



THE METHODIST CHURCH
TEMPLATE REPORT AND ACCOUNTS
(ACCRUALS BASIS)
for the year ended 31 August 2016

Newquay, Perranporth and St Agnes

Circuit

Registered Charity - Registration number

1139481

Cornwall District

District No / Circuit No

12/05

Ministers

The Reverend Simon J Clarke BA

The Reverend Sandy Osgerby BA

The Reverend Derek House

Circuit Stewards

Mrs Ann J Redfern

Mr David Parker (to 31st March 2016)

Mrs Miranda Knight (to 31st December 2015)

Circuit Treasurer

Mrs Sue Jackson

Newquay Perranporth & St Agnes Methodist Circuit
TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

Introduction

This has been another challenging but exciting year for the Methodist Circuit. We have set about reducing our dependence on reserves, something which will continue in the years to come. We remain committed to our primary task of being "A Discipleship Movement Shaped for Mission".

Aims and organisation

The calling of the Methodist Church is:

- 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.

Review of the year

Income trends

Circuit income is primarily drawn from the assessment paid by the Circuit churches. The lettings income relates to the rental of a manse.

Expenditure trends

Stipend expenditure has increased each financial year in line with conference approved increases.

A significant element of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

As the plans for the new church on the Nansledan Estate, Newquay, neared fruition, we transferred £500,000 from the Model Trust Fund into local Newquay Church funds. These funds had been allocated to the Newquay project since the sale of various chapel properties in previous years.

Fund balances

As at 31 August 2016 the net current assets of the Circuit were £135k.

Plans for 2016/17

Circuit financial plans for the coming year have been prepared on the basis that there remain 2 full time ordained staff with anticipated cost of living stipend increases combined with an increase in the assessment paid to the District such that on average a 1.0% assessment increase has been requested from the Circuit churches.

Newquay Perranporth & St Agnes Methodist Circuit

Trustee's Annual Report on Finance and Governance

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2016 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the FRSE 2015

Full Name of Charity: Newquay Perranporth & St Agnes Methodist Circuit

Registration Charity Number: 1139481

Date of registration 22-12-2010

Main communication address: 24 Tredinnick Way, Perranporth, TR6 0EG

The members of the Newquay Perranporth & St Agnes Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Circuit Ministers and officers

Active Circuit Ministers: Rev. Simon J Clarke (Superintendent)
Rev. Sandy Osgerby
Rev. Derek House (Supernumerary)

Circuit Lay Workers: Mr Gareth Jones Community/Pastoral worker
Mrs Liz Holloran Children/Family worker

Circuit Steward: Mrs Ann Redfern

Mrs Linda Berry to 13-05-2016 and from 14-05-2016 Mrs Sue Jackson acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Independent examiner: *Mr Luke Bennett (partner) Francis Clark LLP, Lowin House, Tregolls Road, Truro TR1 1NA*

Investment Bankers: Central Finance Board of the Methodist Church
Trustees for Methodist Church purposes

Newquay Perranporth & St Agnes Methodist Circuit

Aims and organisation

The charity objective is to act as a resource provider within the area around Newquay, Perranporth & St Agnes for the Methodist Church.

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

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The activities of the Circuit include:

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions.

Public Benefit

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

Structure, Governance and Management

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

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

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

Trustee Training

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

Related Parties

The Circuit is part of the Cornwall District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the circuit: St Agnes, Perranporth, Mount Hawke, Rose, Newquay, Crantock, Cubert & St Newlyn East

Newquay Perranporth & St Agnes Methodist Circuit

Risk Management

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

There is a regular annual review process undertaken and recorded.

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

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- The care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- The safeguarding and protection of all children, young people and adults when they are vulnerable
- The establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Newquay Perranporth & St Agnes Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Newquay Perranporth & St Agnes Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to six months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

