forward	0	0	0	0	0
Depreciation charge for year (-)					0
Revaluations (+/-)					0
Disposals (-)					0
Transfers* (+/-)					0
Balance carried forward	0	0	0	0	

Brought forward	1,806,279	0	250,000	0	2,056,279
Carried forward	1,762,321	236,336	500,000	0	2,498,657

11. Analysis of debtors

<u>Due within one year</u>	2021/22 £
Trade debtors	5,840
Prepayments	15,592
Total	21,432

12. Analysis of creditors

<u>Amounts falling due within one year</u>	2021/22 £
Trade Creditors	205
Other Creditors	2,457
Prepaid Assessments	9,881
Total	12,543

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2022

13. Detailed analysis of individual fund movements

Unrestricted Funds

Unrestricted Fund Name	Combined Funds at date of merger (1 st September 2021)	Incoming Resources	Resources Expended	Transfers & Reclassification	Gain/(losses)	Closing Balance	Purpose of the fund
General	2,247,031	240,819	(281,795)	79,795	442,378	2,728,228	The general purposes of the Circuit
Model Trust Fund	231,871	253,899	(42,823)	(90,000)	(750)	352,197	Support for the mission of the Circuit
Totals	2,478,902	494,718	(324,618)	(10,205)	441,628	3,080,425	

Restricted Funds

Restricted Fund Name	Combined Funds at date of merger (1 st September 2021)	Incoming Resources	Resources Expended	Transfers	Gain/(losses)	Closing Balance	Purpose of the fund
TMCP Investments	3,503	23	(10)		(266)	3,250	Various small bequests/gifts for specific purposes.
Internal Organisations	60,328	10,503	(56,449)	8,000		22,382	Christians Against Poverty
Pioneer missionaries project	13,186	1,139	(16,530)	2,205		0	Circuit project (ceased during 2021/22)
Salt Cellar Resource Centre	0	22,011	(4,760)			17,251	For the closure of the Salt Cellar Resource Centre
Other	0	827	(827)			0	Donations raised for specific purposes.
Totals	77,017	34,503	(78,576)	10,205	(266)	42,883	

Endowment Funds

Endowment Fund Name	How the capital is invested	The current value of the capital	Annual income	What the income was used for
James Cocker gift	TMCP (T1473)	29,209	0	
Totals		29,209	0	

Report of the Independent Examiners
To the Trustees of
Oldham Methodist Circuit

14. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
	£	£	£	£	£
Tangible fixed assets	2,498,657			29,209	2,527,866
Current assets	242,114	352,197	42,883		637,194
Current liabilities	(12,543)				(12,543)
Total	2,728,228	352,197	42,883	29,209	3,152,517

15. Related party transactions

During the year the Circuit received assessment income totalling £205,770 from the various churches within the Circuit.

The Circuit also incurred assessment costs of £71,518 payable to the District.

Salt Cellar Ltd is a related party of the Oldham Methodist Circuit. During the year the Circuit had the following transactions with Salt Cellar Ltd: funds received totalling £22,012 and direct costs payable of £4,300.

Report of the Independent Examiners
To the Trustees of
Oldham Methodist Circuit

I report to the charity trustees on my examination of the accounts of Oldham Methodist Circuit for the year ended 31st August 2022 which are set out on pages 8 – 18.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



Leanne Nield ACA
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Lancashire
FY8 1EN

Date: 29/03/2023