

Report of the Trustees and
Financial Statements for the Year ended 31 August 2023
for
Oldham Methodist Circuit

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For the Year Ended 31st August 2023

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Oldham Methodist Circuit
Report of the Trustees
for the Year Ended 31 August 2023

The trustees present their report with the financial statements of the charity for the year ended 31 August 2023. 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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ORGANISATION OF OLDHAM METHODIST CIRCUIT

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, which has ceased to operate as of July 2022, with the building currently on sale.

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 which are both reviewed annually. Safeguarding is an agenda topic at every Circuit Meeting.

Related Parties

Salt Cellar Ltd was a related party of 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 Salt Cellar ceased operating in July 2022. The Salt Cellar building has been put up for sale by the circuit as of January 2023. 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. This provision closed in January 2022 and the building was put up for sale. The property has sold subject to the prospective new owners obtaining planning permission.

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 Trinity, with support from supernumerary minister Revd R Davies, and for East Oldham Church. Revd Lindsay Neal, superintendent minister, supports the responsibility for St Andrew's and Revd Eddie Gordon, superintendent minister, supports responsibility for the churches at Bardsley and Limeside. Revd Kennedy Gondongwe, appointed in September 2022, is responsible for Gravelhole, Fir Lane and South Chadderton Methodist churches. Revd Suva Catford is responsible 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 continues to be responsible for the three Saddleworth churches of Uppermill, Greenfield and Delph and for Shore Edge Church, Shaw. The Pioneer Missioner post, vacated by Paul and Maura Cook at Easter 2022, remained vacant whilst the circuit reviewed the situation considering future needs and areas of mission. The High Crompton project has been slightly amended to meet the needs of the current circuit and the post advertised.

Further New Appointments/Changes in Responsibility

Deacon Angleena Keizer is to take up the post for the pioneer mission project at High Crompton as from 1st September 2023.

The appointments of Revd Eddie Gordon and Revd Lindsay Neal, superintendent ministers, within the circuit as paid circuit staff, ended in August 2023.

A Circuit Restructure was proposed in April 2023, following a Circuit Meeting held in March 2023 which approved exploring the use of Standing Order 605A in order to gather the fourteen churches of the Oldham Circuit into four

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geographical groupings. The restructure, responding to the challenges the circuit faces, created the four geographical areas to be known as 'mission areas' with the reassignment of pastoral charge for the fourteen churches being shared

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between the four presbyters with support from the new deacon and a supernumerary ministers. The restructure was agreed in summer 2023 with effect from September 2023.

Worship, Prayer and Discipleship

Worship continued in a variety of patterns across the Circuit.

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 (Manses)

The Circuit currently owns six manses 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 continues to be rented out on a six-month rolling tenancy, until its future use as a manse, is determined. The Denbydale manse became unoccupied during April 22 (as the Pioneer Missioners left the circuit) and was put on the market and sold as of 30th June 2023. A new manse at 9 The Avenue, Shaw, in close proximity to the High Crompton estate, was purchased on 3rd July 2023 to be the manse for Deacon Angleena Keizer as she takes up office in September 2023.

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

Following closure of the Salt Cellar project the building was put up for sale. As of 31/08/2023, the building has sold subject to planning permission being granted for the new owners to convert into flats. Circuit awaits the approval for the planning permission from Oldham Council before a confirmed sale can be made.

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.

Kelkina Ackrill, appointed in 2022, continues working as Centre Manager.

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

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, however, 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.

The Future

Revd Dr Adrain Burdon, superintendent minister, having completed his extended term of office (6 years) within our circuit went into the stationing process in the spring/summer 2023 and is to leave Oldham in August 2024 to take up a

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new ministerial appointment. Having considered the circuit financial situation along with the wealth of experience, skills and

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knowledge held by our circuit ministerial team the circuit decided not to seek a new superintendent minister from outside the circuit but to appoint from within. Following a series of consultation meetings with ministers and the circuit leadership team, and full approval of the circuit meeting, Revd Dr Kennedy Gondongwe is to be the superintendent minister as from 1st September 2024.

