



The Methodist Church

LIVERPOOL NORTH CENTRAL METHODIST CIRCUIT



TRUSTEES' ANNUAL REPORT AND ACCOUNTS YEAR ENDED 31 AUGUST 2018

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

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www.liverpoolnorthcentral.org.uk

Liverpool North Central Methodist Circuit (Number 18/03)
Year Ended 31 August 2018

1 OBJECTIVES AND ACTIVITIES

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

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

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

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

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

The Circuit's mission objective is focused on four "Mission Centres of Excellence", based in different church locations as follows:

- Volunteering (Learning and Caring) based at Kensington, Liverpool 7
- Worship based at Oakfield, Anfield, Liverpool 4
- Faith development (Evangelism) based in West Derby, Liverpool 12
- Children and families (Service) based at County, Kirkdale, Liverpool 4

Each Centre seeks to be a hub for expertise, training and development, thus making best use of the resources available.

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

2 ACHIEVEMENTS AND PERFORMANCE

Centres of excellence

The Circuit continues to seek ways of developing its four mission centres of excellence and to identify and develop funding applications for additional workers.

Children and Family work

The Children and Family Worker has completed her second year in post. She continues to work on a flexible basis, where possible, to meet the needs of the Circuit churches and communities. Achievements have included:

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- working alongside the existing uniformed organisations in two of our churches – Boys' Brigade and Girls' Association (BB/GA) in West Derby and Girls' Brigade (GB) at Kensington.
- leading a group of children from BB/GA to *3Generate*, the Methodist Church's national Children and Youth Conference.
- leading the GB District Church Parade held at Kensington Methodist Church and celebrating the 125th Anniversary of Girls' Brigade.
- working in collaboration with two local schools to lead special assemblies for Harvest, Advent and Easter and being part of the Ecumenical *Big Bash* team at Easter, taking the Easter message to schools throughout the Kensington area of Liverpool.
- encouraging a team of volunteers to organise the weekly *Swap Shop & Table Sale* at County Methodist Church following the retirement of the previous leaders. Relocation to the basement premises with more flexible accommodation and incorporating hospitality with refreshments has encouraged increased footfall and resulted in increased social interaction and links between the local community and church.
- working with the Neighbourhood Watch Scheme committee in Walton to develop strategies for improved social cohesion and prevention of social isolation for the community.
- establishing a new play scheme for Walton housed at County Methodist Church, called *Rise and Shine*. *Rise and Shine* ran for nine sessions over three weeks during the summer holidays, lasting approximately 1.5 hours per session. External funding was secured to defray costs and a volunteer pool from other churches and community groups was developed. *Rise and Shine* offers a safe environment where families can engage in play activities and crafts. Participants receive a healthy breakfast of cereals, yoghurts, fruit and fruit juice. During this summer, over 50 children with their parents, grandparents or carers from 25 families were welcomed at this play scheme and around 280 breakfasts were served. Many of these families had never been to the church before, with creation of happy memories of a Christian community and reinforcement of positive intergenerational relationships. Food items provided by FareShare were used with surplus items distributed to participating families. *Rise and Shine* also operated during school half term holidays.
- coordinating a well attended summer programme at West Derby, with Film Club on Tuesday evenings and activity evenings on Thursdays. These events used themes linked to Café Church Worship each Sunday morning.
- creation of 'one-off' activities focusing on children and families throughout the year, including Pumpkin Party, A Right Royal Do (Epiphany), Easter, Pancake Party and an Aldersgate Celebration.
- creation of worship events in collaboration with our Deacon, incorporating a group of adults with special needs.
- delivery of children's activities to Kensington Methodist Church at Summer and Christmas Fairs and promotion of a Quiz Night and a Prize Bingo Night.
- creation of a Family Film Club at County Methodist, by securing funding for equipment purchase and installation.
- establishment of *That Reading Thing* in Walton, delivering a programme designed to develop literacy skills with struggling readers.

Community lunch

The Community lunch Project has now been serving Wednesday lunches at Kensington for ten years.

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This year lunch has been served on 37 occasions. Numbers attending each week have ranged from 19 to 38 with an average attendance of 27. A total of 1015 lunches have been served this year with 90% of those attending living within two miles of the church and 69% within one mile.