Statement of Financial Activities (SOFA) for the year ended 31 August 2016

	Notes to the accounts	Unrestricted funds	CMTF (Unrestricted)	Restricted Funds	Endowment Funds	Total 2015-16	Total 2014-15
		£	£	£	£	£	£
Income and Endowments from:							
1	Donations and legacies	4	7,500	150	250	7,900	12,500
2	Charitable activities					-	
2a	Assessments or share	5	95,810			95,810	95,003
2b	Other					-	
3	Other trading activities	6				-	
3a	- Lettings		10,531			10,531	9,913
3b	- Miscellaneous					-	872
4	Investments	7	204	4,503	293	5,000	5,431
5	Other		1,656	24,696		26,352	30,870
6	Total		115,701	29,349	543	145,593	154,589
Expenditure on:							
7	Stipends, salaries, NIC & Pension costs	10	88,171			88,171	84,056
8	District Assessment		4,720			4,720	4,264
9	Methodist Church Fund		19,604			19,604	19,808
10	Telephone & travel		4,751			4,751	5,969
11	Insurance, utilities, etc		6,548			6,548	6,071
12	Maintenance on manses		2,874			2,874	4,837
13	Expenditure on other Circuit property		5,291	-		5,291	3,762
14	Depreciation	11	71			71	94
15	Internal organisations				2,960	2,960	4,125
16	Other Expenditure		6,052	1,235	74	7,361	5,441
17	Grants and Donations		-	512,124		512,124	20,000
18	Contributions/Levy to District Advance Fund			40,578		40,578	42,127
19	Total		138,082	553,937	3,034	695,053	200,554
20	Net income/(expenditure)		- 22,381	- 524,588	- 2,491	- 549,460	- 45,965
21	Transfers between funds		9,270	- 9,050	- 220		
			- 13,111	- 533,638	- 2,711	- 549,460	- 45,965
Other recognised gains / (losses):							
22	Gains/(Losses) on revaluation of fixed assets			-		-	
23	Gains/(Losses) on investment assets			77		77	9,991
24	Actuarial gains /(losses) on defined benefit pension schemes					-	
25	Net movement in funds		- 13,111	- 533,561	- 2,711	- 549,383	- 35,974
Reconciliation of funds:							
26	Total funds brought forward		16,957	1,265,371	50,851	1,333,179	1,369,153
27	Total funds carried forward		3,846	731,810	48,140	783,796	1,333,179

For information only Money received and passed on to External Organisations

Balance brought forward from last year

Offerings/Gifts - received for External Organisations

Offerings/Gifts - passed to External Organisations

Balance carried forward

0

0

Balance Sheet as at 31 August 2016

Unrestricted	Circuit Model Trust Fund (Unrestricted)	Restricted	Endowment Funds	Totals this year	Totals last year
£	£	£	£	£	£

Tangible Fixed Assets*

	Notes					
Land & Buildings	11		282,274			282,274
Equipment	11	213				213
Investment properties	12		365,000			365,000
Investments	12		977			977
Total fixed assets		213	648,251			648,464

Current Assets

Debtors and Prepayments	13	7,346	20,220			27,566	8,212
Other							
Trustees for Methodist Church Purposes deposits			72,312	36,812		109,124	653,608
Central Finance Board Deposits		21,346	(8,973)	11,234		23,607	46,866
Cash at Bank and in hand		2,412		94		2,506	1,624
Total current assets		31,104	83,559	48,140		162,803	710,310

Creditors and Accruals (due in under 1 yr)	14	27,471				27,471	25,592
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Net current assets (liabilities)		3,633	83,559	48,140		135,332	684,718
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Total assets less current liabilities		3,846	731,810	48,140		783,796	1,333,179
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Loans and creditors due after 1 year	14, 16						
Provisions for liabilities and charges	14, 16						

Net assets		3,846	731,810	48,140		783,796	1,333,179
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Funds of the Circuit

Unrestricted funds		3,846				3,846	16,957
Circuit Model Trust Fund (Unrestricted)			731,810			731,810	1,265,371
Restricted funds				48,140		48,140	50,851
Endowment funds						-	-
Total Funds		3,846	731,810	48,140		783,796	1,333,179

*Details - see Note 11

Summary of the Internal Organisations reporting to the Circuit Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose.

Internal Organisations	Opening balance	Receipts	Payments	Net Receipts/ Payments	Adjustments	Closing balances
Activate 2015	13945	250	2960	11235		11235
Total	13945	250	2960	11235		11235

Total Receipts	Total Payments
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Continue on a separate sheet if necessary and bring the totals forward. Transfer Totals of Receipts and Payments to the SOFA

Notes to the Accounts

1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities applicable in the UK (effective from 1 January 2015) – the Charities SORP (FRSSE) – 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."

2 Funds

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

3 Accounting policies

Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year, on the accruals basis to show a true and fair view of the Circuit's financial position and activities.

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.

Resources Expended

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. 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.

VAT

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

Tangible fixed assets for use by the Circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold property is shown in the accounts at original cost. No depreciation is provided on the building 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.

Investment Properties

This includes investment properties which are not used for the purposes of the charity. They are held at market value as provided by the Circuit Stewards.

Investments

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

Debtors and Prepayments

Debtors relate to the payment of the September stipend in August together with other accrued income and prepayments.

Creditors

Creditors include both sundry expense accruals and specifically the 1st quarter assessment received in August.

Impact of Accounting changes

A statement is required if there has been any restatement required to previous reported information as a consequence of the new SORP.