FINANCIAL REVIEW

Review of 2022-23 Accounts

General Fund (Unrestricted)

The main source of income continues to be the assessment contributions from local churches, which brought in £248,105. Churches were experiencing financial difficulties, some of this due to the continuing impact of covid19 and in particular to the high increase of energy costs. It was therefore agreed that there would be a £50,000 contribution to the circuit budget from Model Trust funds.

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 £42,691. A grant of £10,000 was paid to Zion Church and £2000 was donated to 3 Generate.

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.

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.

The manse at 26, Denbydale, Royton sold giving an income of £303,890 and the purchase of the manse at 9 The Avenue, Shaw cost £302,188 leaving proceeds of £1,702.

Restricted Funds

Restricted Funds comprise a number of Circuit funds invested with the Trustees for Methodist Church Purpose and CAP Debt Centre. At 31st August 2023, restricted funds totalled £45,620, made up of £24,879 internal organisations (CAP), £3,213 TMCP investments and £7,989 for the closure of the Salt Cellar Resource Centre and £9,539 grant for the circuit pioneer mission project.

Endowment Funds

Endowment Funds at the start of the year were £29,209 at the end £30,063. 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. Last year the manse valuations were based on the insurance valuations but on reflection it was decided that these were likely to be too high due to these valuations including rebuild/demolition costs. The fair value of the manses used in this report are based on local market research by the Circuit Property Steward which has brought the property valuations down considerably but are more realistic.

As a result of these revaluations, the accounts show a reduction on revaluations of £456,955.

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These assets are included in the unrestricted funds total

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 £90,000 and £180,000.

On the above basis, 'free' reserves at 31st August 2023 totalled £170,915. This means that the 'free' reserves as they stand at 31/08/2023 are currently within the target range.

If the Circuit is to continue to provide financial support to the individual churches within the Circuit it will therefore need to look at monies held in the Circuit Model Trust Unrestricted Fund. As of 31/08/23 this is £343,402.

Circuit Model Trust Fund - CMTF (Unrestricted)

The balance on the Circuit Model Trust Fund is £343,402 at 31st August 2023. The accounts show a £475 loss (*decrease*) in the value of investment during the financial year.

It is anticipated that these funds will be utilised for future expenditure such as the missionary work in High Crompton and Shaw, payment towards church quinquennial inspections and necessary work to the Circuit manses and ongoing support for CAP. A replacement for the Salt Cellar project in Oldham town centre is to be considered with additional funds coming from the sale of the Salt Cellar building.

In the 23/24 budget Circuit agreed to use Model Trust Funds to support the church assessment by £70,000, cover costs for the pioneer work at High Crompton of £35,213 and to continue to contribute to CAP with a £8,000 donation.

Restricted Funds

Restricted funds amounted to £45,620 at 31st August 2023. Most of these funds are restricted for use by the Christians Against Poverty (CAP) project (£24,879); the pioneer project (£9,539) and with £7,989 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

Oldham Methodist Circuit
Report of the Trustees
for the Year Ended 31 August 2023

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. Glennis Kirkwood	Circuit Steward (Property) Hollins Treasurer
21. Judith McArdle	Gravelhole Royton Steward
22. June Mills	East Oldham Steward
23. Malcom Milwain	Hey with Zion School (Chair of Govs)
24. Janet Mitchell	St Andrew's Shaw Treasurer
25. Susan Nuttall	Gravelhole Treasurer
26. Joanna Ortiz (Secretary) (non-voting)	Secretary to the Meeting Circuit Safeguarding Officer Circuit GDPR Officer
27. Lesley Perry	St Andrews Shaw Steward
28. Graham Radcliffe	Circuit Steward (Mission)
29. Ruth Radcliffe	South Chadderton Steward
30. Val Ridley	Shore Edge Steward
31. Dorothy Roberts	Uppermill Steward
32. Gordon Roscoe	East Oldham Treasurer Chair of CAP Management Cttee
33. David Schofield	Circuit Steward (Finance)
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 2023