The majority of visitors continue to be male although we have had an increased number of female visitors attending this year. All our visitors continue to present a variety of needs; some are homeless, some have housing needs, some are in supported living, some have learning difficulties, some have mental health problems, others have issues relating to the misuse of drugs or alcohol and some are asylum seekers. Many of those helped have little support from family or friends, are quite socially isolated but respond well to the friendship and support that is offered.

We continue to attract a core group who come regularly each week and with whom we have built relationships, together with others who visit spasmodically. Changes and cuts in welfare benefits have continued to affect many of the people attending. This year we have noticed an increase in the number of our visitors who are encountering sanctions or delays with their benefit claims and are leaving many destitute with no money. We have also noticed that because of this, there is a rise in the number of people known who are finding themselves homeless. We have been able to provide some with temporary assistance of food parcels from Kensington's Fareshare, clothes and other services.

Our intercessory prayer ministry where prayer cards are placed on the tables and our visitors can ask for prayers for themselves or for family or friends has continued to be well used.

Our faithful team of volunteers have come from circuit churches, other churches in the area, former members of a local Asylum Group, an asylum seeker, and a university student. All our volunteers have continued to offer their time, energy and commitment each week and we are very grateful to them for all their hard work.

Church re-structuring

The Circuit has continued to be active in the legal and financial restructuring required as trustee responsibility has been transferred from County Methodist Church to Oakfield Methodist Church. This work is ongoing as mission work and worship remains active across both locations.

2.1 Plans for future years

Working in the deprived communities of inner city North Liverpool we see the physical and spiritual needs of many disadvantaged people on a daily basis. People and community are at the heart of the vision of the Circuit and we are passionate to develop our mission to those living most local to us.

Government and charitable published reports and statistics confirm our own experiences that the greatest needs in our communities are amongst children and families and with lonely and isolated people. We wish to act now and offer what we can to make a difference to the communities in which we reside and live.

After careful planning and assessment of impact and risks we have developed a Community Intergenerational project for the three years 2019 to 2022 which we believe can best achieve our mission objectives and service our communities.

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This project will work in some of the most deprived areas of North Liverpool from the existing church bases at County (Kirkdale), Kensington and West Derby. The project will support two part time lay employee posts of 20 hours per week each; being a Children and Family Worker (CFW) and a Community and Church Liaison Officer with responsibility for older and isolated people (CCLO). These workers will support the existing ministry team under the supervision of the Superintendent Minister. The project will build and develop on the successes of the existing CFW post commenced in 2016, and due to end in 2019, when current funding stops.

The project will involve a variety of activities for children and families and for lonely and isolated people in various deprived communities in North Liverpool. Activities will be open to all, free at point of use and take place in the safety of our church premises. They will be led by workers and volunteers with a passion for community service and outreach. A number of activities will work closely with other church, community and charitable groups either directly or through sharing of volunteers or provision of resources. The project will seek opportunities for intergenerational working enabling all ages to be engaged by each other.

It is hoped that, through the delivery of this community intergenerational project, marginalised communities will feel that the Church identifies with them; local disadvantaged people see the Church in a new light and volunteers, new to Church, may start to explore spirituality and be drawn into the Church community.

Activities will be open to all members of the community with no charge at point of access and requiring nothing to be given back by participants. All activities will be in a safe place for all and will encourage people to develop contacts, make friendships and share experiences.

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3 FINANCIAL REVIEW

During the year the Circuit received total income of £111k (2016-17: £197k) and dispersed £113k (2016-17: £100k). The resulting excess of expenditure was reduced by an unrealised gain of £1k (2016-17: £1k) on the restricted reserves and endowments to produce a net excess of expenditure of £1k (2016-17: excess of income of £98k) and total reserves carried forward of £523k (2016-17: £524k).

The Circuit's main source of funding was the assessments obtained from each Church within the Circuit based on financial capabilities of the Churches and this was used to defray most of the cost of administering the Circuit. This sum amounted to £61,808 (2016-17: £61,808).

The income from properties relates to the rental of manses, one to a private tenant under an assured tenancy agreement and the other to the Liverpool City Centre Circuit under an agreement relating to the sharing of costs of the Superintendent Minister.

Grants received are from the Liverpool District Advance Fund towards the general operating costs of the Circuit and from Joseph Rank Benevolent Trust and Liverpool District Advance Fund towards the cost of a Children and Family worker.

The unrestricted general account shows an improvement on the budget deficit due to lower administration costs. There were no significant events during the year. Stipend expenditure has increased each financial year in line with conference approved increases.

