



Trustees Report and Annual Accounts for the year ended 31st August 2020

Trustees' Annual report for the year ended 31st August 2020

Introduction

The Trustees of the Wharfedale & Aireborough Circuit of the Methodist Church are pleased to present their Report for the year ended 31st August 2020.

Review of the Year

The Circuit operates 6 unrestricted and 5 restricted separate, open funds within its Accounts. The purpose of each Fund is summarised below and expanded in Notes to the Accounts BS6.

The majority of the Circuit's finances are processed through its General Account

The **General Fund** deals with all the day-to-day expenditure of the Circuit; primarily it meets the cost of the presbyters and employees of the Circuit, contributes to District and Connexion costs and meets the cost of running and maintaining the manses; to pay for these costs the Circuit raises Assessments on each Church in the Circuit with the intention to raise just sufficient income to cover the budgeted expenditure

A deficit of £17.1k arose on the Circuit's General Fund during the year as can be clearly illustrated by the following summarised comparison of the actual result and the budgeted result

	Actual	Budget
	£ '000	£ '000
Income	410	417
Expenditure	-405	-417
Transfer Out	-18	0
Surplus/deficit	-13	0

The **Circuit Model Trust Fund** exists to meet the need for major expenditure on Circuit property or to meet Circuit projects, both of which require the ultimate approval of the Trustees for Methodist Church Purposes ("TMCP"). The Fund reduced in value for £54k to £33k during the year as

funds were applied to manse refurbishment projects in the year (£13k), Circuit loan to District re Leeds City Centre Mission (£3.5k) and payment of a grant to support the cost of a lay worker at Menston Methodist Church (£5k).

There are five **Restricted Funds**:

Four of these were created many years ago, (Local Preachers' Library, Education and Youth, Small Churches and Training Fund) and have small balances carried forward from one year to the next. The Circuit intends to review the continued purpose of each in the future. The only one of the four historic Funds which saw any activity during the year was the Training Fund. Full details of all the Restricted Funds are shown in BS6 to the Accounts.

The **CAP Debt Centre Fund** was created in 2019 for the **restricted** purpose of separately managing donations and other income to be used to pay for the operation of a Christians Against Poverty (CAP) Debt Centre. Donations of £5.5k were received and a grant of £6.5k from Connexional funds. Expenditure of £15.4k was incurred made up of the costs of employing a part-time Debt Centre Manager and a monthly fee payable to CAP.

There are four **unrestricted designated** Funds:

The **Property Fund** was established in 2011 and exists to deal with the uneven incidence of maintenance and repair costs at the Circuit's 7 manses. (note9 below)

The **Beamsley Fund** was created in 2010 when the surplus funds of the Beamsley Chapel were transferred to the Circuit following the closure of the chapel. Since that time the Fund has been augmented by rents received from the tenants at the chapel.

The **Fund for the Norwood Chapel and Retreat Centre** was created in 2014 when the funds of the Norwood Church were transferred to the Circuit and the congregation became a class of Otley Church. A decision was made at the Circuit Meeting in February 2018 to continue worship at Norwood and maintain a meeting facility. To support the upkeep of the building and running costs, Norwood cottage is let at a commercial rent under an Assured Short Term Tenancy, further supported by the enrolment of 'Friends of Norwood' whose contribution mitigates the costs of the Chapel. During the year an appeal was made to churches and members around the Circuit for funds to refurbish the Chapel and attached cottage in order to continue activity.

The **Fund for Timble Chapel and Retreat Centre** was created during 2019 after Circuit Meeting elected to close the Chapel for regular worship. A small cash balance (£1k) held by the local management team was transferred into Circuit Funds to support the minimal running costs (insurance and electricity). Post August 2020 the Circuit Meeting resolved to cease all worship at Timble Chapel and made steps to dispose of the property in 2021.

In Aggregate the Circuit's total Funds as at 31st August 2020 stood at £2,819k, a decrease from 2020 of £17k.

Plans for 2020/21 and beyond

At the time the Budget for the current year (2020/21) was prepared it was envisaged that there would be 5.7 staff and 4 part-time lay employees supporting administration (10 hours per week), finance (17.5 hours per week) property (14 hours per week), CAP Debt Centre (16 hours per week) the equivalent of 1.6 full time employees. Account was taken of known stipend and salary increases for 2020/21 and the known increase in District and Connexion costs; sensible estimates were made about all other Circuit costs. It was on this basis that the Assessments on churches for the current year were compiled. Since the budget was agreed, decisions were taken by Circuit Meeting to employ an additional part-time presbyter from December to July at an approximate cost of £16k will lead to an overspend against budget. Due consideration has been given to the ongoing Covid-19 pandemic and no increases have been applied to church assessments.

Review of Circuit Staff Resources; during the year 2020/21 the Circuit will be conducting a review of Circuit Staff Resources both to prepare for a new Circuit Staff model to come into effect in September 2022 and to ensure that the model for our Circuit Lay Support Staff targets resources as effectively as possible.

Review of property held – during the year 2020/21 the Circuit completed the sale of the Timble Chapel and conducted a review of the number and location of Circuit Manses making the decision to reduce the number of Manses from 7 to 5 in line with the expected staffing levels.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31st August 2020 have been prepared in accordance with 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 Ireland (FRS 102) (effective from 1 January 2015) – (Charities SORP (FRS (102))).

Full name of Charity	The Wharfedale & Aireborough Methodist Circuit
Registered Charity Number	1132357

Date of registration	2011
Main communication address	20 Far Mead Croft Burley-in-Wharfedale LS29 7RR

The Members of the Wharfedale & Aireborough Methodist Circuit meeting are the Charity Trustees, membership being made up of Circuit office holders, ministers and representatives appointed by local churches.

Full membership is shown as Appendix A to this Report

Circuit Ministers and Officers

Active Circuit Ministers
Rev. Roberta Topham
Rev. Shannon DeLaurel
Rev. Roger Smith
Rev. Tim Perkins
Deacon Jenny Parnell
Rev. Leonora Wassell (p-t)
Rev Elizabeth Day (p-t)

As Superintendent Minister, the Reverend Timothy Perkins acted as chair of the Circuit Meeting.

Circuit Employees

During the year, the Circuit employed Michael Fawcett as a part-time administrator who also acts as Circuit Secretary, Mrs Beverley Downes, part-time Property and Finance Officer and Mrs Carol Tooke, part-time Circuit Finance Advisor and Mrs Samantha Price, part-time Circuit CAP Debt Centre Manager.

Circuit Stewards

The Circuit Stewards in office in the year ended 31st August 2020 were as follows:

Mrs Vivien Pitts
Mr Richard Lowe
Mrs Pauline Tate
Mrs Margo Atkinson
Mrs Hilary Murden

Circuit Finance matters are supported by Mr Richard Lowe who is Steward with responsibility for Finance Matters, supported by lay employee Mrs Carol Tooke, Circuit Finance Advisor.