	Note	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Endowment Funds	Total 2022-23	Total 2021-22
		£	£	£	£	£	£
Income							
1 Donations and legacies		67				67	831
2 Income from monetary investments		1,500	11,538	82	938	14,058	2,394
3 Income from investment properties		9,527		836		10,363	14,153
4 Assessments on Churches		248,105				248,105	205,770
5 Net capital receipts	2		303,890			303,890	251,999
6 Grants received				9,539		9,539	500
7 Internal Organisations	12			12,927		12,927	10,503
8 Other charitable income	3	13,604				13,604	43,208
9 Total income		272,803	315,428	23,384	938	612,553	529,358
Expenditure							
Expenditure on charitable activities:							
10 Grants and donations	4	12,000				12,000	41,290
11 Stipends, salaries, NIC and pension costs	5	182,011				182,011	166,942
12 Property maintenance		42,691				42,691	40,937
13 District Assessment & Levy		59,415	17,665			77,080	71,518
14 Purchase of property	2		302,188			302,188	-
15 Depreciation						-	-
16 Office, administration and travel expenses		18,728	1,004	4,073	84	23,889	24,473
17 Internal Organisations				18,430		18,430	56,449
18 Other outgoings	8	11,505		6,034		17,539	1,668
19 Total charitable expenditure		326,350	320,857	28,537	84	675,828	403,277
20 Net income before investment losses/gains		(53,547)	(5,429)	(5,153)	854	(63,275)	126,081
21 Losses/gains on monetary investments			(475)	(110)		(585)	(1,016)
22 Gains on revaluation of fixed assets		(456,955)				(456,955)	442,378
23 Net income/(expenditure) before transfers		(510,502)	(5,904)	(5,263)	854	(520,815)	567,443
22 Transfers between funds		(5,109)	(2,891)	8,000		-	-
23 Reclassification of funds		(1,702)				(1,702)	-
24 Other gains/(losses)							-
25 Net movement in funds		(517,313)	(8,795)	2,737)	854	(522,517)	567,443
26 Funds brought forward		2,728,228	352,197	42,883	29,209	3,152,517	2,585,074
29 Total funds carried forward		2,210,915	343,402	45,620	30,063	2,630,000	3,152,517

Oldham Methodist Circuit
Balance Sheet
for the Year Ended 31 August 2023

Note	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2023	Totals 2022
	£	£	£	£	£	£

Fixed Assets

Circuit Manses & Equipment	9	1,387,000			1,387,000	1,762,321
Other Properties (resource centre)	9	480,000			480,000	500,000
Investment Properties	8	173,000			173,000	236,336
Investments	13			30,063	30,063	29,209
Total fixed assets		2,040,000	0	0	2,070,063	2,527,866

Current Assets

Debtors	10	23,147		9,539	32,686	21,432
Loans by the Circuit						-
Investments with TMCP		57	343,402	3,213	346,672	355,502
Central Finance Board Deposits		48,585			48,585	78,214
Cash at Bank and in hand		112,706		32,868	145,574	182,046
Total current assets		184,495	343,402	45,620	573,517	637,194

Current liabilities

Creditors (due in under 1 year)	11	13,580			13,580	12,543
Grants payable within 2022-23						-
Total current liabilities		13,580			13,580	12,543
Net current assets/liabilities		170,915	343,402	45,620	559,937	624,651

Total assets less current liabilities		2,210,915	343,402	45,620	30,063	2,630,000	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		2,210,915	343,402	45,620	30,063	2,630,000	3,152,517

Funds of the Circuit

General Fund (Unrestricted)		2,210,915				2,210,915	2,728,228
Circuit Model Trust Fund (Unrestricted)			343,402			343,402	352,197
Designated Funds (Unrestricted)							
Total Unrestricted Funds						2,554,317	3,080,425
Restricted Funds				45,620		45,620	42,883
Endowment Funds					30,063	30,063	29,209
Total Funds	12	2,210,915	343,402	45,620	30,063	2,630,000	3,152,517

