

Annual Accounts  
South West Tyneside Methodist Circuit  
31<sup>st</sup> August 2024

## Annual Report 2023-2024

The South West Tyneside Methodist Circuit consists of ten Methodist Churches, two of which have two sites Strathmore Road (including Chopwell) and Unity (Amalgamation of Dunston Hill and Ravensworth Road) and a thriving café/walking church in Greenside – a class of Centenary Methodist Church in Crawcrook. The weekly morning service at Ravensworth Road and the evening service at Crawcrook are both available by telephone for those who are unable to attend, and the morning service at Rowlands Gill is streamed on Zoom. During the year Sunnyside had to close.

We had a successful outreach day at the Metro Centre shopping centre prior to Christmas.

Alongside the other churches in Blaydon (Churches together in Blaydon) we employ a Community Mission Worker who, amongst other things, runs the Community Larder and other community-based projects.

Our Circuit youth worker runs various activities, some via YouTube, assemblies for local schools, encouraging and enabling school visits etc.

Led by the superintendent minister the circuit is continuing the programme of “Transformational leadership” with a dedicated group of volunteers; they have so far worked specifically with Blaydon Methodist Churches.

A property for mission group has been set up to help churches with property projects and repairs.

The aims of the organisation (Circuit) are included in our Mission Statement and policy as follows -

### Purpose Statement

“Working together to be a blessing within and beyond our Churches

- Inspiring worship
- Encouraging discipleship
- Engaging with communities

Sharing the love of Jesus; in this time, in this place.

In order to encourage cooperation between churches and facilitate good stewardship, we seek to encourage Circuit-wide cooperation as an extension of commitment to each other in God without jeopardising any particular successful area of local work.

A brief financial review of the year.

We have exceeded our financial targets for the year. This is mainly due to unforeseen circumstance in regard to the pension repayment and timing difference for the 24/5 Youth worker grant.

#### Income

All churches have been able to maintain their assessments.

The circuit used some reserves (as per the budget).

We have continued to receive rental income from the manse in Whickham and have received two grants towards the costs of the Mission and Youth Workers.

#### Expenditure

Salaries and Stipends were increased in line with Methodist Church policy and the real living wage.

18.77% of unrestricted income was the circuit contribution to the district and connexion (20.83% of total costs). Other expenditure includes manse costs, travel costs etc.

As of 31<sup>st</sup> August 2024, the net circuit unrestricted assets were £335,192.

#### Basis of preparation and legal framework

The charities annual report and accounts for the year ended 31<sup>st</sup> August 2024 have been prepared in accordance with the "Charities Act 2011" and the "Charities Statement of Recommended Practice 2015" as applicable to the "Financial Reporting Standard (FRS) 102".

Full name of charity -

South West Tyneside Methodist Circuit.

Registered Charity Number 1133266

Date of Registration - 1<sup>st</sup> September 2009

#### Main Contract Address

Circuit Office,  
Strathmore Road Methodist Church,  
Rowlands Gill,  
Tyne & Wear,  
NE39 1HX

The members of the South West Tyneside Circuit Meeting are the Charity Trustees, membership being made up of circuit office holders, ministers, representatives to synod and representatives appointed by local churches.

Full membership list is attached.

#### Circuit Ministers and Officers

Rev Ann Varker  
Rev Janet Capstick  
Rev Trevor Capstick  
Rev Brigitta Steel  
Rev David Charter

Community Mission Worker – Mrs Rachel Charter

Circuit Youth Work – Miss Sam Cree

#### Circuit Stewards

Mrs Irene Middlemass  
Mrs Lyn Cookson  
Mr David Gray  
Mr William Gray  
Mr Peter Nelmes (treasurer)  
Mrs Sue Robson  
Mr Ian Atkinson  
Mrs Karen Atkinson  
Lesley Farnworth

Administrator - Mrs Jenny Holmes

Independent Examiner - Mrs Ann Brown  
27 Coldstream Avenue  
Leven  
Fife, KY8 5TN

Investments and Bank Accounts

Central Finance Board of the Methodist Church.

Trustees for Methodist Church Purposes

CAF Bank

Lloyds Bank

Aims and Organization

Charity objective is to act as a resource provider within the area around South West Tyneside 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 organizations 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 organization 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 the bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

Public Benefit

We confirm that the trustees have had regard to the Charity Commissions guidance on public benefit.