Newquay, Perranporth and St Agnes Circuit

4. Donations and legacies	Unrestricted	Circuit Model Trust Fund	Restricted	2016 Total	2015 Total
	£	£	£	£	£
Donations	-	150	250	400	-
Legacies	7,500	-	-	7,500	12,500
Total	7,500	150	250	7,900	12,500

5. Charitable activities - assessments	Unrestricted	Circuit Model Trust Fund	Restricted	2016 Total	2015 Total
	£	£	£	£	£
Assessments	95,810	-	-	95,810	95,003
Total	95,810	-	-	95,810	95,003

6. Other trading activities	Unrestricted	Circuit Model Trust Fund	Restricted	2016 Total	2015 Total
	£	£	£	£	£
Manse Rental Income	10,531	-	-	10,531	9,913
Other Income	-	-	-	-	872
Total	10,531	-	-	10,531	10,785

7. Investment income	Unrestricted	Circuit Model Trust Fund	Restricted	2016 Total	2015 Total
	£	£	£	£	£
Other	204	4,503	293	5,000	5,431
Total	204	4,503	293	5,000	5,431

8. Payment to Trustees

	This year	Last year
Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting	£	
Number of trustees who were paid expenses	5	3
Nature of the expenses	Reimbursement of travel, out of pocket expenses, purchases on behalf of the Circuit etc	
Total amount paid	£ 2,810	1,787

9. Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts	£ 990	1,080
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	£ 72	135

10. Paid employees**Staff Costs paid during the year were:**

Gross wages, salaries and benefits in kind	£ 72,246	70,448
Employer's National Insurance costs	£ 6,587	5,059
Pension costs	£ 12,299	12,176
Total staff costs	£ 91,132	87,683
Average number of staff employed during the year were:	5	4

11 Tangible Fixed Assets

The manses relate to the two properties on Tredinnick Way and Hilgrove Rd. They are included in the accounts at the original cost of the properties.

Cost or valuation

	Residential Land £	Other Land £	Manses £	Other buildings £	Other fixed assets including motor vehicles £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward			282,274			2,728		285,002
Additions								
Revaluations (+/-)								
Disposals (-)								
Transfers* (+/-)								
Balance carried forward			282,274			2,728		285,002

Accumulated depreciation

	SL or RB	RB						
** Basis								
** Rate		0%				25%		
Balance brought forward							2,444	2,444
Depreciation charge for year (-)							71	71
Revaluations (+/-)								
Disposals (-)								
Transfers* (+/-)								
Balance carried forward							2,515	2,515

Net book value

Brought forward	-	-	282,274	-	-	-	284	282,558
Carried forward	-	-	282,274	-	-	-	213	282,487

* The "transfers" row is for movements between fixed asset categories.

** Indicate the method of depreciation by deleting the method not applicable (SL = straight line; RB = reducing balance). Also indicate the rate of depreciation: for straight line, depreciation is based on the anticipated life of the asset (in years); for reducing balance, a percentage annual deduction is made each year.

12 Investments

The funds that support the Circuit Model Trust Fund and the Manses 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 polity as determined by the Methodist Conference.

Analysis of investment movements

		This year	Prev year
Investments listed on a recognised Stock Exchange		977	903
Investments held in common investment funds,			
Securities not listed on a recognised Stock Exchange			
Other investments			
	Total	977	903

Change in investment values

Carrying (market) value at beginning of year		365,903	355912
Add: additions to investments at cost			
Less: disposals at carrying value			
Net gain/(loss) on revaluation		74	9991
Carrying (market) value at end of year		365,977	365,903

13. Analysis of current assets

	This year	Last year
	£	£
Debtors and prepayments		
Pre paid assessments		
Accrued income	300	422
Other debtors	27,266	7,790
Total debtors and prepayments	27,566	8,212

Analysis of cash at bank

Bank balance held in Lloyds Bank	2,506	1,624
Bank balance held in Circuit Model Trust Fund	72,312	616,796
Bank balance held in Local Model Trust Capital	7,192	7,192
Bank balance held in Model Trust Bequests	29,620	29,620
Bank balance held in Central Finance Board	23,607	46,866
Total Cash and Bank	135,237	702,098

14. Analysis of current liabilities and long term creditors

Trade Creditors	£	
Other Creditors	£	25,592
Total Current Liabilities	£	25,592

15. Capital Commitments and Contingent Liabilities

At the 31 st August 2016 the Circuit has no capital commitments.

No Contingent liabilities were identified at 31st August 2016.

Newquay, Perranporth and St Agnes Circuit
DECLARATIONS

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2016 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of Treasurer

SG Jackson

Date

29.04.17

Name of Treasurer

MRS SG JACKSON

Address

63 TRENANCE RD
NEWQUAY CORNWALL TR7 2HL.

Presentation to the Circuit Meeting for approval.

I confirm that the annual report and accounts for the year ended 31 Aug 2016 were, or will be* presented to the Circuit Meeting at its meeting on

15.6.17

and were approved.

Signature of the Chair of the meeting

Simon Clarke

Name of the Chair of the meeting

SIMON CLARKE

Date

29.4.17

Independent Examiner's Report to the Trustees of the

Newquay Perranporth & St Agnes

Circuit

This Report is on the Circuit Accounts for the year ended 31st August

2016

Respective responsibilities of Trustees and Examiner

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2016 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 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

* Please delete or circle as appropriate

Newquay, Perranporth and St Agnes Circuit

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 presented 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.
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

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 ~~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.

Name of independent examiner

Signature of independent examiner

Relevant Professional qualification of independent examiner

Name of firm (where appropriate)

Address

Date

* Please delete or circle as appropriate