The Circuit Ministers and Circuit Stewards meet 6 to 8 times a year as a Circuit Leadership Team.

The Independent Examiner is Stewardship Services (UKET) Limited of 1, Lamb's Passage, London EC1Y 8AB and one of their employees (this year Anjay Rajani FCIE) acts as the charity's independent examiner.

The Circuit's Investment Bankers are the Central Finance Board of the Methodist Church and Trustees for Methodist Church purposes

The Circuit's bank account is held at CAF Bank Ltd.

Aims and Organisation

The Charity's objective is to act as a resource provider for the Methodist Church within an area north west of Leeds between Rawdon and Guiseley to the south, Pool-in-Wharfedale to the east, Timble and Norwood to the north, and Ilkley and Addingham to the west.

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:
a. The Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church;
b. Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church;
c. Any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
d. Any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church
The organisation and resourcing of regular public acts of worship open to members of the church and non-members alike.
The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved
Taking religious assemblies in local schools
Promoting of Christianity through the staging of events and services
Provision of chaplaincy services to local institutions

Public benefit

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

Structure, governance and Management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976). Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team.

Trustee Training

A range of guidance produced by the 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 an induction to their role as Trustees.

Related Parties

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

The following Methodist Churches are linked to the Circuit.

Addingham Methodist Church

Ben Rhydding Methodist Church
Bramhope Methodist Church
Burley-in-Wharfedale Methodist Church
Guiseley Methodist Church
Hawthornthwaite Methodist Church
Christchurch Ilkley Church
Menston Methodist Church
Norwood Chapel
Otley Methodist Church
Pool-in-Wharfedale Methodist Church
Rawdon Trinity Church
Timble Methodist Church
Yeadon Methodist Church

Christchurch Ilkley and Rawdon Church operate as part of Local Ecumenical Partnerships (“LEPS”). Christchurch Ilkley is an LEP involving Methodists and the United Reformed Church; that at Rawdon involves Methodists and members of the United Reformed Church and the Baptist Church.

Risk Management

The major risks have been identified and recorded by the Circuit Finance and Property Committees with professional advice taken as required. There is a regular annual review process undertaken and recorded. Income and expenditure is being monitored in total and is compared with the approved annual Budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God’s own image and likeness. Christians see this potential as fulfilled by God’s recreation 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 be 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 Wharfedale & Aireborough Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy, Government legislation, guidance and safe practice in the Circuit and in the Churches.

The Wharfedale & Aireborough Methodist 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

Impact of Covid-19 pandemic

The impact of the Covid-19 pandemic affected the Circuit and its churches from March 2020. The Circuit relies upon income from its churches which in turn depends mainly upon income collected from members and rental income obtained from the use of buildings from e.g. community groups. Churches of the Circuit have been unable to hold regular worship or meetings and have been unable to make buildings available to community groups, activity has been limited to small gatherings when permitted and to online services. Circuit income has been maintained throughout the pandemic as churches have met the requested assessment of contribution and operating costs have been mitigated through lower travel expenses of ministers, lower building costs for e.g. heating, and when appropriate, the use of the government's furlough scheme.

Reserves Policy

The Circuit's Reserves Policy is set out in Note BS9 to these Accounts, following a review and recommendations from the Circuit's Finance team, the reserves policy was updated during 2019. The Circuit's Reserves as at 31st August 2020 satisfy the Circuit's new tests. Regular monitoring is required to ensure adherence to policy and if necessary, to put into place a plan to augment the Circuit's funds.

Post Covid-19 impact, reserves as at February 2021 met the minimum required and the Circuit has no plans to build reserves during the ongoing pandemic.

Responsibilities of trustees under charity law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-20 £	Total 2018-19 £
Income								
1 Donations and legacies							0	0
2 Income from monetary investments	3	719	750	-	-		1,469	1,245
3 Income from investment properties							0	0
4 Assessments on Churches	4	396,010		-			396,010	372,344
5 Capital Receipts		-					0	124,893
6 Grants received	5	-	-	-	6,500		6,500	7,500
7 Other charitable income	6	13,365		18,050	5,841		37,256	51,618
8 Total income		410,094	750	18,050	12,341	-	441,235	557,600
Expenditure								
9 Grants and donations	7	-	5,000	1,750	-		6,750	11,000
10 Salaries and associated costs	8	286,955	-	-	9,690		296,645	282,653
11 Property maintenance	9	-	12,860	10,719	-		23,579	28,715
12 Connexional assessment & model trust levy	10	70,935	1,359	-	-		72,294	79,144
13 District Assessment & Levy	10	12,265		-			12,265	11,793
14 Depreciation							0	0
15 Office expenses							0	0
16 Other outgoings	11	34,525	108	7,225	6,326		48,184	55,653
17 Total charitable expenditure		404,680	19,327	19,694	16,016	0	459,717	468,958
18 Gains/(losses) on monetary investments							0	0
19 Gains/(losses) on investment properties		-					0	0
20 Net income/(expenditure)		5,414	-18,577	-1,644	-3,675	0	-18,482	88,642
21 Transfers between funds	BS6	- 18,501	- 3,499	22,000			0	0
22 Other gains/(losses)							0	0
23 Net movement in funds		-13,087	-22,076	20,356	-3,675	0	-18,482	88,642
24 Total funds brought forward		2,728,825	54,356	35,315	19,050	-	2,837,546	2,748,904
25 Total funds carried forward		2,715,738	32,280	55,671	15,375	-	2,819,064	2,837,546

Balance Sheet as at 31 August 2020

Notes to the Accounts		General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2020	Totals 2019
		£	£	£	£	£	£	£

Fixed Assets

Circuit Manses & Equipment	BS1	2,699,181					2,699,181	2,699,181
Investment properties							0	0
Investments							0	0
Total fixed assets		2,699,181	0	0	0	0	2,699,181	2,699,181

Current Assets

Debtors	BS2	24,805		189	0		24,994	29,495
Loans by the Circuit	BS2	3,499					3,499	0
Investments with TMCP	BS3		32,280				32,280	54,357
Central Finance Board Deposits	BS4	82,987		55,482	15,375		153,844	131,062
Cash at Bank and in hand	BS4	8,037					8,037	3,702
Total current assets		119,328	32,280	55,671	15,375	0	222,654	218,616

Current liabilities

Creditors (due in under 1 year)	BS5	102,771		0	0		102,771	80,250
Grants payable within 2020-21							0	0
Total current liabilities		102,771	0	0	0	0	102,771	80,250
Net current assets/liabilities		16,557	32,280	55,671	15,375	0	119,883	138,366