Oldham Methodist Circuit
Balance Sheet
for the Year Ended 31 August 2023

2023

2022

Oldham Methodist Circuit
Balance Sheet
for the Year Ended 31 August 2023

Statement of cash flows	£	£
Cash from operating activities		
Net cash used in operating activities	(89,837)	(151,135)
Cash flows from investing activities		
Dividends and interest from investments	14,058	2,394
Net proceeds from the sale of tangible fixed assets	1,702	251,999
Net cash provided by investing activities	15,760	254,393
Change in cash and cash equivalents in the year	(74,077)	103,258
Cash and cash equivalents at the date of merger (1 st September 2021)	644,971	541,713
Cash and cash equivalents at the end of the year	570,894	644,971
	2023	2022
Reconciliation of net movement in funds to net cash flow from operating activities	£	£
Net income for the period (as per Statement of Financial Activities)	(72,814)	567,443
Adjustments for:		
Dividends and interests from investments	(14,058)	(2,394)
Losses on monetary investments	(585)	-
Capital receipts	(303,890)	(251,999)
Capital purchases	302,188	-
Increase in debtors	(1,715)	(213)
Increase/(decrease) in creditors	1,037	(21,594)
Total cash generated from operating activities	(89,837)	(151,135)
	2023	2022
Analysis of cash and cash equivalent	£	£
Cash at bank	145,574	182,046
Central Finance Board Deposits	48,585	78,214
Trustees for Methodist Church Purposes deposits	376,735	384,711
Cash and cash equivalents at the end of the reporting period	570,894	644,971

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

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 2023, 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 2023

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

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 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The trustees have made judgements and estimates in respect of: the fair value of tangible assets, and investment properties shown at fair value. The trustees have determined that any differences arising between actual amounts realised upon sale and fair value estimates will have no impact on the Circuit's ability to continue as a going concern.

xiii 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 fair value determined by the trustees based on market value research. The land component is not recognised in these figures. No depreciation is provided on the residential properties 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 residential properties have been reviewed for impairment.

xiv (a) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. When the intention is to hold the property for capital appreciation or its rental income, the property is classified as investment property and carried at fair value.

xiv (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.

xv Debtors and Prepayments

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

xvi 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.

xvii 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 2023

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

2. Net 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 2022-23	Total 2021-22
	£	£	£	£	£
Gross sale (26 Denbydale Way)		303,890		303,890	371,833
CPF Levy on property sales		-		-	(124,733)
Gross purchase (9 The Avenue, Shaw)		(302,188)		(302,188)	144,899
Repayable grants on property		-		-	(140,000)
Total proceeds		1,702		1,702	251,999

3. Other Charitable Income

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Total 2022-23	Total 2021-22
	£	£	£	£	£
St. Pauls funds transferred					16,583
Contribution towards manse costs	3,000			3,000	3,975
Salt Cellar Resource Centre funds transferred					21,886
Pioneer missionary project					639
Salary recharges (for church members not employed by the circuit)	9,523			9,523	-
Other	1,081			1,081	125
Total	13,604			13,604	43,208

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

4. Grants and donations paid

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Total 2022-23	Total 2021-22
	£	£	£	£	£
Zion Church grant	10,000			10,000	-
Pension Reserve payment					35,000
Grant to Salt Cellar Ltd					4,300
Donation for 3 Generate tickets	2,000			2,000	1,990
Total	12,000			12,000	41,290

5. Staff Costs

Staff Costs paid during the year were:

	Ministers (trustees)	Lay staff	2021/22	2021/22
	£	£	£	£
Stipends, salaries and benefits in kind	128,242	13,177	141,601	135,533
Social security costs	10,731	208	10,939	8,829
Pension costs	28,371	565	28,936	21,949
Apprenticeship levy	651	66	717	631
Total staff costs	167,995	14,016	182,011	166,942
Expenses (Travel, accommodation and other expenses incurred in the normal course of employment)	8,125	0	8,125	7,166
Average number of staff employed during the year were:	7	1	8	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 2023 (2022: £nil).

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

6. Trustees' remuneration and expenses

	2022/23 £	2021/22 £
Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting	0	0
Number of trustees who were paid expenses relating to trustee duties	0	0
Total amount paid	0	0
There were no trustees' remuneration or other benefits for the year ended 31 August 2023 (2022: £nil) other than that paid to ministers and lay staff in the normal course of their duties and disclosed above.		