## Structure Governance and Management

The governing document for the circuit is the Deed of Union (1932) and the 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 and the Circuit Finance and Property Committee (Part of the CLT) and the circuit Policy Committee (Part of the CLT).

## 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 Newcastle upon Tyne District and is also accountable to the Methodist Conference.

The following Churches are linked to the circuit,

Blaydon

Burnopfield

Centenary Crawcrook (including Greenside Café Church

Fellside

Spoor

Sunnyside – ceased to meet 22/07/2024

Unity - two sites - Dunston Hill and Ravensworth Road, Ryton

Strathmore Road – two sites – Rowlands Gill and Chopwell, Whitehall Road.

## Risk Management

All major risks identified will be recorded by the Circuit Leadership Team (none have been identified) and professional advice will be taken if required.

Income and expenditure are monitored in total and 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 people in God's own image and likeness. Christians see this potential as fulfilled by God's recreation of us in Christ. Among other things this implies a duty to value all people as being in the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principals –

The care, nurture 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 the Safer Recruitment principals, 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 and informed personal 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 principals we will follow legislation, guidance and recognised good practice.

The South West Tyneside Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy, governance, legislation, guidance and safe practice in the circuit and in the churches.

The South West Tyneside 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 6 months average expenditure.

The Reserves Policy document is attached.



# RESERVES POLICY

Report on behalf of

South West Tyneside Circuit  
(\*Church Council/ Circuit Meeting/District)

To

Newcastle District  
(\*Circuit Meeting/District)

We submit our annual report in accordance with the requirements of the Methodist Conference and the Charity Commission guidance in CC19.

(i) The trustees have established their mission aims taking into account all of the resources available in terms of people, property and money

(ii) Mission initiatives/projects have been costed or estimates made of projected future costs which take into account the needs of the buildings and the requirements of the Quinquennial Inspection Report/s

(iii) We have agreed a Reserves Policy which is set out overleaf and is recorded in the trustees' minutes and our Annual Report

(iv) We recognise the need to be accountable as charity trustees for all the money which comes into our hands and will provide further information as required by the Circuit/District/Connexion

(v) Our Report is attached overleaf →

\* please delete as appropriate

## To be completed by Receiving Body

The

\*Circuit Meeting/District received the RESERVES POLICY of

South West Tyneside Circuit  
\*Church Council/Circuit Meeting/District

Policy accepted and acknowledgement sent to the trustees

YES ☐ / NO ☐

Policy noted and the following enquiries made of the trustees

Responses received and any further action taken

\*Circuit/District

Signatures ..... Date.....

\* Please delete as appropriate

## RESERVES POLICY of

**South West Tyneside Circuit**(\*Church Council ☐/Circuit Meeting ☒/District ☐)

1.	<b>General Funds held at Y/E 31/08/2024</b>	£335,192
2.	<b>Restricted Funds held</b> “	£24,892
3.	<b>Endowment Funds held</b> “	£

4. **Reserves policy for General Funds**

The Reserves Policy relates to our General Funds only. This includes our Bank accounts and funds held at Manchester.

We hold designated, restricted or endowment funds of £24,892 relating to Sunnyside Methodist Church upon closure. The Church aims to hold reserves amounting to approximately six months' average expenditure. As at the end of the last financial year our General Fund balance was £335,192, which was made up of Current Accounts Balance £3,703, CFB interest Account £54,412 and TMCP Account £277,077.

We have considered our mission plans for the future and have decided that in order to meet our Circuit normal expenditure (£180k) and routine repairs for manse costs (£50k) a reserve of approximately £230,000 would be preferred. The 2025 budget is currently anticipating a outflow (£11,000) following Sunnyside Methodist Church closure.

We are currently committed to Supporting Strathmore Roads Youth development programme £19k for one more year. The reserves include £10k Quinquennial costs accrued at £2k per annum for forth coming year's expenditure for Churches & Manse's.

Residue funds are available to support future Church projects and a potential Manse upgrade (Hollyholme).

5. **Policy for Restricted Funds**

These are mainly for reserves collected by Sunnyside Methodist Church relating to Heating, Organ and Fabric, which will require Charity Board's mission to release to general funds. These reserves may well be utilised during the disposal of the church.

6. **Terms relating to Endowment Funds held**

None

This Reserves Policy has been approved by

**South West Tyneside Circuit**(\*Church Council ☐/Circuit Meeting ☒/District ☐)

Treasurer	Trustee
Full name <b>Peter Arthur Nelmes</b>	Full Name <b>Rev. Janet Capstick</b>
Signature	Signature

## **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 FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

### **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. There are no Endowment funds. 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.