Total assets less current liabilities		2,715,738	32,280	55,671	15,375	0	2,819,064	2,837,547
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Long term liabilities (due after more than one year)								
Grants payable after 2020-21							0	0
Loans to the Circuit							0	0
							0	0
Net assets		2,715,738	32,280	55,671	15,375	0	2,819,064	2,837,547

Funds of the Circuit

General Fund (Unrestricted)		2,715,738					2,715,738	2,728,825
Circuit Model Trust Fund (Unrestricted)			32,280				32,280	54,356
Designated Funds (Unrestricted)				55,671			55,671	35,315
Total Unrestricted Funds							2,803,689	2,818,496
Restricted Funds					15,375		15,375	19,050
Endowment Funds						0	0	0
Total Funds	BS6	2,715,738	32,280	55,671	15,375	0	2,819,064	2,837,546

Cash flow statement for the year ended 31 August 2020

Statement of cash flows	Note	2020 £	2019 £
Cash from operating activities			
Net cash used in operating activities		5,041	-54,800
Cash flows from investing activities			
Dividends, interest and rents from investments		0	0
Proceeds from the sale of property, plant and equipment		0	524,893
Purchase of property, plant and equipment		0	-475,000
Purchase of intangible assets		0	0
Proceeds from the sale of investments		22,076	0
Purchase of investments		0	-7,417
Other		0	0
Net cash provided by investing activities		22,076	51,138
Cash flows from financing activities			
New borrowing		0	0
Repayments of borrowing		0	0
Net cash used in financing activities		0	0
Change in cash and cash equivalents in the reporting period		27,117	-12,324
Cash and cash equivalents at the beginning of the reporting period		134,764	147,088
Cash and cash equivalents at the end of the reporting period		161,881	134,764
Reconciliation of net income to net cash flow from operating activities		2020 £	2019 £
Net income for the reporting period (as per statement of financial activities)		-18,482	88,642
Adjustments for:			
Depreciation and amortisation charges		0	0
Profit on the sale of fixed assets		0	-124,893
Loss on the sale of fixed assets		0	0
Gains on investments		0	0
Dividends, interest and rents from investments		0	0
Decrease/(increase) in stocks		0	0
(increase)/decrease in debtors		1,002	1,173
increase/(decrease) in creditors		22,521	-19,722
Net cash used in operating activities		5,041	-54,800
Analysis of cash and cash equivalent		2020 £	2019 £
Cash in hand		161,881	134,764
Short term deposit (less than 3 months)		0	0
Total cash and cash equivalents		161,881	134,764

Notes to the Accounts

Note 1. Basis of Accounting and Accounting Policies

a. Accounting Standard

The financial statements have been prepared in accordance with 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 Ireland (FRS 102) (effective from 1 January 2015) – (Charities SORP (FRS (102))).

b. FRS 102 SORP 2015

The Wharfedale & Aireborough Methodist Circuit meets the definition of public benefit entity under FRS 102.

c. Basis

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

d. Content

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

e. Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

In making this assessment the trustees have considered the impact of Covid-19 and have concluded that its impact on net income will not be material.

f. 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 or their governing bodies except in extreme circumstances. For this reason, the financial statements of Churches are not consolidated into these financial statements.

g. Income Recognition

The charity has taken the view that it has only one charitable activity, which is to raise income to support the activities of the churches within the Circuit, and all income is in respect of this one activity

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

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

The Circuit acts as agent in two matters:

- The collection from Churches and payment over of their contributions to various Funds controlled and administered by the Methodist Church – “Connexional Funds”
- The administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion

In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or Churches as appropriate. Instead the transactions are disclosed in the Notes to The Accounts as required by SORP(FRS102), module 19.12.

In accordance with the Charities SORP (FRS102), the time of volunteers is not recognised

h. 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.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The charity has taken the view that it has only one charitable activity, which is to support the activities of the churches within the Circuit, and all expenditure is incurred for this one activity.

i. VAT

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

j. Tangible fixed assets for use by the Circuit

The freehold property is shown in the accounts at 2019 deemed values, values were determined by reference to local estate agents in 2014, except where a later purchase was made, then purchase price is used. First time adoption of FRS 102 allows for values to be deemed as the values held 1 Sep 2015. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. The property has been reviewed for impairment.

The Circuit has made use of the deemed cost option on transitioning to FRS102.

k. Investment Properties

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

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

l. Investment - Monetary

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS 102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP.

m. Receivables and Prepayments; Bank and Cash (Basic Financial Instruments)

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 the amount advances 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 fund balances are shown at their realisable values.

n. Loans as Basic Financial Instruments

Where concessionary loans (i.e. free of interest) are made or received by the Circuit to further its charitable purposes and these are repayable after more than one year, they are initially recognised at the amount paid or received, with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for impairment where necessary. Where there is objective evidence of impairment, an immediate loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the SOFA. Where loans require the calculation of a discounted cash flow valuation, this will be so marked.

o. 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 Circuit Fund most of the sum received from the 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. These are detailed in Note BS7 below.

p. 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 are funds which are held for a narrower purpose. There are no Endowment funds. Details of each material fund and the movement on those funds are disclosed in note BS6 to these accounts.

q. 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 against the minister.

r. Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant to be accrued is recurrent over more than one year the balance payable in future years, discounted to net present value where the difference is material, is treated as a provision for future commitments in the balance sheet against the appropriate fund, the provision being released in future years in accordance with the originally agreed terms. In cases where the grant has been charged to one fund but for ease of payment has been transferred to another fund any future payment provision is applied to the fund from which the grant will ultimately be paid.

s. Pension and Staff Costs

The Charity makes payments to the Methodist Ministers' Pension Scheme '(MMPS)' which is a defined benefit scheme operated by The Methodist Church. The Circuit accounts for contributions paid for by the ministers and the circuit as a defined contribution as no liability for past service sits with the circuit. A defined contribution pension scheme for the lay staff. All circuit contributions to the scheme are charged to the income and expenditure account in the period to which they relate.

Note 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, typically between 10 and 30

Circuit Meeting: The trustees of the Circuit, most of whom are appointed by their local Churches and others by virtue of a role they undertake for the Circuit and/or their local Churches.

CLT (Circuit Leadership Team): A group (comprising mostly, but not exclusively) of Circuit trustees responsible for the day to day administration and policy formation of the Circuit. Generally the CLT comprises the Presbyters and Deacons stationed within the Circuit and the Circuit Stewards.

CMTF: Circuit Model Trust Fund

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

Connexional Funds: The designated and/or restricted Funds held and administered by the Connexion in furtherance of its charitable and mission objectives.

District: A group of contiguous Circuits, usually between 15 and 30

DAF: District Advance Fund

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

Lay Employees: Personnel employed by the Circuit on generally accepted commercial employment terms

MMPS: Methodist Ministers' Pension Scheme

Ministers (Including Superintendent): Probationer or Ordained Methodist Presbyters and/or Deacons who have pastoral and administrative responsibility for the Churches within the Circuit

PASLEMC: Pension and Assurance Scheme for Lay Employees of the Methodist Church

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for Lay Employees

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.