26% of general fund expenditure is the Circuit contribution to the District and Connexion of which a significant part is used to fund the work of the wider Methodist church.

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

The Circuit continues to hold two freehold properties being the Manses in Priory Road and Eaton Road, Liverpool.

3.1 Investment Policy and Performance

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

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest. There are no bench marks for the expected returns or appreciation

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on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the Circuit so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the Circuit's low appetite for risk.

3.2 Reserves level and policy

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

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

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

	£
<i>Unrestricted funds</i>	
General Fund	486,387
Circuit Model Trust Fund	<u>4,820</u>
Total unrestricted funds	<u>491,207</u>
 <i>Restricted funds</i>	
Mission Income	92
Mission Capital	24,251
Kensington Outreach	20
CFW Projects	1,158
CFW Mission	<u>3,506</u>
Total restricted funds	<u>29,027</u>
 Total endowment funds	<u>3,281</u>
 Total funds	<u>523,515</u>
 Available Reserves	
Total unrestricted funds	491,207
Less: invested in the manse	<u>(430,000)</u>
 Uncommitted reserves, readily available	<u>61,207</u>

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

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

- three months' payroll costs and closing costs of staff redundancies - £18k
- three months administration and staff expense costs - £ 3k
- manse repair reserve - £25k
- three months connexional and district assessment - £ 4k

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At 31 August 2018 this sum amounted to £50k against actual readily available reserves of £61k as stated above. Actual readily available reserves were thus in excess of policy at the year end by £11k. The trustees are, however, mindful that future income from the churches is not secure and it is judged prudent to retain a buffer against this funding volatility.

3.3 Plans for 2018/19

Circuit financial plans for the coming year have been prepared on the basis that there remains one and a half full time ordained staff and a part time lay worker with anticipated cost of living stipend increases combined with a small increase in the assessment paid to the district and connexion such that on average a 0% assessment increase has been requested from the circuit churches.

4 TRUSTEES' RESPONSIBILITIES

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

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

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

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

4.1 Training

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment. A range of guidance produced by Methodist Connexion to support the effective running of the Circuit and the role of Trustees is given to the Circuit Trustees at various meetings and / or training sessions.

4.2 Risk

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

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

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

4.3 Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

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

The Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice. The Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Structure

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

- Overall regulatory authority rests with the Methodist Conference.

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

5.2 Purposes of the Methodist Church

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

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

5.3 Governance

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

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

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

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

5.4 Management

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

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6 REFERENCE AND ADMINISTRATION DETAILS

6.1 Charity Name

Liverpool North Central Methodist Circuit

6.2 Charity Registration Number

1163418, registered in England and Wales

6.3 Principal Office

c/o Oakfield Methodist Church

Oakfield Road

Liverpool

L4 0UQ

E-mail mail@liverpoolnortcentral.org.uk

Web Site www.liverpoolnorthcentral.org.uk

6.4 Superintendent Minister

The Revd Ian Hu

6.5 Secretary of the Circuit Meeting

Mrs Ruth Stirrup

6.6 Circuit Minister

Deacon Flip den Uil

6.7 Circuit Stewards

Mr Frank McFarlane (Managerial)

Mr David K Smith

6.8 Property Secretary

Mr Ian Culshaw

6.9 Names of trustees

The following served as trustees throughout part or all of the year 2017-18 or were trustees at the time of this report being approved:

Mr Paul Ackers until August 2018

Mr Don Ashton

Mrs Gillian Culshaw

Mr Ian Culshaw

Mr William Eales

Miss Mary Fairhurst until August 2018

The Revd Ian Hu

Mr Brian Kiel

Ms Joan Lewis

Mr Frank McFarlane

Mrs Patricia McGinty

Ms Lorraine Oram

Mr Stanley Povall until August 2018

Mr David K Smith

Mr David Stirrup

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Mrs Ruth Stirrup
Mrs Jill Stubbs
Ms Joycelyn Thompson until August 2018
Mrs Alison Twist
Mr Steve Twist
Deacon Flip den-Uil
Mr David Williamson

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

6.10 Children and Family Worker

Mrs Alison Twist

6.11 Bankers

HSBC plc
99 – 101 Lord Street
LIVERPOOL
L2 6PG

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

6.12 Investment managers and custodian trustees

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

6.13 Independent Examiner

Mr Anthony Kletz FCA
46 Talbot Street
Southport
PR8 1HS

Approvals

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 20 May 2019.