#### **Incoming Resources**

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.

#### **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**

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £500. The freehold property is shown in the accounts at 2023 insurance values of the buildings. 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 not 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.

#### **Investment Properties**

Investment properties - no property is currently deemed to not be held for the long term purposes of the charity.

#### **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.

## **4 Payment to Trustees**

There were no payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting, this excludes stipends.

#### Trustee expenses

	2023/24	2022/23
Number of Trustees	0	0
Total amount	£0	£0

#### 5 Fees for examination or audit of the accounts

	2023/24 £	2022/23 £
Independent examiner's or auditors' fees for reporting on the accounts	0	0
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	NIL	NIL

#### 6 Paid employees

##### Staff Costs paid during the year were:

	2023/24	2022/23
Gross wages, salaries and benefits in kind	£ 44221	51547
Employer's National Insurance costs	£ 2979	4595
Pension costs	£ 1776	1667
Total staff costs	£ 48976	57807

Average number of full-time equivalent employees in the year were:

1.7	2.4
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#### 7 Capital Commitments and Contingent Liabilities

At the 31st August 2024 there are no capital commitments.

No Contingent liabilities were identified at 31st August 2024.

#### 8 For information only Money received and passed on to External Organisations

	2023/24	2022/23
	£	£
Balance brought forward from last year		
Offerings/Gifts - received for External Organisations	0	0
Offerings/Gifts - passed to External Organisations	0	0
Balance carried forward	0	0

## 9 Tangible Fixed Assets

### Cost or valuation

	Land £	Manse £	Other buildings £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward	0	1781165	0	52651		1833816
Additions		0				0
Revaluations (+/-)						
Disposals (-)						
Transfers * (+/-)			2257814	58438		2316252
Balance carried forward	0	1781165	2257814	111089		4150068

### Accumulated depreciation

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

### Net book value

Brought forward	0	1781165	0	52651		1833816
Carried forward	0	1781165	2257814	111089		4150068

There were no additions, however with the closure of Sunnyside Methodist Church this has been transferred to the circuit trustees during the year at deemed valuation.

## 10 Investment assets

The circuit has no investment properties

The circuit has no common investment fund holdings

## 11 Loans

The Circuit currently has no loans

## 12 Analysis of restricted and designated funds

2023-24

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Community Mission Worker	1830	20454	0	-10000	12284	Support for individuals in specific need
Sunniside – Restricted funds		213		12395	12608	Heating, organ and fabric funds
Totals	1830	20667	0	2395	24892	

### ""Comparative analysis of restricted and designated funds 2022-2023

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Community Mission Worker	17659	2761	18590		1830	Support for individuals in specific need
Totals	17659	2761	18590		1830	

**Statement of Financial Activities (SOFA) for the year ended 31 August 2024**

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2023-24
		£	£	£	£	£	£
<b>Income</b>							
1 Donations and legacies					300		300
2 Income from monetary investments							0
3 Income from investment properties							0
4 Assessments on Churches		295,316					295,316
5 Capital Receipts							0
6 Grants received					20,000		20,000
7 Other charitable income		13,752	57,709		367		71,828
<b>8 Total income</b>		<b>309,068</b>	<b>57,709</b>	<b>-</b>	<b>20,667</b>	<b>-</b>	<b>387,444</b>
<b>Expenditure</b>							
9 Grants and donations		1,415	19,500				20,915
10 Salaries and associated costs		239,686					239,686
11 Property maintenance		6,064					6,064
12 Connexional assessment & model trust levy			10,689				10,689
13 District Assessment & Levy		69,414					69,414
14 Depreciation							0
15 Office expenses		5,579					5,579
16 Other outgoings		32,279					32,279
<b>17 Total charitable expenditure</b>		<b>354,437</b>	<b>30,189</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>384,626</b>
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							
<b>20 Net income/(expenditure)</b>		<b>-45,369</b>	<b>27,520</b>	<b>0</b>	<b>20,667</b>	<b>0</b>	<b>2,818</b>
21 Transfers between funds		10,000		-	10,000		0
22 Other gains/(losses)		7,707			12,395		20,102
<b>23 Net movement in funds</b>		<b>-27,662</b>	<b>27,520</b>	<b>0</b>	<b>23,062</b>	<b>0</b>	<b>22,920</b>
24 Total funds brought forward		85,777	249,557		1,830		337,164
<b>25 Total funds carried forward</b>		<b>58,115</b>	<b>277,077</b>	<b>-</b>	<b>24,892</b>	<b>-</b>	<b>360,084</b>