Note 3**Interest and Investment Income**

	<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Central Finance Board-interest	719								0	719	688
Circuit Model Trust Fund -interest		723							0	723	501
Circuit Model Trust Fund-dividends		27							0	27	56
War Stock									0	0	0
	719	750	0	0	0	0	0	0	0	1,469	1,245

Note 4**Assessments**

	<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Addingham	23,719								0	23,719	22,590
Ben Rhydding	14,453								0	14,453	13,765
Bramhope	28,003								0	28,003	27,151
Burley in Wharfedale	37,398								0	37,398	35,988
Guiseley	53,835								0	53,835	52,430
Hawksworth	2,575								0	2,575	2,462
Ilkley	97,672								0	97,672	93,608
Menston	44,255								0	44,255	42,999
Norwood	2,500								0	2,500	1,964
Otley	49,627								0	49,627	37,719
Pool in Wharfedale	4,399								0	4,399	4,283
Rawdon	2,991								0	2,991	2,876
Timble	0								0	0	1,373
Yeadon	34,583								0	34,583	33,136
TOTAL	396,010	0	0	0	0	0	0	0	0	396,010	372,344

The Circuit comprises 13 Churches and each is assessed for a contribution to meet the overall net costs of the Circuit. The Circuit aims to cover all its net core costs from the Assessments which are determined annually by the Circuit using a formulaic method taking into account the relative number of members in each Church and its relative income. Assessments on Churches are paid quarterly in advance and are treated as prepayments on a receivable basis. Timble chapel closed for regular worship in the previous year.

Note 5	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Grants to fund Christians Against Poverty Debt Centre (CAP) Methodist Connexion				6,500					0	6,500	7,500
TOTAL	0	0	0	6,500	0	0	0	0	0	6,500	7,500

Note 6	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Lettings											
Bramhope Manse Rent	15,309								0	15,309	16,200
less: agent's commission and related VAT	(1,944)						(1,549)		(1,549)	(3,493)	(3,336)
less; agent's initial letting fee							(100)		(100)	(100)	(210)
Beamsley Church						7,000			7,000	7,000	7,000
Norwood Retreat Centre & Church- House							10,043		10,043	10,043	10,200
Total Letting Income	13,365	0	0	0	0	7,000	8,394	0	15,394	28,759	29,854

In Feb 2021 after review, the Trustees have concluded there is no requirement for the Bramhope manse to be held by future use by a minister and have resolved to dispose of the property in 2021.
Norward cottage is connected to the Chapel and cannot be disposed of separately - it is not held for investment purposes.

Other Income											
Timble Chapel closure balance trsf											1,029
Supernumary fees waived									0	0	250
Bookings							935		935	935	1,838
Collections							965	23	988	988	1,891
Donations			300	5,541			295		295	6,136	14,490
Friends of Norwood							15		15	15	270
Events							423		423	423	1,646
Funeral Fees									0	0	350
Total Other Income	0	0	300	5,541	0	0	2,633	23	2,656	8,497	21,764
Total Other Charitable Income	13,365	0	300	5,541	0	7,000	11,027	23	18,050	37,256	51,618

Donations/gifts received designated for the use of the CAP Debt Centre include the following from related parties:

Addingham Methodist Church	£500
Guiseley Methodist Church	£1,140
Christchurch LEP	£2,000
Menston Methodist Church	£845
Bramhope Methodist Church	£556
	£5,041

Note 7

	<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Grants & Donations											
Menston-Lay workers support		5,000							0	5,000	0
Beamsley Project		0				1,750			1,750	1,750	5,000
Otley Christian Hub		0							0	0	6,000
	0	5,000	0	0	0	1,750	0	0	1,750	6,750	11,000

A further grant of £5,000 for Menston MC lay worker support has been agreed for the year 2019/20

Note 8

	<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Stipends and Salaries											
Ministers and Deacon:											
Stipends	167,044								0	167,044	152,413
Pension costs	42,363								0	42,363	39,007
National Insurance costs	14,924								0	14,924	13,502
Telephone	4,512								0	4,512	4,903
Travel / Mileage Allowances	6,922			400					0	7,322	8,772
Supernumerary Appointments	919								0	919	2,176
Circuit Allowances -Energy Use	3,209								0	3,209	2,712
Invitation and moving costs	3,000								0	3,000	5,929
Computer Allowance	1,155								0	1,155	249
Sub-Total	244,048	0	0	400	0	0	0	0	0	244,448	229,663
Average number of staff employed during the year	6.7								0.0	6.7	6.20
Lay workers and paid staff											
Salaries	38,212			9,210					0	47,422	47,884
National Insurance costs	2,551			80					0	2,631	3,014
Pension	2,144			0					0	2,144	2,092
Sub-Total	42,907	0	0	9,290	0	0	0	0	0	52,197	52,990
Average number of staff employed during the year	1.20			0.40					0.00	1.60	1.60
Salaries, Stipends and Assoc Costs Total	286,955	0	0	9,690	0	0	0	0	0	296,645	282,653
Average number of staff employed during	7.90						0.00	0.00	0.00	8.30	7.80

Note 8 Contd

The circuit employs lay staff involved in administration activity; 0.25 fte administrator plus 0.4fte Property Officer and 0.5fte Finance Advisor, 0.4fte CAP Debt Centre Manager
 No employee received employee benefits in excess of £60,000. There is no accrual for holiday pay as it is not material; the holiday year ends on 31st August
 All staff are paid at or above the minimum wage.

Pensions

Ordained ministers 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 are not employees of the Church but for simplicity, when dealing with National Insurance and pension contributions, the terms employee and employer are used as they would be in an employing document.
 2 of 4 Lay Employee had pension contribution paid in 2019-20 with two employees choosing to opt out, any new employee will be automatically enrolled in an appropriate workplace pension arrangement.
 The Connexion accounts for MMPS and shows the figures in the annual Methodist Church in Great Britain accounts.

Costs of Superintendent, Ministers and Deacons

The Superintendent of the Circuit, the other ministers and the remaining members of the CLT are considered as Key Management Personnel.
 The Superintendent is the Chair of the CLT and the Circuit Meeting. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employers NIC and employer's pension contributions and other expenses of presbyters of the Circuit are administered by a central payroll bureau of the Methodist Church with costs recharged monthly to the Circuit.
 Manses are provided by the Circuit and the Circuit maintains the property. The value of Council Tax and water charges paid by the Circuit are not disclosed here as HMRC does not regard this as a benefit in kind in the hands of the minister.

Payment to Trustees or connected businesses

No Payments were made to any Trustee or connected business during the year other than those disclosed in Note 8 below

Note 8 contd. Payments to Trustees

The ministers of the Circuit undertake the primary executive roles within the Circuit and apart from the ministers and lay employees, no member of Circuit Meeting or CLT was in receipt of any payment for stewardship services undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in relation to specific projects.

The Circuit's key management comprise the trustees and key staff named on the Charity Information page

Total employment benefits payable to key management for the year were as follows:

	Wages & Salaries	Other Employment Benefits	Employer Pension Contribution	2020	2019
Trustee					
Rev Lesley Taylor	£24,852	£0	£6,685	£31,537	£32,482
Rev Roger Smith	£24,852	£0	£6,685	£31,537	£30,669
Rev Timothy Perkins	£27,337	£0	£6,685	£34,022	£30,669
Rev Roberta Topham	£24,852	£0	£6,685	£31,537	£30,669
Rev Victoria Atkins	£0	£0	£0	£0	£30,669
Deacon Jennifer Parnell	£24,852	£0	£6,685	£31,537	£30,669
Rev Shannon DeLaureal	£24,852	£0	£6,128	£30,980	£0
Rev Leonora Wassell	£4,970	£0	£0	£4,970	£4,833
Key management connected to trustees					
Mrs B L Downes (wife of Mr R Downes)	£14,716	£0	£883	£15,599	£18,039
Other Key Management					
Finance Adviser (CT)	£21,023	£0	£1,261	£22,284	£21,741

Prior year comparative analysis:

	Wages & Salaries	Other Employment Benefits	Employer Pension Contribution	2019
Trustee				
Rev Lesley Taylor	£25,981	£0	£6,501	£32,482
Rev Roger Smith	£24,168	£0	£6,501	£30,669
Rev Timothy Perkins	£24,168	£0	£6,501	£30,669
Rev Roberta Topham	£24,168	£0	£6,501	£30,669
Rev Victoria Atkins	£24,168	£0	£6,501	£30,669
Deacon Jennifer Parnell	£24,168	£0	£6,501	£30,669
Rev Leonora Wassell	£4,833	£0	£0	£4,833
Key management connected to trustees				
Mrs B L Downes (wife of Mr R Downes)	£17,178	£0	£861	£18,039
Other Key Management				
Finance Adviser (CT)	£20,510	£0	£1,231	£21,741

L Taylor, R Smith, T Perkins, R Topham, S DeLaureal and J Parnell served as church leaders and received the above payments in that capacity for serving in that capacity and not for serving as trustees, these payments are permitted by the charity's governing document

In addition the charity incurred expenditure in respect of the customary provision of accommodation to the following trustees so that they could better perform their duties:

Costs of accommodation (excluding repairs and maintenance to manse disclosed at note 9)

Trustee	2020	2019
Rev Lesley Taylor	£3,850	£3,775
Rev Roger Smith	£4,957	£4,624
Rev Timothy Perkins	£4,597	£4,666
Rev Roberta Topham	£5,132	£5,737
Rev Victoria Atkins	£0	£3,613
Deacon Jennifer Parnell	£3,994	£3,866
Rev Shannon DeLaureal	£5,293	£0

Note 9

	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Maintenance on Manses and other Circuit Property											
Manses:											
Addingham					5,177				5,177	5,177	15,397
Bramhope					1,129				1,129	1,129	4,212
Burley- Far Mead Croft		12,860			1,490				1,490	14,350	1,435
Guiseley-St Oswald's Walk					526				526	526	307
Ilkley					572				572	572	2,173
Otley					445				445	445	1,320
Yeadon					0				0	0	3,071
Standard charge to General Fund					0				0	0	0
Total manses expenditure	0	12,860	0	0	9,339	0	0	0	9,339	22,199	27,915
Other Circuit Property:											
Greenhill Cemetery					1,380				1,380	1,380	800
Total other Circuit Property	0	0	0	0	1,380	0	0	0	1,380	1,380	800
TOTAL Property Maintenance	0	12,860	0	0	10,719	0	0	0	10,719	23,579	28,715

Manse Maintenance

The Circuit is Managing Trustee for 7 manses, 5 of which were occupied by ministers of the Circuit as at 31st August 2020. Otley manse became unoccupied in August 2020 and the Circuit intends to let this property for one year on an Assured Shorthold Tenancy agreement pending review of requirements for ministers.

The Circuit is responsible for the payment of Council Tax, water charges and insurance at each manse occupied by a minister.

The cost of ongoing maintenance and improvements to all properties is funded through a designated 'Property Reserve' and a transfer of £2,500 p.a. per manse is made from the General Fund plus a provision for update on changeover. The level of transfer is reviewed by the trustees each year. The Circuit owns and manages the Greenhill Burial site in Rawdon

Note 10

Leeds District Assessment

to meet Connexional Costs
Contributions to District Advance Fund
(This cost represents a charge levied
by District each year based on the level
of funds held as at the previous August
31st)

<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
12,265								0	12,265	11,793
to meet District costs	12,265	0	0	0	0	0	0	0	12,265	11,793
70,935								0	70,935	68,207
	1,359							0	1,359	10,937
70,935	1,359	0	0	0	0	0	0	0	72,294	79,144

Note 11

Other Expenditure

<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Insurance	5269					540	240	780	6,049	5,868
Council Tax	13857							0	13,857	13,145
Water Charges	3320					190		190	3,510	3,686
Gas maintenance contracts	3504							0	3,504	2,978
Security	198							0	198	184
Property Surveys	811						564	564	1,375	6,946
MHA contribution								0	0	0
Heating & Lighting						1,235	130	1,365	1,365	1,407
Telephone			387					0	387	194
Gifts to leavers	58							0	58	201
Production of Plans	871							0	871	1,220
Stationery and Office Supplies	1,216							0	1,216	1,436
Bookroom Supplies	685							0	685	874
Account Examination Fee	1,560							0	1,560	870
Postage	155							0	155	57
Leeds Extension Fund	65							0	65	70
Training			602					0	602	371
Transfer to training fund								0	0	0
Circuit Worship/Workshop costs								0	0	0
Pastoral costs								0	0	0
TMCP-Administration costs		108						0	108	94
CAP Debt Centre Fee								0	5,200	1,500
Miscellaneous Expenses	840					131		131	1,108	994
Legal	2,116							0	2,116	1,078
Gardening-Beamsley					145			145	145	1,319
Promotion costs								0	0	468
Maintenance-Norwood						1,550		1,550	1,550	8,729
Internal Assessment-Norwood						2,500		2,500	2,500	1,964
34,525	108	602	5,724	0	145	6,146	934	7,225	48,184	55,653

Note 12**Budgeted and Actual expenditure in the year ended 31st August 2020****(General Fund only)**

A comparison of actual expenditure incurred in 2019-20 with that budgeted is set out below

	Actual	Budget	Saving/ Loss
REVENUE			
Assessment raised	396,010	398,615	(2,605)
Interest and Investment Income	719	358	361
Other	0	4,000	(4,000)
Rents at vacant manse	13,365	14,684	(1,319)
TOTAL REVENUE	410,094	417,657	(7,563)
EXPENDITURE			
Stipends, NIC & Pension costs	224,331	209,676	(14,655)
Salaries and NIC	42,906	40,832	(2,074)
Connexional Assessment	70,935	70,935	0
District Assessment	12,265	12,265	0
Telephone & Travel	11,434	13,519	2,085
Insurance, utilities etc	26,147	23,896	(2,251)
Maintenance on manses	14,000	14,000	0
Manse Reserve	12,000	12,000	0
Heating and Lighting allowance	3,209	2,786	(423)
Computer allowance	1,155	0	(1,155)
Supernumerary costs	919	2,285	1,366
Ministerial Invitations and associated co	3,000	3,000	0
Stationery & Office Supplies	1,216	1,224	8
Postage	155	0	(155)
Plan Production	871	905	34
Bookroom Supplies	686	633	(53)
Independent Examiner's fee	1,560	865	(695)
Training expenses	0	515	515
Leeds Extension Fund	65	65	0
Other expenditure	900	1,030	130
Legal Costs	2,116	618	(1,498)
Property Inspection Costs	810	10,000	9,190
	430,680	421,049	(9,631)
Actual/ budgeted profit/loss	(20,586)	(3,392)	(17,194)

The principal variations against budget relate to the additional part-time Deacon employed from October 2019 , lay staff costs for the Property Manager additional hours and increased utility and insurance costs at the Circuit's manses.

Note BS1

	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Tangible Fixed Assets											
In accordance with the principles set out below the valuations of the manses and the Beamsley Church as at the respective year ends are as follows:											
Manses:											
Addingham (Bolton Road)	0								0	0	400,000
Addingham (Turner Lane)	475,000								0	475,000	0
Bramhope	320,000								0	320,000	320,000
Burley in Wharfedale-Far Mead Croft	477,601								0	477,601	477,601
Guiseley-St Oswald's Walk	420,030								0	420,030	420,030
Ilkley	375,000								0	375,000	375,000
Otley	250,000								0	250,000	250,000
Yeadon	327,500								0	327,500	327,500
Additions in the YearAddingham (Turner Lane)	0								0	0	475,000
Disposals in the YearAddingham (Bolton Road)	0								0	0	(400,000)
Total-manses	2,645,131	0	0	0	0	0	0	0	0	2,645,131	2,645,131
Other Properties:											
Beamsley Church:	50,000								0	50,000	50,000
Greenhill Cemetery	4,050								0	4,050	4,050
Total-other properties	54,050								0	54,050	54,050
Total	2,699,181	0	0	0	0	0	0	0	0	2,699,181	2,699,181

The Circuit owns 7 manses. All the manses then held were informally valued by reference to local estate agents as at 31st August 2014. The new Manses at Far Mead Croft and at St Oswald's Walk, Turner Lane Addingham acquired in 2014, 2015 and 2018 respectively are included at cost.

The Beamsley Church has been included at a value reflecting its current use; its income is limited to a market agreed rent charged to the Beamsley Project charity.

For insurance purposes it has a replacement cost value of £2,496,000. The Greenhill Cemetery site is owned by the Circuit, it is insured and maintained at the Circuit's expense.

Fixtures, fittings and equipment provided by the Circuit are expensed and do not form part of the balance sheet and there is therefore no requirement for depreciation.

The freehold on residential property is shown at deemed historical cost representing each property's gross carrying value at 1 September 2015 per the transitioning relief allowed under first time adoption of FRS102.

Note BS2

	<u>General Fund</u>	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Restricted</u> <u>Funds</u> <u>Other</u>	<u>Restricted</u> <u>Funds</u> <u>CAP</u>	<u>Property</u> <u>Reserve</u>	<u>Beamsley</u> <u>Fund</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u> <u>Unrestricted</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Debtors											
LOANS											
Loan to West Yorks District re Leeds Mission	3,499								0	3,499	0
	3,499	0	0	0	0	0	0	0	0	3,499	0
Debtors and Prepayments											
Prepayments:											
September Stipends pre-paid	16,491								0	16,491	17,028
Pre-paid Insurance	0						189		189	189	5,543
Telephone rental paid in advance	481								0	481	481
Pre paid council tax	1,098								0	1,098	1,098
Pre-paid Book supplies	635								0	635	593
Fuel Oil	0								0	0	542
Total prepayments	18,705	0	0	0	0	0	189	0	189	18,894	25,285
Other debtors:											
Rents receivable-Bramhope and Norwood	0						0		0	0	1,076
Pool assessment unpaid	1,100								0	1,100	0
Sundry Receipts due as at the year end	0							0	0	0	3,134
Otley Assessment Unpaid	5,000								0	5,000	0
Total other debtors	6,100	0	0	0	0	0	0	0	0	6,100	4,210
	24805	0	0	0	0	0	189	0	189	24,994	29495

All sums prepaid at 31 August 2019 were for activities that took place in 2019/20,
 Similarly, all payments in advance as at 31 August 2020 relate to activity in 2020/21
 Loan to West Yorkshire District is expected to be repaid from 2025 but is under review

Note BS3

	<u>Circuit Model</u> <u>Trust Fund</u>	<u>Total</u> <u>2020</u>	<u>Total</u> <u>2019</u>
Investments with TMCP	32,998	32,998	54,357

Trustees for Methodist Church Purposes hold the Circuit Model Trust Fund on behalf of the Circuit. Funds are generated through, for example, property sales or bequests
 The Circuit can withdraw funds for appropriate purposes subject to the approval of Circuit Meeting. As at 31 August 2020 the majority of fund was held at the Central Finance Board of the Methodist Church

Note BS4	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Central Finance Board (CFB) and Bank											
Central Finance Board (CFB)	82,987		4,508	10,867	20,698	26,266	8,181	337	55,482	153,844	131,062
Cash at bank (CAF Bank)	8,037								-	8,037	3,702

Monetary balances held at the Central Finance Board of the Methodist Church and at CAF Bank are all available on demand and without loss of interest.
The split of these balances across General, Designated and Restricted Funds is management judgement.

Note BS5	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Creditors, Accruals and Loans (due in under 1 yr)											
Creditors:											
Manse maintenance									0	0	0
Expense claims payable for final Qtr	2,639								0	2,639	4,169
Independent Examiner's Fee	2,400								0	2,400	840
Graveyard maintenance	0								0	0	300
Heating and Lighting									0	0	42
Donation Otley Christian Resources Hub	3,000								0	3,000	3,000
Total creditors	8,039	0	0	0	0	0	0	0	0	8,039	8,351
Accruals:											
Water Charges payable	0								0	0	168
Council tax due									0	0	0
Accrued relocation and invitation costs	6,000								0	6,000	5,535
Total accruals	6,000	0	0	0	0	0	0	0	0	6,000	5,703
Amounts received in advance											
1st Qtr's Assessments Received in Advance	86,987								0	86,987	66,182
Funds received bank error	0								0	0	14
Methodist Insurance claim for repairs	1,745								0	1,745	0
Total amounts received in advance	88,732	0	0	0	0	0	0	0	0	88,732	66,196
	102,771	-	-	-	-	-	-	-	-	102,771	80,250

All amounts received in advance have been released to income in the following year

Note BS6	General Fund	Circuit Model Trust Fund	Restricted Funds Other	Restricted Funds CAP	Property Reserve	Beamsley Fund	Norwood	Timble	Total Designated Unrestricted	Total 2020	Total 2019
Funds											
Balance brought forward at 1 Sep 2019	2,728,825	54,356	4,810	14,240	5,417	25,161	3,489	1,248	35,315	2,837,546	2,748,904
Income	410,094	750	300	12,041	0	7,000	11,027	23	18,050	441,235	557,600
Expenditure	(404,680)	(19,327)	(602)	(15,414)	(10,719)	(1,895)	(6,146)	(934)	(19,694)	(459,717)	(468,958)
Capital Receipts									0	0	0
Transfers	(18,501)	(3,499)			26,000	(4,000)			22,000	0	0
Balance carried forward as 31 Aug 20	2,715,738	32,280	4,508	10,867	20,698	26,266	8,370	337	55,671	2,819,064	2,837,546

Unrestricted Funds

The General Fund deals with all the day-to-day expenditure of the Circuit; primarily it meets the cost of the presbyters and employees of the Circuit, contributes to District and Connexion costs and meets the cost of running and maintaining the manses; to pay for these costs the Circuit raises Assessments on each Church in the Circuit with the intention to raise just sufficient income to cover the budgeted expenditure

The Circuit Model Trust Fund exists to meet the need for major expenditure on Circuit property or to meet Circuit projects, both of which require the ultimate approval of the Trustees for Methodist Church Purposes ("TMCP"). The Fund's resources are derived from the proceeds of sales of property.

There are **four Restricted Funds**. These were created many years ago, and have small balances carried forward from one year to the next. The Circuit intends to review the continued purpose of each during this year.

The Property Fund was established in 2011 and exists to deal with the uneven incidence of maintenance and repair costs at the Circuit's 7 manses. It is itself funded by a fixed annual transfer from the General Fund of £14,000 (£2,000 per Manse) plus an additional £12,000 from general funds towards the cost of refurbishment on change of minister and its expenditure comprises the actual cost of manse maintenance and repair arising in the year. The purpose of this arrangement is to enable a fixed sum to be included in the Circuit's annual budget from which the assessments are to be raised.

The Beamsley Fund was created in 2010 when the surplus funds of the Beamsley Chapel were transferred to the Circuit following the closure of the chapel. Since that time the Fund has been augmented by rents received from the tenants at the chapel, The Beamsley Project, less the costs of maintaining the property.

The Fund for the Norwood Chapel and Retreat Centre was created in 2014 when the funds of the Norwood Church were transferred to the Circuit and the congregation became a class of Otley Church. Since that time the Fund has been increased by rent received on the Warden's house at the Property, bookings received from the use of the Retreat Centre and collections at Church services and organised fund-raising events. Expenditure comprises the costs of maintaining the property and the running of the Retreat Centre.

The Timble Fund was created in 2019 following the cessation of regular worship at the chapel. Cash balances held by the chapel were transferred to the Circuit Trustees pending closure of the chapel and its eventual sale in 2021

Restricted Funds

There are **four 'Other' Restricted Funds**. These were created many years ago, and have small balances carried forward from one year to the next. The Circuit intends to review the continued purpose of each during this year.

The CAP Debt Centre Fund was created in 2019 following the formation of a CAP Debt Centre, the fund comprises donations from churches and members of the Circuit and a connexional grant received. Funds are used for the employment of a CAP Debt Centre Manager, a monthly fee payable to Christians Against Poverty and expenses specific to clients or expenses of the Debt Centre activity.

Note BS6 contd

'Other' Restricted funds can be further analysed as follows

	Training Fund	Local Preachers' Library Fund	Building Fund	Education & Youth Fund	Total 2020
Balance brought forward at 1 Sep 19	998	135	2,500	1,178	4,810
Income	300				300
Expenditure	(602)				(602)
Revaluation					0
Transfers					0
Balance carried forward as 31 Aug 19	696	135	2,500	1,178	4,508

Note BS6 contd

The Assets and Liabilities of the various funds as at 31 August 2020 were as follows;

	<u>General Fund</u>	<u>Circuit Model</u>	<u>Restricted</u>	<u>Restricted</u>	<u>Property</u>	<u>Beamsley</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u>	<u>Total</u>	<u>Total</u>
	<u>unrestricted</u>	<u>Trust Fund</u>	<u>Funds</u>	<u>Funds</u>	<u>Reserve</u>	<u>Fund</u>			<u>Unrestricted</u>	<u>2020</u>	<u>2019</u>
	<u>unrestricted</u>	<u>unrestricted</u>	<u>Other</u>	<u>CAP</u>							
Fixed Assets	2,699,181	0	0	0	0	0	0	0	0	2,699,181	2,699,181
Stocks and Debtors	28,304	0	0	0	0	0	189	0	189	28,493	29,495
Cash at bank and in hand	91,024	32,280	4,508	10,867	20,698	26,266	8,181	337	55,482	194,161	189,120
Current Liabilities	(102,771)	0	0	0	0	0	0	0	0	(102,771)	(80,250)
Non Current Liabilities	0	0	0	0	0	0	0	0	0	0	0
Provisions	0	0	0	0	0	0	0	0	0	0	0
	2,715,738	32,280	4,508	10,867	20,698	26,266	8,370	337	55,671	2,819,064	2,837,546

Prior Year comparative analysis

The Assets and Liabilities of the various funds as at 31 August 2019 were as follows;

	<u>General Fund</u>	<u>Circuit Model</u>	<u>Restricted</u>	<u>Restricted</u>	<u>Property</u>	<u>Beamsley</u>	<u>Norwood</u>	<u>Timble</u>	<u>Total Designated</u>	<u>Total</u>
	<u>unrestricted</u>	<u>Trust Fund</u>	<u>Funds</u>	<u>Funds</u>	<u>Reserve</u>	<u>Fund</u>			<u>Unrestricted</u>	<u>2019</u>
	<u>unrestricted</u>	<u>unrestricted</u>	<u>Other</u>	<u>CAP</u>	<u>unrestricted</u>	<u>unrestricted</u>	<u>unrestricted</u>	<u>unrestricted</u>		
Fixed Assets	2,699,181	0	0	0	0	0	0	0	0	2,699,181
Stocks and Debtors	25,972	0	0	2,608	0	0	459	456	915	29,495
Cash at bank and in hand	83,880	54,356	4,810	11,632	5,417	25,161	3,041	823	34,442	189,120
Current Liabilities	(80,208)	0	0	0	0	0	(11)	(31)	(42)	(80,250)
Non Current Liabilities	0	0	0	0	0	0	0	0	0	0
Provisions	0	0	0	0	0	0	0	0	0	0
	2,728,825	54,356	4,810	14,240	5,417	25,161	3,489	1,248	35,315	2,837,546

Note BS7**Agency Collections and Payments**

Churches within the Circuit have made payments to the following Methodist Church Funds. Some of these payments have been routed through the Circuit and some have been paid direct. None of these payments appear elsewhere in these accounts.

	<u>Total</u>	<u>Total</u>
	<u>2020</u>	<u>2019</u>
Payments routed through the Circuit bank account:		
Fund for the Support of Presbyters & Deacons	950	475
Methodist Ministers' Housing Society	950	475
Fund for Property	830	830
	<u>2,730</u>	<u>1,780</u>
Payments made direct		
Fund for the Support of Presbyters & Deacons	835	590
Methodist Ministers' Housing Society	200	350
Fund for Property	1,305	1,890
	<u>2,340</u>	<u>2,830</u>
Total sums paid:		
Fund for the Support of Presbyters & Deacons	1,785	1,065
Methodist Ministers' Housing Society	1,150	825
Fund for Property	2,135	2,720
	<u>5,070</u>	<u>4,610</u>

Note BS8**Volunteer Contributions**

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in Great Britain is heavily reliant upon volunteers who contribute their skills, time and money in the furtherance of the work of the Church. In the Circuit the principal contribution is by serving on committees of the Circuit which deal with mission, manses, finance, policy, grants, training, safeguarding and other. The Circuit is grateful to all volunteers for their help and commitment. No attempt has been made by this Circuit to place a monetary value on non-monetary contributions in accordance with the SORP.

Note BS9**Reserves Policy**

The Circuit considers it suitably prudent to maintain sufficient Funds within its General Fund to pay 25% of the succeeding year's budgeted expenditure.

The Circuit will hold cash reserves in its current account or deposit account at Central finance Board (CFB) equivalent to 3 months general fund expenditure plus the fund balance of total restricted funds plus the fund value of CAP Debt Centre Fund

Reserves Test as at 31st August 2020

	<u>2020</u>
Required	
General Fund 2020/21 25% expenditure	104,262
Total Restricted Funds Value	<u>15,375</u>
	<u>119,637</u>
Total Cash at Bank & CFB 31/8/2020	<u>161,881</u>
Deficit/Surplus	<u>42,244</u>

Appendix A -Trustees 2019-2022

Superintendent Minister / Rev Timothy M Perkins
Chair of Trustees

Trustees:

Mr Joost Aarste Tuyn

Rev Rita Armitage

Mrs Margo Atkinson

Mr George Auterson

Mr Peter Bastow

Ms Catherine Birkby

Mrs Joan Bosomworth

Mr David Brown

Mr Ken Brown

Mr John Burland

Mrs Juliana Caukwell

From 1st September 2022

Mr Howard Chaplin

Deacon Elizabeth Day

Rev Shannon DeLaureal

Mr Ryk Downes

Finished 31st August 2022

Mr Ken Duckles

Finished 31st August 2022

Mrs Marjorie Emsley

Mr Michael Fawcett

From 1st September 2022

Ms Margaret Fielding

Mrs Jean Fletcher

Finished 31st August 2022

Mr David Gouldsborough

Mrs Hazel Goodwin

Mrs Sue Gray

Mrs Isabel Griffith

Mrs Penny Gwilt

From 1st September 2022

Mr Roland Henney

Finished 28th February 2021

Mrs Glenys Lowe

Finished 31st August 2021

Mr Richard Lowe

Mrs Debbie Mashiter

Mrs Gillian MacIntosh

Mrs Olwyn Marshall

Finished 31st August 2022

Mrs Sarah Morrish

From 1st September 2022

Mr Neil Mofoot

Mrs Hilary Murden

Mrs Carol Newton

From 1st September 2021

Mr Michael Noble

Deacon Jenny Parnell

Finished 31st August 2021

Mrs Angela Pearson

Mrs Lynne Pearson

Finished 31st August 2021

Mrs Vivien Pitts

Mr Alan Pratt

From 1st April 2022

Rev Keith Reed

Mrs Marion Rider

Mr Andrew Robson

From 1st September 2022

Mr Alan Sheath

From 1st September 2021

Mrs Pam Smith

Rev Roger Smith

Mr Chris Solomon

Mr Ken Spence

Finished 31st August 2022

Rev M Cameron Stirk

From 1st September 2022

Mr Norman Sykes

Mrs Pauline Tate

Finished 31st August 2021

Rev Leslie Holmes	Finished 31st August 2021	Rev Lesley Taylor	Finished 31st August 2020
Mrs Elizabeth Hoyle		Mrs Janet Thompson	
Mrs Lindsey Hurst		Mrs Shirley Tillotson	
Ms Anne Huby	Finished 31st August 2022	Rev Roberta Topham	
Mr Steve Jennings	From 1st September 2021	Rev Leonora Wassell	Finished 31st August 2021
Mrs Judith Johns	Finished 31st August 2022	Mrs Joan Wilkinson	Finished 31st August 2022
Rev Helen Lambert	Finished 31st August 2021		

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2020 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of Trustee with Financial Responsibility: *R. F. Lowe* Date 18th November 2022

Name and address of Trustee: Richard F Lowe

3 The Robins, Burley-in-Wharfedale Post Code...LS29 7PR

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2020 were presented to the Circuit meeting held on 8th March 2021 (by Zoom)

Signature of the Chair of the meeting: *Timothy M Perkins*

Name of the Chair of the meeting: Rev Timothy Perkins Date 23rd March 2023

Independent Examiner's Report to the Trustees of the

Wharfedale & Aireborough Circuit

Charity Number 1132357

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Wharfedale & Aireborough Circuit for the year ended 31 August 2020 set out on pages 1 to 37. 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.

Name of Circuit: Wharfedale & Aireborough No 27/15

Independent Examiner's Statement

The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a member of the Institute of Chartered Accountants of Scotland.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination 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; or
- the trustees' annual report is not consistent with the 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 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 [Archie McDowall](#).....

Name of independent examiner : Archie McDowall BA, CA

Relevant professional qualification of independent examiner: Member of the Institute of Chartered Accountants of Scotland

Name of firm (where appropriate): Stewardship

Address: 1 Lamb's Passage, London, EC1Y 8AB

Date 22 June 2023