Signed on behalf of the Circuit Meeting, as authorised:

Ian Hu (signed)

David K Smith (signed)

Rev Ian Hu

Superintendent

Date: 20 May 2019

David K Smith

Circuit Treasurer

Date: 20 May 2019

Statement of Financial Activities (SOFA) for the year ended 31 August 2018

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2017-18 £	Totals 2016-17 £
Income and Endowments								
Donations and legacies	7				2,191		2,191	757
Income from monetary investments		28	470		640	47	1,185	683
Income from investment properties	3	1,910					1,910	5,850
Assessments on Churches	4	61,808					61,808	61,808
Capital Receipts								
Grants received	5	16,000			22,161		38,161	35,124
Other charitable activities	6	4,491		1,389			5,880	92,389
Total from charitable activities		84,237	470	1,389	24,992	47	111,135	196,611
Other income								
Total income and endowments		84,237	470	1,389	24,992	47	111,135	196,611
Expenditure								
Grants and donations	8				539		539	525
Salaries and associated costs	9	53,753			14,732		68,485	67,581
Property maintenance	11	9,811					9,811	3,101
Connexional assessment	13	13,211					13,211	12,324
District Assessment	14	3,677					3,677	3,028
Office and administration costs	12	7,543			2,644	15	10,202	8,722
Other charitable activities	15			1,981	4,977		6,958	5,027
Total charitable expenditure		87,995		1,981	22,892	15	112,883	100,308
Gains/(losses) on monetary investments					791	(23)	768	1,268
Net income/(expenditure)		(3,758)	470	(592)	2,891	9	(980)	97,571
Transfers between funds	17	66,577	(63,419)	(4,307)	1,182	(33)		
Net movement in funds		62,819	(62,949)	(4,899)	4,073	(24)	(980)	97,571
Reconciliation of funds:								
Total funds brought forward		423,568	67,769	4,899	24,954	3,305	524,495	426,924
Total funds carried forward		486,387	4,820		29,027	3,281	523,515	524,495

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Balance Sheet as at 31 August 2018

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
Fixed Assets								
Circuit Manse	18	150,000					150,000	150,000
Investment property	19	280,000					280,000	280,000
Investments					21,479	1,107	22,586	21,819
Total fixed assets		430,000			21,479	1,107	452,586	451,819
Current Assets								
Debtors	20	23,918					23,918	9,201
Investments with TMCP Central Finance Board	21	3,307	4,820		2,773	2,174	13,074	75,990
Deposits	22	62,598					62,598	18,996
Cash at Bank and in hand		10,034			4,775		14,809	23,331
Total current assets		99,857	4,820		7,548	2,174	114,399	127,518
Current liabilities								
Creditors (due in under 1 year)	23	43,470					43,470	54,842
Net current assets/liabilities		56,387	4,820		7,548	2,174	70,929	72,676
Total assets less current liabilities		486,387	4,820		29,027	3,281	523,515	524,495
Net assets		486,387	4,820		29,027	3,281	523,515	524,495
Funds of the Circuit								
General Fund (Unrestricted)		486,387					486,387	423,568
Circuit Model Trust Fund (Unrestricted)			4,820				4,820	67,769
Designated Funds (Unrestricted)								4,899
Total Unrestricted Funds		486,387	4,820				491,207	496,236
Restricted Funds					29,027		29,027	24,954
Endowment Funds						3,281	3,281	3,305
Total Funds		486,387	4,820		29,027	3,281	523,515	524,495

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Notes to the Accounts For The Year Ended 31 August 2018

1 Accounting framework and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (the Charities SORP (FRS 102) as amended by Update Bulletin 1) – in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the “true and fair override” provision contained therein.

ii Public benefit entity

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

iii Basis

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

iv Content

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

v Going concern

Based on the monetary assets and human resources available at 31 August 2018, the trustees believe that the Circuit is a going concern.

vi Consolidation

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

vii Income recognition

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

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

The Circuit acts as agent in two matters:

- the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church – “Connexional Funds”.

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- the payment of accounts to the Property Caretaker and church cleaner on behalf of West Derby Methodist Church.

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

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

viii Expenditure

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

ix VAT

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

x Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold properties are shown in the accounts at 2015 deemed values, of which the land component is deemed to be £100,000. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The properties have been reviewed for impairment.

xi Investments

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

xii Receivables and Payables; Bank and Cash

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

xiii Methodist Connexional Funds

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

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

xiv Endowment funds

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

xv Ministers' manse costs

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

2 Glossary of terms

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

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

Circuit: a group of Methodist Churches near each other

CMTF: Circuit Model Trust Fund

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

District: a group of contiguous Circuits

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

JRBT: Joseph Rank Benevolent Trust

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain (Liverpool Circuit)

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

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

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

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

3 Income from Investment Property

The trustees have determined that the property listed below is unlikely to be returned to use as a manse in the foreseeable future and have therefore classified the same as an Investment Property. Letting income is shown gross of fees and commissions

	General	CMTF	Desig	Restricted	Endow	Total	2017
Letting Income:							
25 Eaton Road	1,910					5,850	5,850
Totals	1,910					5,850	5,850

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

4 Assessments on Circuits

The Circuit comprises of 4 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all its net core costs from the Assessment.

	General	CMTF	Desig	Restricted	Endow	Total	2017
Assessments:							
Oakfield	26,344					26,344	26,344
Kensington	13,428					13,428	13,428
West Derby	<u>22,036</u>					<u>22,036</u>	<u>22,036</u>
Totals	<u>61,808</u>					<u>61,808</u>	<u>61,808</u>

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

All churches paid their assessments to the Circuit during the year or shortly after its end.

5 Grants received

	General	CMTF	Desig	Restricted	Endow	Total	2017
Circuit Ministry							
District Advance Fund	16,000					16,000	16,000
CFW Ministry							
Joseph Rank Ben. Trust				10,000		10,000	10,000
District Advance Fund				8,422		8,422	8,422
CFW Projects				<u>3,739</u>		<u>3,739</u>	<u>702</u>
Totals	<u>16,000</u>			<u>22,161</u>		<u>38,161</u>	<u>35,124</u>

The District Advance Fund grant towards circuit ministry is year three of a five year priority grant to support ministry and mission work in deprived inner city communities within the circuit.

The grants from Joseph Rank Benevolent Trust and District Advance Fund towards Children and Family work (CFW ministry) are for year two of a three year grant to support children and family work across the Circuit.

CFW Project grants are one-off grants received to fund specific project work being undertaken by the Children and Family worker.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

6 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2017
Manse contribution							
Liverpool City Centre Circuit	4,491					4,491	4,424
Minibus Fund							
Contributions from other charities / community groups			1,389			1,389	3,145
Circuit Model Trust Fund							
Transfer in from net proceeds of sale of Trinity Methodist Church							<u>84,820</u>
Totals	<u>4,491</u>		<u>1,389</u>			<u>5,880</u>	<u>92,389</u>

The disposal proceeds of the Circuit minibus of £250 are included in the contributions amount of £1,389.

7 Donations and legacies

	General	CMTF	Desig	Restricted	Endow	Total	2017
Kensington Outreach							
Personal donations				1,357		1,357	182
CFW Projects							
Personal donations				295		295	50
MWIB							
Project Donations				272		272	25
At Home Days							251
Easter Offerings				<u>267</u>		<u>267</u>	<u>249</u>
Totals				<u>539</u>		<u>539</u>	<u>525</u>
Donations and legacies costs Totals				<u>2,191</u>		<u>2,191</u>	<u>67,581</u>

8 Grants and donations

	General	CMTF	Desig	Restricted	Endow	Total	2017
MWIB							
Project Donations				539		539	<u>525</u>
Totals				<u>539</u>		<u>539</u>	<u>525</u>

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

9 Salaries and associated costs

Stipends paid to one full time (2016-17: one) and one part time (2016-17: one) employees were as follows:

Stipends

	General	CMTF	Desig	Restricted	Endow	Total	2017
Stipends	40,131					40,131	39,559
National Insurance contributions	4,116					4,116	3,883
Pension Fund contributions	<u>9,506</u>					<u>9,506</u>	<u>9,355</u>
Totals	<u>53,753</u>					<u>53,753</u>	<u>52,797</u>

The Circuit employs one part time Children & Family Worker, (2016-17: one) lay staff as follows:

	General	CMTF	Desig	Restricted	Endow	Total	2017
Salary				13,250		13,250	13,250
National Insurance contributions				687		687	706
Pension Fund contributions				795		795	828
Totals				<u>14,732</u>		<u>14,732</u>	<u>14,784</u>

Contracted Hours (pw)

20

Salaries and associated costs Totals	<u>53,753</u>			<u>14,732</u>		<u>68,485</u>	<u>67,581</u>
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No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

Pensions

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

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

The Connexion accounts for the MMPS pension scheme and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in surplus as at the 2017 actuarial valuation. Details of this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

10 Cost of Superintendent, Ministers and Trustees

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

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

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

	Total	2017
	£	£
Stipends of Ministers	40,131	39,559
Employer's National Insurance contributions	4,116	3,883
Employer's Pension contributions to a defined benefit pension scheme	<u>9,506</u>	<u>9,355</u>
Total cost	<u>53,753</u>	<u>52,797</u>

Payments to trustees

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

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

Travel and administration costs of £nil (2016-17: £nil) were paid to other trustees.

11 Property maintenance

The Circuit is managing trustee for two manses, one of which is occupied by a minister stationed in the Circuit. One manse (25 Eaton Road) is let on an Assured Shorthold Tenancy. With the exception of the let manse, the Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

Manse costs	General	CMTF	Desig	Restricted	Endow	Total	2017
Repairs and maintenance							
131 Priory Road	6,179					6,179	-
25 Eaton Road	422					422	396
Council Tax	1,053					1,053	1,002
Water Rates	681					681	655
Insurance	<u>826</u>					<u>826</u>	<u>778</u>
Totals	<u>9,161</u>					<u>9,161</u>	<u>2,831</u>

The Circuit covers the cost of quinquennial and electrical inspections in the circuit churches. Since 2008 until its sale in 2017, the Circuit was been responsible for the building of Trinity Methodist Church. The following costs were incurred:

Other property costs	General	CMTF	Desig	Restricted	Endow	Total	2017
Trinity MC Repairs							270
Quinquennials	650						
Totals	<u>650</u>					<u>650</u>	<u>270</u>

Property maintenance Totals	<u>9,811</u>					<u>9,811</u>	<u>3,101</u>
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12 Office and administration costs

	General	CMTF	Desig	Restricted	Endow	Total	2017
Administrator							792
PPSA	864			67		931	886
Sundries	657			131		788	(321)
Training	50			615		665	335
Telephone	399					399	480
Travel	5,353			240		5,593	5,344
3Generate	220					220	
Preaching and worship expenses				1,545		1,545	1,149
TMCP charges				<u>46</u>	<u>15</u>	<u>61</u>	<u>57</u>
Totals	<u>7,543</u>			<u>2,644</u>	<u>15</u>	<u>10,202</u>	<u>8,722</u>

13 Connexional Assessment

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

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

	General	CMTF	Desig	Restricted	Endow	Total	2017
Methodist Church Fund (MCF)	<u>13,211</u>					<u>13,211</u>	<u>12,324</u>
Totals	<u>13,211</u>					<u>13,211</u>	<u>12,324</u>

14 District Assessment

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

	General	CMTF	Desig	Restricted	Endow	Total	2017
District assessment	<u>3,677</u>					<u>3,677</u>	<u>3,028</u>
Totals	<u>3,677</u>					<u>3,677</u>	<u>3,028</u>

15 Other charitable activities

	General	CMTF	Desig	Restricted	Endow	Total	2017
Minibus costs			1,981			1,981	4,027
CFW projects running costs				2,877		2,877	
Kensington projects running costs				<u>2,100</u>		<u>2,100</u>	<u>1,000</u>
Totals			<u>1,981</u>	<u>4,977</u>		<u>6,958</u>	<u>5,027</u>

16 Investment management

During the year the Circuit paid £61 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and various endowment funds (2016-17: £57). The sum of £61 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated. See Note 12 above.

17 Transfers between funds

During the year transfers of £33 were made between endowment funds and restricted funds being income earned on endowments available for restricted use. In addition £1,000 was transferred between restricted funds and general fund being the agreed management charge for the children and family worker. In addition £63,419 was transferred between circuit model trust fund and general designated fund being budget costs relating to mission project workers. In addition £2,150 was transferred between general fund and restricted funds being mission project costs of £1,200 and mission ministry costs of £949. £4,307 was transferred from the Designated minibus fund to the unrestricted fund following disposal of the minibus.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

18 Manse and other property

The value of the Circuit manse in Priory Road, Liverpool is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £30,000. There is no depreciation on the manse as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	<u>30,000</u>	<u>120,000</u>	<u>150,000</u>
Balance carried forward at 31 August 2018	30,000	120,000	150,000

19 Investment property

The trustees have determined that the property in Eaton Road, Liverpool is unlikely to be returned to use as a manse in the foreseeable future and have therefore classified the same as an Investment Property. The value of the property is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £70,000. There is no depreciation on the property as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset's cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	<u>70,000</u>	<u>210,000</u>	<u>280,000</u>
Balance carried forward at 31 August 2018	70,000	210,000	280,000

20 Debtors and prepayments

Debtors were made up as follows:		
	2017-18	2016-17
	£	£
Trade debtors		
Connexional Grant		
Payroll costs – Liverpool District	6,274	
Rent arrears – 25 Eaton Road	3,900	3,900*
Payroll costs – West Derby MC	<u>2,864</u>	<u>2,407</u>
	13,038	6,307
Prepayments and accrued income		
Payments in advance	<u>9,880</u>	<u>1,894</u>
<i>Unrestricted Prepayments:</i>	<i>9,880</i>	<i>1,894</i>
Grants outstanding - JRBT	<u>1,000</u>	<u>1,000</u>
<i>Restricted Prepayments:</i>	<i>1,000</i>	<i>1,000</i>
Total (net)	23,918	9,201

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

With the exception of items marked thus (*) all sums shown as Debtors at 1 September 2017 were received during the following year. All sums paid in advance at 1 September 2017 were for activities that have been held during 2017-18.

21 Trustees for Methodist Church Purposes

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

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

22 Central Finance Board (CFB) and Cash at Bank

The Circuit has two current accounts at HSBC plc, an authorised institution. The sums held on those accounts are immediately available. In addition the Circuit has one deposit account at CFB, a common deposit fund. Interest is earned on this account and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

23 Creditors and accrued expenses

Creditors were made up as follows:	2017-18	2016-17
	£	£
Trade creditors		
Liverpool District		11,532
Sankey Valley Circuit		2,500
Stipends – Methodist Church	8,908	4,454*
Payroll – Liverpool District		
Minister's expenses	606	2,375
<i>Total trade creditors</i>	<i>9,514</i>	<i>20,861</i>
Other creditors		
Advance payment	<u>17,000</u>	<u>17,000</u>
<i>Other creditors</i>	<i>17,000</i>	<i>17,000</i>
Accruals and deferred income		
Assessments received in advance	15,452	15,452
Various accruals	<u>1,504</u>	<u>1,529</u>
<i>Unrestricted Accruals:</i>	<i>16,956</i>	<i>16,981</i>
Total	43,470	54,842

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

Maturity analysis of financial liabilities				
	Accrued at		Accrual	Accrued at
	01-Sep-17	Paid in year	Made in year	31-Aug-18
Trade creditors				
Liverpool District	11,532	11,532		
Sankey Valley Circuit	2,500	2,500		
Minister's expenses	2,375	2,375	606	606
Stipends – Methodist Church	<u>4,454</u>		<u>4,454</u>	<u>8,908</u>
Total trade creditors	<u>20,861</u>	<u>16,407</u>	<u>5,060</u>	<u>9,514</u>
Other creditors				
Advance payment	<u>17,000</u>			<u>17,000</u>
Other creditors	<u>17,000</u>			<u>17,000</u>
Accruals and deferred income				
Assessments received in advance	15,452	15,452	15,452	15,452
Various accruals	<u>1,529</u>	<u>1,529</u>	<u>1,504</u>	<u>1,504</u>
Unrestricted Accruals:	<u>16,981</u>	<u>16,981</u>	<u>16,956</u>	<u>16,956</u>
Total	54,842	33,388	22,016	43,470

With the exception of items marked thus (*) all sums shown as Creditors at 1 September 2017 were paid during the following year. It is expected that all sums accrued at 31 August 2018 will be paid during the year to 31 August 2019.

24 Unrestricted Funds

24.1 General Fund – balance £486,387 at 31 August 2018 (2017: £423,568)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 88% of this fund is held as freehold properties, the Circuit manse and Investment property.

24.2 Other Designated Funds – balance £nil at 31 August 2018 (2017: £4,899)

These funds are to serve specific purposes but are not restricted by any document or deed to that purpose alone. These funds comprise:

The Minibus Fund – balance £nil (2017: £4,899) was available to meet the repair and maintenance costs of the Circuit minibus. Following disposal of the minibus the balance was transferred to the general fund. Total income in the year was £1,389 with total expenditure of £1,981.

25 Restricted Funds - balance £29,027 at 31 August 2018 (2017: £24,954)

The Worship and Mission income Fund, balance £92 (2017 £61), is used principally to support worship and preaching costs in the circuit. Total expenditure in the year was £1,546. A capital amount, £24,251 at 31 August 2018, is invested to provide income to support the purposes of the fund.

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

The Methodist Women in Britain Liverpool Circuit account – balance £nil (2017: nil) is prepared and controlled independently making donations to projects at home and overseas. Total income in the year was £539 and expenditure was £539.

The Kensington Outreach Fund – balance £20 (2017: overdrawn £437) provides funds for the circuit projects at Kensington Methodist church including the weekly community lunch. Total income in the year was £1,357 and expenditure was £2,100.

The CFW Fund – balance £3,506 (2017: £1,869) is a project to fund a Children and Family worker supported by Joseph Rank Trust and the District Advance Fund. This project commenced in August 2016.

The CFW projects funds various community activities led by the Children and Family worker. Total income in the year was £4,035 and expenditure was £2,877.

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

26 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-17	Income	Expenditure	Transfers	Gains/ Losses	31-Aug-18
	£	£	£	£	£	£
General Fund	423,568	84,237	(87,995)	66,577		486,387
Circuit Model Trust Fund	67,769	470		(63,419)		4,820
Minibus (Designated)	4,899	1,389	(1,981)	(4,307)		-
Total unrestricted	496,236	86,096	(89,976)	(1,149)		491,207
Worship and Mission	61		(1,546)	1,577		92
Mission Capital	23,461	640	(46)	(595)	791	24,251
Kensington Projects	(437)	1,357	(2,100)	1,200		20
MWIB Circuit		539	(539)			
CFW Projects		4,035	(2,877)			1,158
CFW	<u>1,869</u>	<u>18,421</u>	<u>(15,784)</u>	<u>(1,000)</u>		<u>3,506</u>
Total restricted	24,954	24,992	(22,892)	1,182	791	29,027
Circuit Account (Trust 822)	196	1		(1)		196
Hugh Rowlands (Trust 280)	378	5	(2)	(3)		378
J Edmondson Bequest (Trust 867)	2,302	36	(8)	(29)	(23)	2,278
Edith Rimmer Bequest (Trust 5243)	<u>429</u>	<u>5</u>	<u>(5)</u>	<u>(-)</u>		<u>429</u>
Total endowment	3,305	47	(15)	(33)	(23)	3,281
Total Funds	524,495	111,135	(112,883)		768	523,515

Liverpool North Central Methodist Circuit (Number 18/03)
Notes to the Accounts For The Year Ended 31 August 2018

27 Connected organisations and related parties

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

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

Names of Connected Organisations	Receipts £	Payments £
Donee: Liverpool Methodist District – District assessment		(3,677)
Donee: The Methodist Church Fund – Connexional assessment		(13,211)
Donor: Churches within Liverpool North Central Circuit (assessments on Churches)	61,808	
Donor: Liverpool Methodist District – Grant from District Advance Fund	16,000	
Donor: Liverpool Methodist District – Grant from District Advance Fund	8,422	
Donor: Liverpool City Centre Circuit – Manse contribution	4,491	

There were no related party transactions.

28 Volunteer contributions

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

29 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year end (2016-17: nil).

30 Lease commitments

The Circuit has no lease commitments

31 Independent examiner

No accrual has been made for the fee of the independent examiner who has provided his services free of charge (2016-17: Nil). The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2018 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Policy Committee.

Signature of treasurerDavid K Smith.....Date.....20 May 2019..

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

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

Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2018 were presented to the Circuit Meeting at its meeting on ...20 May 2019

Signature of the Chair of the meetingIan Hu.....

Name of the Chair of the meeting**REVD IAN HU...** Date ...**20 May 2019**

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

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2018 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

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

Liverpool North Central Methodist Circuit (Number 18/3)

Basis of Independent Examiner's Report

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

Independent Examiner's Statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Charities Act 2011
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(3) I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner.....Anthony M Kletz.....

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

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

Address ...**46 TALBOT STREET, SOUTHPORT PR8 1HS**

Date21 June 2019.....