## Balance Sheet as at 31 August 2024

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Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2023/24	Totals 2022/23
	£	£	£	£	£	£	£

## Fixed Assets

Circuit Manses & Equipment						0	
Investment properties						0	
Investments						0	
<b>Total fixed assets</b>		0	0	0	0	0	0

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## Current Assets

Debtors						0	
Loans by the Circuit						0	
Investments with TMCP		277,077				277,077	
Central Finance Board Deposits							
	54,412					54,412	
Cash at Bank and in hand	3,703			24,892		28,595	
<b>Total current assets</b>	<b>58,115</b>	<b>277,077</b>	<b>0</b>	<b>24,892</b>	<b>0</b>	<b>360,084</b>	<b>0</b>

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CAF & Lloyds  
(Sunniside)

## Current liabilities

Creditors (due in under 1 year)						0	
Grants payable within 2022-23						0	
<b>Total current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net current assets/liabilities</b>	<b>58,115</b>	<b>277,077</b>	<b>0</b>	<b>24,892</b>	<b>0</b>	<b>360,084</b>	<b>0</b>

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<b>Total assets less current liabilities</b>	<b>58,115</b>	<b>277,077</b>	<b>0</b>	<b>24,892</b>	<b>0</b>	<b>360,084</b>	<b>0</b>
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## Long term liabilities

(due after more than one year)							
Grants payable after 2022-23						0	
Loans to the Circuit						0	
						0	
<b>Net assets</b>	<b>58,115</b>	<b>277,077</b>	<b>0</b>	<b>24,892</b>	<b>0</b>	<b>360,084</b>	<b>0</b>

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## Funds of the Circuit

General Fund (Unrestricted)	58,115					58,115	
Circuit Model Trust Fund (Unrestricted)		277,077				277,077	
Designated Funds (Unrestricted)			0			0	
<b>Total Unrestricted Funds</b>						<b>335,192</b>	<b>0</b>
Restricted Funds				24,892		24,892	
Endowment Funds					0	0	
<b>Total Funds</b>	<b>58,115</b>	<b>277,077</b>	<b>0</b>	<b>24,892</b>	<b>0</b>	<b>360,084</b>	<b>0</b>

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Signed

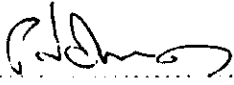
Circuit Treasurer



Name of Circuit ...South West Tyneside..... No20/15.....

## Declarations and Scrutiny

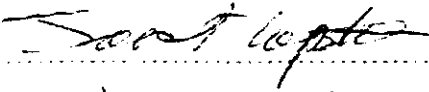
I confirm that these accruals-based accounts for the year to 31 August 2024 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of treasurer .....  ..... Date... 11/11/2024

Name and address of treasurer Peter Nemes, Glenavon Peth Lane, Ryton, Tyne & Wear  
Post Code...NE40 3PB.....

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2024 were/~~will~~\* be presented to the Circuit meeting held on: 20<sup>th</sup> March 2025

Signature of the Chair of the meeting: .....  .....

Name of the Chair of the meeting: ..... Janet Capstick ..... Date 20-3-25

## Independent Examiner's Report to the Trustees of the

South West Tyneside..... Circuit

Charity Number 20/15.....

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the South West Tyneside Circuit for the year ended 31 August 2024 set out on pages ... to .... As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

\* delete or circle as appropriate

**Independent Examiner's Statement**

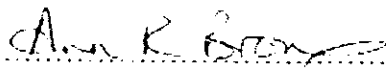
[The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Chartered Association of Certified Accountants]. *Delete [ ] if not applicable.*

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below\*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination *Delete if not applicable i.e. all R&P accounts*
- the trustees' annual report is not consistent with the accounts *Delete if not applicable i.e. all R&P accounts.*

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

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.

Signature of independent examiner ..... 

Name of independent examiner: ..... Ann Brown.....

Relevant professional qualification of independent examiner: Chartered Association of Certified Accountants (ACCA).....

Name of firm (where appropriate): ..... N/A .....

Address: ..... 27 Goldstream Avenue, Leven, Fife .....

Post Code: KY6 5TN .....

Date: ..... 11 January 2025 .....

\* delete or circle as appropriate