7. Fees for examination or audit of the accounts

	2022/23 £	2021/22 £
Independent examiner's or auditors' fees for reporting on the accounts	1,825	2,450
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	0	0
Total	1,825	2,450

8. Other outgoings

	2022/23 £	2021/22 £
Pioneer missionary project expenditure	-	1,118
Stationing	1,832	-
Salary recharges (for church members not employed by the circuit)	9,523	-
Salt Cellar Resource building outgoings	6,034	-
Other outgoings	150	550
Total	17,539	1,668

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

9. Fixed Assets (including investment properties)

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

Cost or valuation

Balance brought forward	1,762,321	236,336	500,000	0	2,498,657
Additions	302,188				302,188
Revaluations (+/-)	(373,619)	(63,336)	(20,000)		(456,955)
Disposals (-)	(303,890)				(303,890)
Transfers * (+/-)					0
Balance carried forward	1,387,000	173,000	480,000	0	2,040,000

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	1,762,321	236,336	500,000	0	2,498,657
Carried forward	1,387,000	173,000	480,000	0	2,040,000

The fair value of the manses includes the land on which they are built, and their internal contents. The fair value of the manses has been determined by the trustees by comparing the properties to market values of similar properties in the area through online research.

The fair value of the Salt Cellar Resource Centre building is based on the sale value. As of 31/08/2023, the building has sold subject to planning permission being granted. Given the contingent nature of the sale, with the risks and rewards of ownership of the property still being retained by the Circuit at the reporting date, the Salt Cellar Resource Centre has remained being accounted for as a tangible fixed asset as at 31st August 2023.

10. Analysis of debtors

<u>Due within one year</u>	2022/23 £	2021/22 £
Trade debtors	5,840	5,840
Prepayments	17,307	15,592
Accrued grant income	9,539	-
Total	32,686	21,432

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

11. Analysis of creditors

<u>Amounts falling due within one year</u>	2022/23 £	2021/22 £
Trade Creditors	4,742	205
Other Creditors	1,917	2,457
Prepaid Assessments	6,921	9,881
Total	13,580	12,543

12. Detailed analysis of individual fund movements

Unrestricted Funds

Unrestricted Fund Name	Brought forward funds	Incoming Resources	Resources Expended	Transfers & Reclassification	Gain/(losses)	Closing Balance	Purpose of the fund
General	2,728,228	272,803	(326,350)	(6,811)	(456,955)	2,210,915	The general purposes of the Circuit
Model Trust Fund	352,197	315,428	(320,857)	(2,891)	(475)	343,402	Support for the mission of the Circuit
Totals	3,080,425	588,231	(647,207)	(9,702)	(457,430)	2,554,317	

Restricted Funds

Restricted Fund Name	Brought forward funds	Incoming Resources	Resources Expended	Transfers	Gain/(losses)	Closing Balance	Purpose of the fund
TMCP Investments	3,250	82	(9)		(110)	3,213	Various small bequests/gifts for specific purposes.
Internal Organisations	22,382	12,927	(18,430)	8,000		24,879	Christians Against Poverty
Salt Cellar Resource Centre	17,251	836	(10,098)			7,989	For the closure of the Salt Cellar Resource Centre
Pioneer Mission	-	9,539	-			9,539	Circuit project for pioneer mission work
Totals	42,883	23,384	(28,537)	8,000	(110)	45,620	

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)	30,063	0	
Totals		30,063	0	

Oldham Methodist Circuit
Notes to the Accounts
for the Year Ended 31 August 2023

13. Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Restricted Funds	Endowment Funds	Total 2022-23
	£	£	£	£	£
Tangible fixed assets	2,040,000			30,063	2,070,063
Current assets	184,495	343,402	45,620		573,517
Current liabilities	(13,580)				(13,580)
Total	2,210,915	343,402	45,620	30,063	2,630,000

14. Related party transactions

During the year the Circuit received assessment income totalling £248,106 from the various churches within the Circuit (2022: £205,770).

The Circuit also incurred assessment costs of £77,080 payable to the District (2022: £71,518).

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 2023 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
Arc Accountancy Solutions Limited
51 Laverton Road
Lytham St. Annes
Lancashire
FY8 1EN

Date: