# BIRMINGHAM METHODIST CIRCUIT

England & Wales · Charity number 1132926

## Details

| | |
|---|---|
| **Other names** | BIRMINGHAM SOUTH WEST METHODIST CIRCUIT |
| **Status** | Registered |
| **Legal form** | Previously excepted |
| **Registered** | 2009-11-23 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Selly Oak Methodist Church<br>Langleys Road<br>Birmingham<br>B29 6HT |
| **Phone** | 01214721060 |
| **Email** | ssaunderson@birminghammethodistcircuit.org.uk |
| **Website** | www.birminghammethodistcircuit.org.uk |

## Activities

**Objects:** 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 THE 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.

**Activities:** The Circuit produces a preaching plan to ensure regular acts of worship take place at each of the Methodist Churches and Local Ecumenical Partnerships in its geographical area. These are open to all people, without charge.

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## Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

## Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Birmingham City
- Solihull

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-08-31 | £4,340,164 | £3,651,794 | £7,321,109 | 20 |
| 2024-08-31 | £2,403,780 | £2,191,712 | £6,631,710 | 22 |
| 2023-08-31 | £2,628,653 | £3,825,753 | £6,419,642 | 25 |
| 2022-08-31 | £2,414,907 | £1,916,705 | £7,616,742 | 28 |
| 2021-08-31 | £2,060,896 | £2,016,000 | £7,118,540 | 29 |

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## Trustees

| Name | Role | Appointed |
|---|---|---|
| ANN DENISE PRENTICE | | 2011-12-12 |
| Alan Bennett | | 2016-02-11 |
| Alan Faulkner | | 2024-07-06 |
| Andrew Morris | | 2014-08-28 |
| Annette Sampson | | 2013-10-04 |
| Anthony Ralph Ludlow | | 2026-01-15 |
| BRIAN DICKENS | | 2011-12-14 |
| Barbara Carol Howarth | | 2018-06-29 |
| Blair Edward Kesseler | | 2023-02-02 |
| Brian Noake | | 2014-03-06 |
| Bright Obeng | | 2017-01-16 |
| Carol Morgan | | 2013-10-22 |
| Caroline Hinchliffe | | 2021-06-11 |
| Caroline Nana-Tchounga | | 2021-02-15 |
| Christine Burr | | 2024-07-04 |
| Clive Prentice | | 2015-07-23 |
| Colin Edward Capell | | 2024-07-29 |
| Cynthia Jia EE Law | | 2025-09-11 |
| DANNY DORSETT | | 2011-12-15 |
| DIANE MARY WEBB | | 2011-12-13 |
| DOROTHY JOYCE AUDLEY | | 2023-07-06 |
| Daphne Gray | | 2021-07-21 |
| Dawn Brown | | 2024-12-16 |
| Dr Boaz Jangan | | 2023-06-26 |
| Dr CLIVE SWEET | | 2017-08-08 |
| ERMINE KATHLEEN MITCHELL | | 2011-12-13 |
| Edith Sylvina Payne | | 2020-01-16 |

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| Name | Role | Appointed |
|---|---|---|
| Ellalyn Blake | | 2020-09-01 |
| Fiona Beadle | | 2020-02-01 |
| GILL DAY | | 2011-12-13 |
| Gareth Lynn Davies | | 2024-03-23 |
| Glen Mullineux | | 2025-07-30 |
| Grenville Ashley Jones | | 2025-08-14 |
| HELEN WOODALL | | 2018-03-28 |
| Helen Elizabeth Powick | | 2022-10-31 |
| Helen Howell | | 2020-01-18 |
| Helen Munday | | 2025-07-31 |
| Ian Russell Hancock | | 2024-07-04 |
| JANET THOMAS | | 2012-07-20 |
| JOE GLASFORD | | 2015-12-08 |
| JUDITH WINGATE | | 2011-11-28 |
| Jane Taylor | | 2013-11-08 |
| Janet Ethel Rudge | | 2024-02-27 |
| Jenni Kitson | | 2014-08-28 |
| Jennifer Cockroft | | 2022-08-10 |
| Jeremy David Parker | | 2023-01-13 |
| John Alfred Cliff | | 2014-08-21 |
| KAREN SALLY ASHTON | | 2018-09-06 |
| KEITH DENNIS | | 2011-12-19 |
| Karen Jane Handford | | 2025-06-22 |
| Kath Collman | | 2016-09-21 |
| LIS HELLIAR | | 2013-06-24 |
| Lenroy Ryner | | 2018-07-04 |
| Lois Beaumont | | 2020-07-21 |
| Lorna Neale | | 2014-08-28 |

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| Name | Role | Appointed |
|---|---|---|
| Lorraine Lesley Sibson | | 2024-03-23 |
| Lynne Wilson | | 2021-02-14 |
| MARGARET ANN JOAN MURPHY | | |
| MARK FIRMSTONE | | 2011-11-28 |
| MOSESE DAKUNIVOSA | | 2016-09-21 |
| Mark Christopher Ashmore | | 2024-01-15 |
| Mercy Rostron | | 2025-02-17 |
| Michael Meadows | | 2021-08-02 |
| Mike Cox | | 2017-10-25 |
| Mindy Bell Rev. | | 2019-09-18 |
| NEILSON WILLIAMS | | 2017-02-17 |
| Nicola Sharman | | 2023-07-26 |
| OLUREMI AYOTUNDE OLATUNBOSUN | | |
| PETER JAMES THOMAS | | 2011-12-12 |
| PHILIP OSBORN | | |
| Pansie McKenzie | | 2016-02-11 |
| Patricia Lowe | | 2019-07-14 |
| Peter Woodall | | 2018-01-17 |
| Philip Salmon | | 2016-07-22 |
| Ping Ting Chen | | 2016-09-01 |
| REV ALISON MARY GEARY | | |
| REV DONALD JOHN SAMPSON | | |
| RICHARD NOAH | | 2025-07-02 |
| Ralph Neale | | 2026-02-04 |
| Rev Barbara Calvert | | 2019-02-25 |
| Rev Caroline Hague | | 2013-10-03 |
| Rev Caroline Homan | | 2019-02-26 |
| Rev Cleopas Sibanda | | 2016-09-01 |

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| Name | Role | Appointed |
|---|---|---|
| Rev Farai Mapamula | | 2016-09-01 |
| Rev Ian David Crockford | | 2015-06-30 |
| Rev Joseph Samuel Ribeiro | | 2025-09-01 |
| Rev Julie Clark | | 2024-08-07 |
| Rev Karen Webber | | 2013-10-04 |
| Rev Molly Chitokwindo | | 2021-08-31 |
| Rev Quophie Anochie Ababio | | 2024-09-01 |
| Rhoda Tong | | 2019-07-16 |
| Richard Kirby | | 2016-06-30 |
| Roger Boult | | 2014-08-28 |
| Sarah Louise Tolley | | 2024-07-01 |
| Sheila Maggs | | 2022-08-03 |
| Si Wong | | 2024-09-19 |
| Sue Mitchell | | 2020-09-16 |
| Susan Ford | | 2017-08-08 |
| Valerie Dickens | | 2019-01-22 |
| Vivette Haylette | | 2020-01-24 |
| Wing Tung Angel Chiu | | 2022-08-05 |
| Yan Yeung | | 2024-07-17 |

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**BIRMINGHAM METHODIST CIRCUIT**

England & Wales - Charity number 1132926

# Accounts

Circuit
Accruals Accounts
2024-2025

# THE METHODIST CHURCH

## REPORT AND ACCOUNTS
## (ACCRUALS BASIS)
### for the year ended 31 August 2025

**Birmingham Methodist Circuit**

**Registered Charity - Registration number** 1132926

**Birmingham District** 03/02

**Ministers**

Rev Cleopas Sibanda, Rev Farai Mapamula,
Rev Quophie Ababio, Rev Mindy Bell, Rev Ping Ting Chen,
Rev Molly Chitokwindo, Rev Julie Clark, Rev Caroline (Caz) Hague,
Rev Karen Webber, Deacon Angela Allport

**Circuit Stewards**

Sarah Tolley, Angel Chiu, Mosese Dakunivosa, Richard Kirby
Remi Olatunbosun (Property), Andrew Morris

**Circuit Treasurer**

Andrew Morris

**Birmingham Methodist Circuit**
**TRUSTEES' ANNUAL REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2025***

**Introduction**

Welcome to the Annual Report of the Birmingham Methodist Circuit. The Circuit consists of 30 Methodist and Local Ecumenical Partnership churches in the City of Birmingham and surrounding area, served by a team of ordained and lay staff.

**Vision Statement and Priorities**

Birmingham Methodist Circuit aspires to be a welcoming Christian family with inspiring worship, radical compassion and social justice at its heart. In this way and following in our Methodist tradition, we aim to share in the transformation of life made possible through God's love.

As members of the Birmingham Methodist Circuit, we have agreed the following five priorities for the meaningful sharing of our God given resources:

**Transforming Life** - We aim to live in such a way as to bring about positive change in our own lives and the lives of others, to share God's love and to learn and grow as followers of Jesus both individually and in community.

**Inspiring Worship** - We aim to offer worship across the Circuit which glorifies God, is inviting to all, enriches faith and inspires us to respond.

**Radical Compassion** - We aim to develop and practice a radical compassion which is welcoming, inclusive, safe and empowering.

**Social Justice** - We aim to speak out and take action against injustice in all its forms.

**A Methodist Perspective** - Working together with our ecumenical partners and many others, we aim to uphold the values and principles which arise from our Methodist heritage, including being sustainable, ethical, collaborative and connected to Methodists across our nations and around the world.

| | |
|---|---|
| Full Name of Charity: | Birmingham Methodist Circuit |
| Registration Charity Number: | 1132926 |
| Date of registration: | 23 November 2009 |
| Main communication address: | Birmingham Methodist Circuit (Circuit Office), Selly Oak Methodist Church, Langleys Road, Selly Oak, Birmingham, B29 6HT |

The members of the Birmingham Methodist Circuit Meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown as Appendix A to this report.

**Circuit Ministers and officers**

| | |
|---|---|
| Active Circuit Ministers: | Rev Faral Mapamula, Rev Cleopas Sibanda<br>Rev Quophie Ababio, Rev Melinda Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo,<br>Rev Julie Clark, Rev Caroline(Caz) Hague, Rev Karen Webber,<br>Deacon Angela Allport |
| Circuit Lay Workers: | Mrs Ermine Mitchell, Mr Ian Nannestad, Mrs Diane Webb |
| Circuit Stewards: | Ms Sarah Tolley, Ms Angel Chiu, Mr Mosese Dakunivosa, Mr Richard Kirby,<br>Mr Remi Olatunbosun (Property) |
| Administrators: | Mrs Narinderjit Kaur, Mrs Salome Noah, Mrs Sue Saunderson,<br>Mrs Jayne Snape, Mr Reuben Williams, Ms Mima Yedale |
| Circuit Treasurer: | Andrew Morris (Circuit Treasurer) acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year. |
| Auditor: | FWC Advisory Ltd, XandWhy The Foundry<br>6 Brindley Place, Birmingham B1 2JB |
| Investment Bankers: | Central Finance Board of the Methodist Church<br>Trustees for Methodist Church Purposes<br>CAF Bank Ltd |

**Circuit Property**

All Circuit property is held in the name of The Trustees for Methodist Church Purposes (TMCP).

**Review of the year**

The Circuit has been in existence for fourteen years. Faced with the difficulty of achieving a balanced budget, the decision was taken to use reserves to make up the shortfall. Increasing costs and declining income have led to a shortfall for the year to 31 August 2025 in the general fund of £320,913, excluding capital transactions . There was an overall surplus on unrestricted funds of £690,007. However excluding capital transactions, the overall shortfall is £323,908.

Faced with the reduction in available presbyters and a financial deficit, the Circuit grouped its resources of churches, lay and ordained staff, lay preachers and supernumerary ministers into five Mission and Ministry Teams, to provide more focussed mission. The teams were effective from 1 September 2019 but the Covid-19 pandemic meant they are still not fully embedded in the life of the Circuit. From 1 September 2021 there was a reduction to four Mission and Ministry Teams.

Many churches have seen a reduction in their income, and have had to use reserves to pay their assessment and other costs. In contrast, the Circuit has seen a reduction in some of its costs, as some meetings are now held on Zoom and staff numbers have reduced.

**Income trends**

Circuit income is primarily drawn from the assessment paid by the Circuit churches. Some churches were unable to increase their assessment payments in 2024/25.
Rental income in 2024/25 is derived from the rental of three manses which were surplus to current needs.

**Expenditure trends**

Stipends and salaries have increased each financial year in line with conference approved increases, and to pay the Living Wage.

17% of General Fund expenditure is the Circuit contribution to the District and Connexion, of which 81% is used to fund the work of the wider Methodist Church. This contribution increased by 2.5% from the previous year.

The other expenditure includes substantial amounts incurred on maintaining the Circuit manses to an appropriate standard.

**Plans for 2025/26**

Circuit financial plans for the current year have been prepared on the basis that there are 10 ordained staff, with anticipated cost of living stipend increases and a small increase in the assessment paid to the District. Overall the total amount offered as assessment by the churches is slightly lower than for 2024/25.

**Plans for 2026/27**

Circuit financial plans for 2026/27 have been prepared on the basis that there will be 11 ordained staff, with anticipated cost of living stipend increases and no change in the assessment paid to the District. At the time of writing, it appears unlikely that Circuit income from the churches will remain at the 2025/26 level as membership continues to reduce and at least one church may have ceased to meet. Circuit reserves have been boosted by sales of surplus properties and so it is considered that the Circuit remains a going concern financially despite anticipated reductions in our income.

**Aims and organisation**

Charity objective is to act as a Resource provider within the area around Birmingham and Solihull for the Methodist Church:
The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

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

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

**Public Benefit**

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

**Structure, Governance and Management**

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

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

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, the Circuit Finance Committee, the Circuit Property Committee and the Circuit HR Group.

**Volunteers**

The Circuit is indebted to the many volunteers without whom it could not function. Lay Preachers conduct many of the Sunday services, and volunteers play prominent roles in the stewardship of Circuit finances and property, and serve as Trustees, members of the Circuit Leadership Team, and on many other committees and working groups.

**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 available to all new Circuit Assembly members as induction to their role as trustees.

**Related Parties**

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist and Local Ecumenical Project Churches are linked to the Circuit: Acocks Green, Beacon, Cambridge Road, Castle Bromwich, The Church at Carrs Lane, Chinese Church, Cotteridge, Dorridge, Earlswood, Great Barr, Hall Green United Community Church, Hawkesley, Hazelwell, Longbridge, Lozells, Lyndon, Nether Whitacre, Northfield, Perry Barr, Perry Hall, Saltley, Selly Oak, Shirley, Solihull, South Yardley, St Andrews Chelmsley Wood, St Andrews Stirchley, St Michael's Hall Green, Trinity Monkspath, Water Orton.

**Risk Management**

The major risks have been identified and recorded by the Circuit Finance Committee and Leadership Team 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 regular basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

**Safeguarding**

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

Methodist Connexional practice outlines commitment to the following principles:

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

The Birmingham 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 Birmingham 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.

**Circuit Projects**

The Circuit discontinued support for the Project at Lozells Church and Community Centre in August 2025. In 2024/25 The Circuit spent £43,680 on the running costs of the Lozells project (2023/24 £48,427). The Circuit supports the New Places for New People Project at Stechford, now known as The Table. Cost to the Circuit in 2024/25 was Nil (2023/24 £2,593). The Circuit gave £515 each to Holly Hill School and Hawkesley School, both Methodist/Anglican schools. The Circuit spent £1,902 on Bread & Belief at Birmingham University Chaplaincy in 2024/25 (2023/24 £2,728)

**Reserves Policy**

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to four months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and/or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches. Further reserves are held to meet anticipated future shortfalls of income compared to expenditure, and to enable the Circuit to acquire property if required.

The total funds held at 31 August 2025 are £7,321,109, of which £9,122 are restricted and £208,385 are designated. A detailed analysis of the funds is set out in Note 18 on page 15.

Fixed Assets £3,612,738 - unrestricted funds.

The balance of funds held after allowing for restricted funds, designated funds, commitments or the carrying amount of functional assets which the Circuit considers to represent a commitment of the reserves held, is £3,490,864 as at 31 August 2025, giving approximately 3 years' cover for expenditure. This is considered sufficient.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 2025**

| | Notes to the accounts | General funds | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Total 2024-25 | Total 2023-24 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Income** | | | | | | | | |
| Donations and legacies | 4 | 220 | | | | | 220 | 245 |
| Income from monetary investments | | 10,571 | 110,362 | | 2447 | 394 | 123,774 | 91,988 |
| Income from Investment Properties | | | | | | | 0 | 0 |
| Assessments on Churches | | 686,041 | | | | | 686,041 | 696,336 |
| Capital Receipts | 11 | 140,753 | 3,214,614 | | | | 3,355,367 | 1,437,740 |
| Grants Received | | 58,140 | | | | | 58,140 | 63,306 |
| Other Charitable Income | 5 | 117,652 | | | | | 117,652 | 114,165 |
| **Total Income** | | **1,013,377** | **3,324,976** | **0** | **2,447** | **394** | **4,341,194** | **2,403,780** |
| | | | | | | | | |
| | | | | | | | | |
| **Expenditure** | | | | | | | | |
| | | | | | | | | |
| Stipends, salaries, NIC & Pension costs | 8 | 697,977 | | | | | 697,977 | 655,796 |
| District Assessment | | 19,209 | | | | | 19,209 | 23,007 |
| Methodist Church Fund (Connexion) | | 187,491 | | | | | 187,491 | 178,629 |
| Administration, telephone & travel | | 65,118 | 5,114 | | 167 | | 70,399 | 66,439 |
| Insurance, utilities, etc | | 33,913 | | | | | 33,913 | 40,536 |
| Maintenance of Manses | | 129,242 | | | | | 129,242 | 247,174 |
| Other Expenditure on Circuit property | 10 | 24,101 | | | | | 24,101 | 21,327 |
| Depreciation | 13 | | | | | | - | - |
| Provisions | | | | | | | - | - |
| Other Expenditure | 11 | 1,163,448 | 1,165,845 | | 1,250 | | 2,330,543 | 795,214 |
| Grants and Donations | 12 | 4,120 | 30,191 | 14,334 | | 1,000 | 49,645 | 49,823 |
| Contributions to District Advance Fund | | | 109,275 | | | | 109,275 | 113,767 |
| **Total Charitable Expenditure** | | **2,324,618** | **1,310,425** | **14,334** | **1,417** | **1,000** | **3,651,794** | **2,191,712** |
| | | | | | | | | |
| **Net income/(expenditure)** | | **-1,311,241** | **2,014,551** | **-14,334** | **1,030** | **-606** | **689,400** | **212,068** |
| Transfers between funds | | 288,848 | -288,848 | | | | 0 | 0 |
| | | **-1,022,393** | **1,725,703** | **-14,334** | **1,030** | **-606** | **689,400** | **212,068** |
| **Other recognised gains / (losses):** | | | | | | | | |
| Gains/(losses) on monetary investments | | | | | | | - | 0 |
| Gains/(losses) on investment assets | | 0 | | | | | - | 0 |
| **Net movement in funds** | | **-1,022,393** | **1,725,703** | **-14,334** | **1,030** | **-606** | **689,400** | **212,068** |
| **Reconciliation of funds:** | | | | | | | | |
| Total funds brought forward | | 4,979,290 | 1,421,002 | 168,672 | 53,017 | 9,728 | 6,631,709 | 6,419,642 |
| **Total funds carried forward** | | **3,956,897** | **3,146,705** | **154,338** | **54,047** | **9,122** | **7,321,109** | **6,631,710** |

For information only Money received and passed on to External Organisations

| | | |
|---|---|---|
| Balance brought forward from last year | 0 | 0 |
| Offerings/Gifts - received for External Organisations | 176 | 223 |
| Offerings/Gifts - passed to External Organisations | 176 | 223 |
| Balance carried forward | 0 | 0 |

**Birmingham Methodist Circuit**

**Balance Sheet as at 31 August 2025**

| | Notes | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2025 | Totals 2024 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Fixed Assets** | | | | | | | | |
| Land & Buildings | 13 | 3,612,738 | | | | | 3,612,738 | 4,603,066 |
| Equipment | | | | | | | | |
| Investment properties | 14 | | | | | | | |
| Investments | | | | | | | | |
| ***Total fixed assets*** | | 3,612,738 | 0 | 0 | 0 | 0 | 3,612,738 | 4,603,066 |
| **Current Assets** | | | | | | | | |
| Debtors | 15 | 106,472 | 8,000 | | | | 114,472 | 90,717 |
| Trustees for Methodist Church Purposes Deposits | | 0 | 3,138,705 | 154,338 | | | 3,293,043 | 1,624,967 |
| Central Finance Board Deposits | | 328,459 | | | 53,573 | 8,246 | 390,278 | 427,319 |
| Cash at Bank and in hand | | 61,246 | | | 474 | 876 | 62,596 | 49,852 |
| ***Total current assets*** | | 496,177 | 3,146,705 | 154,338 | 54,047 | 9,122 | 3,860,389 | 2,192,855 |
| **Current Liabilities** | | | | | | | | |
| Creditors and Accruals (due in under 1 yr) | 16 | 152,017 | | | | 0 | 152,017 | 164,212 |
| ***Total Current Liabilities*** | | 152,017 | | | | 0 | 152,017 | 164,212 |
| ***Net current assets/(liabilities)*** | | 344,160 | 3,146,705 | 154,338 | 54,047 | 9,122 | 3,708,372 | 2,028,643 |
| ***Total assets less current liabilities*** | 18 | 3,956,897 | 3,146,705 | 154,338 | 54,047 | 9,122 | 7,321,109 | 6,631,709 |
| **Long term liabilities (due after more than 1 year)** | | | | | | | 0 | 0 |
| ***Net assets*** | | 3,956,897 | 3,146,705 | 154,338 | 54,047 | 9,122 | 7,321,109 | 6,631,709 |
| **Funds of the Circuit** | | | | | | | | |
| General Fund (Unrestricted) | 19 | 3,956,897 | | | | | 3,956,897 | 4,979,290 |
| Model Trust Fund (Unrestricted) | 19 | | 3,146,705 | | | | 3,146,705 | 1,421,002 |
| Model Trust Fund (Designated & Unrestricted) | 19 | | | 154,338 | | | 154,338 | 168,672 |
| Designated funds | 19 | | | | 54,047 | | 54,047 | 53,017 |
| Restricted funds | 19 | | | | | 9,122 | 9,122 | 9,728 |
| ***Total Funds*** | | 3,956,897 | 3,146,705 | 154,338 | 54,047 | 9,122 | 7,321,109 | 6,631,709 |

The financial statements were approved and authorised for issue by the Circuit Meeting on 26 March 2026
Signed on behalf of the Circuit Meeting

Andrew Morris Circuit Treasurer

**Birmingham Methodist Circuit** **Circuit No: 3/2**

**Cash flow statement for the year ended 31 August 2025**

| Statement of cash flows | 2025 £ | 2024 £ |
|---|---|---|
| **Cash from operating activities** | | |
| Net cash used in operating activities | **-528,041** | **601,329** |
| **Cash flows from investing activities** | | |
| Dividends,interest and rents from investments | 123,774 | 91,988 |
| Proceeds from the sale of property,plant and equipment | 2,048,768 | 654,265 |
| Purchase of property,plant and equipment | 0 | 403,266 |
| **Net cash provided by investing activities** | **2,172,542** | **1,149,519** |
| **Cash flows from financing activities** | 0 | 0 |
| **Net cash used in financing activities** | **0** | **0** |
| **Change in cash and cash equivalents in the reporting period** | 1,643,779 | -149,473 |
| Cash and cash equivalents at the beginning of the reporting period | 2,102,138 | 2,251,611 |
| **Cash and cash equivalents at the end of the reporting period** | **3,745,917** | **2,102,138** |

| Reconciliation of net income to net cash flow from operating activities | 2025 £ | 2024 £ |
|---|---|---|
| Net income for the reporting period ( as per statement of financial activities) | 689,400 | 212,068 |
| **Adjustments for:** | | |
| Loss/(Profit) on the sale of fixed assets | -1,058,439 | 422,394 |
| Gains on investments | 0 | 0 |
| Dividends, interest and rents from investments | -123,052 | -91,988 |
| (increase)/decrease in debtors | -23,755 | 69,469 |
| increase/(decrease) in creditors | -12,195 | -10,614 |
| **Net cash used in operating activities** | **-528,041** | **601,329** |

| Analysis of cash and cash equivalent | 2025 £ | 2024 £ |
|---|---|---|
| Cash in hand | 452,874 | 477,171 |
| Short term deposit (less than 3 months) | 3,293,043 | 1,624,967 |
| **Total cash and cash equivalents** | **3,745,917** | **2,102,138** |

## Notes to the Accounts

### 1. Basis of Preparation

Birmingham Methodist Circuit is a Charity registered in England. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities can be found within the Trustees' Annual Report located on pages 2 to 5.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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, but part of the fund has been designated for specific purposes and is shown separately. Designated Funds which are unrestricted but set aside for specific purposes. Restricted Funds which are held for a narrower purpose . Details of each material fund are disclosed in Note 18 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Income Recognition

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

#### Resources Expended

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

#### Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

#### VAT

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

#### Revaluation of functional property assets

The Circuit carries its functional property assets at deemed cost, with any impairment being recognised in the Statement of Financial Activities. The Circuit has used insurance value as at 1 September 2015 as its independent valuation at the date of transition. Some of the key assumptions used to determine the deemed cost of the assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

#### Tangible fixed assets for use by the Circuit

The manses are shown in the accounts at 2015 deemed values or subsequent cost. No depreciation is provided on these assets because the Trustees consider the current residual fair values to be not less than their current value. Any depreciation would not be material. The assets have been reviewed for impairment. Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

#### Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA. The Circuit does not hold any investment properties.

#### Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Notes to the Accounts (continued)

| 4. Donations and legacies | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2025 Total | 2024 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Donations | 220 | | | | 220 | 245 |
| Legacies | | | | | 0 | 0 |
| Total | 220 | - | | - | 220 | 245 |

| 5. Other charitable income | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2025 Total | 2024 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Payroll recharges | 75,487 | ;. | | | 75,487 | 51,517 |
| Benevolent Fund | | | | 0 | 0 | 0 |
| Sundry income | 550 | | | | 550 | 924 |
| Transfer from closed churches | 3,918 | | | | 3,918 | 13,521 |
| Inner City Fund | | | | 0 | 0 | 0 |
| City Centre Fund recharges | | | | | 0 | 0 |
| Manse Rental | 37,697 | | | | 37,697 | 48,203 |
| Total | 117,652 | 0 | 0 | 0 | 117,652 | 114,165 |

| 6. Payment to Trustees | | 2025 | 2024 |
|---|---|---|---|
| Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | £ | - | - |
| Number of trustees who were paid expenses | | 4 | 5 |
| Nature of the expenses: | Travel Expenses, Postage & Printing, Catering | | |
| Total amount paid | £ | 1,162 | 698 |

| 7. Fees for audit of the accounts | | 2025 | 2024 |
|---|---|---|---|
| Independent auditors' fees for reporting on the accounts | £ | 4,800 | 4,596 |

**Notes to the Accounts (continued)**

**8. Paid employees**

| | | 2025 | 2024 |
|---|---|---|---|
| **Staff Costs paid during the year were:** | | | |
| Gross wages, salaries and benefits in kind | £ | 559,594 | 518,098 |
| Employer's National Insurance costs | £ | 56,192 | 44,914 |
| Pension costs | £ | 79,481 | 90,081 |
| Apprenticeship Levy | £ | 2,711 | 2,703 |
| Total staff costs | £ | **697,977** | **655,796** |
| **Average number of staff employed during the year were:** | | 20 | 22 |

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000 (€70,000).

| | | 2025 | 2024 |
|---|---|---|---|
| The Circuit contributes to two pension schemes: | | | |
| Methodist Ministers' Pension Scheme (defined benefit) | £ | 65,308 | 78,246 |
| Lay Employees' Pension Scheme (defined contribution) | £ | 14,173 | 11,835 |
| | £ | 79,481 | 90,081 |

**Methodist Ministers' Pension Scheme**

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

The Connexion accounts for the MMPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Methodist Conference 2021 asked Districts, Circuits and churches to consider making voluntary donations of 15% of their free reserves to a Pension Reserve Fund to cover future deficits in the MMPS. Birmingham Circuit took the decision not to contribute to this Fund on a voluntary basis. It has now been determined that the voluntary contributions which were made are no longer required, and they have been returned to the donors with interest.

£5,064 was prepaid in respect of the Minister's Pension Scheme at 31 August 2025 (£5,170 at 31 August 2024).

**Lay Employees' Pension Scheme**

There is an employer debt on withdrawal from this scheme which was estimated at £20,217 at 30 September 2020.

**9. Leasing Commitments**

| **Committed to be paid:** | | 2025 | 2024 |
|---|---|---|---|
| Expiring Within 1 Year | £ | 478 | 955 |
| Between 2 & 5 Years | £ | - | 478 |
| After 5 Years | £ | - | - |
| | £ | 478 | 1,433 |

During the year £885 (2024: £1,017) was expensed through the SoFA in relation to operating leases.

**10. Other Expenditure on Circuit property**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Quinquennial Inspections (Property and Electrical) | 15,336 | 13,800 |
| Management and other fees | 8,765 | 6,451 |
| | 24,101 | 20,251 |
| Villa Road Legal Costs - Inner City Fund | - | 1,076 |
| | 24,101 | 21,327 |

**Notes to the Accounts (continued)**

**11. Other Expenditure**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Children and Youth | 6,136 | 7,730 |
| Subscriptions (CIGB, BCT, Citizens) | 8,314 | 8,313 |
| Training | 1,513 | -250 |
| Audit Fee | 4,928 | 4,596 |
| Philippians Fund | 7,708 | 4,504 |
| Meeting Expenses | 2,623 | 1,147 |
| Consultancy | 1,250 | 2,100 |
| Miscellaneous | 1,145 | 728 |
| | 33,617 | 28,868 |
| Connexional (CPF) Levies on Sold Properties | 1,165,845 | 110,731 |
| Capital Payment for Manses and Churches | 1,131,081 | 655,615 |
| | 2,330,543 | 795,214 |

In the General Fund, Capital Receipts is the profit on sale of fixed assets, Capital Payment for Manses and Churches is the net proceeds of sale. These are not cash inflows and outflows but are shown in General Fund as the Fixed Assets are held in that fund. The cash proceeds of sale are shown in the Model Trust Fund.

**12. Grants & Donations**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Holly Hill School | 2,060 | 2,000 |
| Hawkesley School | 2,060 | 2,000 |
| | 4,120 | 4,000 |
| Perry Hall Replacement Windows | | 5,359 |
| Lozells staffing costs | 12,000 | 12,000 |
| Lozells Fire Alarm | 2,334 | |
| Setting up Holly Hill Church | | 875 |
| Holly Hill Community Day | 1,000 | |
| Roof replacement- Water Orton | | 25,000 |
| Benevolent Fund | | |
| Grant for Fencing and Kerbs - Dorridge | 2,297 | |
| Grant for Doors and Windows - South Yardley | 20,922 | |
| Grant for Heaters - Selly Oak | 4,560 | |
| Grants for Boiler and Drainage - Hall Green | 2,412 | |
| Grant for Roller Shutter- Hall Green | | 564 |
| Grant for Header/Pipework- Hall Green | | 2,024 |
| | 49,645 | 49,823 |

**13. Tangible Fixed Assets**

The Circuit held 10 manses at 31 August 2025. Three manses were sold in the year. Maypole Methodist Church was sold during the year. All Circuit property is held in the name of the Trustees for Methodist Church Purposes.

Cost or valuation

| | Residential Land £ | Other Land £ | Manses £ | Other buildings £ | Other fixed assets including motor vehicles £ | Fixtures, fittings and equipment £ | Payments on account and assets under construction £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | 4,164,066 | 439,000 | | | | 4,603,066 |
| Additions | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | 741,328 | 249,000 | | | | 990,328 |
| Transfers * (+/-) | | | | | | | | |
| Balance carried forward | | | 3,422,738 | 190,000 | | | | 3,612,738 |

**Accumulated depreciation**

| | | | SL or RB | SL or RB | SL or RB | SL or RB | | |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | | | | | | |
| Depreciation charge for year (-) | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | | | | | | |
| Transfers* (+/-) | | | | | | | | |
| Balance carried forward | | | | | | | | |

**Net book value**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Brought forward | - | - | - | - | - | - | - | - |
| Carried forward | - | - | 3,422,738 | 190,000 | - | - | - | 3,612,738 |

**14. Investments**

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month.
These are regarded as medium and long term investments.TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

No investment property was held during the year.

Notes to the Accounts (continued)

**15. Analysis of debtors**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Accrued income (includes outstanding assessment payments) | 22,477 | 26,151 |
| Other debtors | 40,134 | 40,850 |
| Loans | 59,361 | 23,716 |
| **Total Debtors** | **121,972** | **90,717** |

**Analysis of Loans**

| | | |
|---|---|---|
| Due within one year | 9,400 | 8,000 |
| Due within two to five | 49,961 | 15,716 |
| Due after five years | | |
| | **59,361** | **23,716** |

**16. Analysis of current liabilities and long term creditors**

| | | |
|---|---|---|
| Prepaid Assessment | 112,869 | 133,097 |
| Other Creditors | 39,148 | 31,115 |
| **Total Current** | **152,017** | **164,212** |

**17. Capital Commitments and Contingent Liabilities**

| | | |
|---|---|---|
| At 31 August 2025 capital commitments amounted to: | - | - |
| At 31 August 2025 contingent liabilities amounted to: | - | - |

otes to the Accounts (continued)

**Analysis of Net Assets between funds**

| | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2025 | Totals 2024 |
|---|---|---|---|---|---|---|---|
| Fixed assets | 3,612,738 | | | | | 3,612,738 | 4,603,066 |
| Current assets | 496,176 | 3,146,705 | 154,338 | 54,047 | 9,122 | 3,860,388 | 2,192,855 |
| Current liabilities | -152,017 | | | | | -152,017 | -164,212 |
| | **3,956,897** | **3,146,705** | **154,338** | **54,047** | **9,122** | **7,321,109** | **6,631,709** |

**. Detailed analysis of individual fund movements**

**Unrestricted Funds**

| Unrestricted Fund Name | Opening | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| General | 4,979,290 | 1,012,377 | 2,323,618 | 288,848 | | 3,956,897 | The general purposes of the Circuit |
| Model Trust Fund | 1,421,002 | 3,324,976 | 1,310,425 | -288,848 | | 3,146,705 | Support for the mission of the Circuit |
| Designated - Model Trust Fund | 168,672 | | 14,334 | | | 154,338 | Supporting work within Birmingham Inner City |
| Designated - Inner City | 1,724 | | 1,250 | | | 474 | Supporting work within Birmingham Inner City |
| Designated - Property | | | | | | | Major repairs to manses |
| Designated - Trinity Monkspath | 51,293 | 2,447 | 167 | | | 53,573 | The general purposes of the Circuit |
| Totals | 6,621,981 | 4,339,800 | 3,649,794 | | | 7,311,987 | |

**Restricted Funds**

| Restricted Fund Name | Opening Balance | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| Benevolent Fund | 876 | | | | | 876 | Support for individuals in specific need |
| Holly Hill School | 8,852 | 394 | 1,000 | | | 8,246 | Supporting a Methodist/Anglican school |
| Totals | 9,728 | 394 | 1,000 | | | 9,122 | |

The reasons for the transfers between funds were as follows:

To provide working capital for the Circuit and to adjust for the sale of fixed assets.

## Notes to the Accounts (continued)

### 20. Related party transactions

This year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2025 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 187,491 | | |
| Birmingham Methodist District | Methodist Governing Body | Contribution to District costs | | 19,209 | | |
| | | | | | | |
| **Total** | | | **0** | **206,700** | | |

Last year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2024 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 178,629 | | |
| Birmingham Methodist District | Methodist Governing Body | Contribution to District costs | | 23,007 | | |
| | | | | | | |
| **Total** | | | **0** | **201,636** | | |

## Birmingham Methodist Circuit
## DECLARATIONS

**Treasurer**

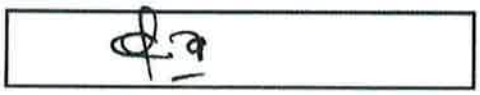
I confirm that these accrual based accounts for the year ended 31 August 2025 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

| | | | |
|---|---|---|---|
| Signature of Treasurer | | Date | 21 March 2026 |
| Name of Treasurer | **Andrew Morris** | | |
| Address | 11 Rodman Close, Edgbaston, Birmingham, B15 3PE | | |

**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 August 2025 were presented to the Circuit Meeting at its meeting on **21 March 2026**

and were approved.

| | |
|---|---|
| Signature of the Chair of the meeting |  |
| Name of the Chair of the meeting | **Rev Cleopas Sibanda** |
| Date | **21 March 2026** |

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BIRMINGHAM METHODIST CIRCUIT

### Opinion

We have audited the financial statements of Birmingham Methodist Circuit (the 'charity') for the year ended 31 August 2025, which comprise the Statement of Finanical Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial sttements is appropriate.

Based on the work we have performed, we have not identified any material uncertaintles relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilites of the trustees with respect to going concern are described in the relevant section of this report.

### Other information

The trustees are responsible for the other information. The other information comprises the information in the Annual Report,other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of trustees, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which noncompliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;

- inquired management and trustees, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;

- reviewed minutes of meetings of the Board of Trustees to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations

- reviewed accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Use of our report**
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

FWC Advisory Ltd

FWC Advisory Ltd
XandWhy The Foundry
6 Brindley Place
Birmingham
B1 2JB

Date: 21/03/2026

**Birmingham Methodist Circuit**

CIRCUIT ASSEMBLY MEMBERSHIP

| | |
|---|---|
| PRESBYTERS | Rev Farai Mapamula |
| | Rev Cleopas Sibanda |
| | Rev Quophie Anochie Ababio |
| | Rev Ping Ting Chen |
| | Rev Molly Chitokwindo |
| | Rev Caroline Hague |
| | Rev Joseph Ribeiro |
| | Rev Karen Webber |
| DEACON | |
| PROBATIONER PRESBYTER | |
| | Julie Clark |
| MINISTERS IN OTHER APPOINTMENTS | |
| | Rev Mindy Bell |
| CLERGY IN LEP's | |
| | Mark Meatcher |
| SUPERNUMERARY MINISTERS | |
| | Rev Alison Geary |
| | Rev Donald Sampson |
| | Rev Caroline Homan |
| | Rev Barbara Calvert |
| LAYWORKERS | |
| | Ermine Mitchell |
| | Diane Webb |
| CIRCUIT STEWARDS | |
| | Remi Olatunbosun (Property) |
| | Sarah Tolley |
| | Richard Kirby |
| | Moses Dakunivosa |
| | Angel Chiu |
| CIRCUIT TREASURER | |
| | Andrew Morris |
| Safeguarding Convenor | |
| Queens Foundation | |
| CA Minute Taker | |
| | Kath Collman |
| Circuit Local Preachers & Worship Leaders Representatives | |
| | Fiona Beadle |
| | Keith Dennis |
| | Danny Dorsett |
| | Annette Sampson |
| | Gareth Davis |
| | Helen Woodall |
| CO-OPTED MEMBERS | |
| | Kath Collman |

CIRCUIT CHURCH REPRESENTATIVES

| | |
|---|---|
| Acocks Green | |
| | Mark Firmstone |
| | Alan Bennett |
| | Helen Powick |
| Beacon | |
| | Judith Wingate |
| | Jeremy Parker |
| | Sheila Maggs |
| Cambridge Road | |
| | Barbara Howarth |
| | Nicola Sharman |
| Castle Bromwich | |
| | Sue Mitchell |
| | Gareth Davies |
| | Mark Ashmore |
| The Church at Carrs Lane | |
| | Peter Woodall |
| Chinese Church | |
| | Angel Chiu |
| | Cynthia Law |
| | Rhoda Tong |
| | Sissy Wong |
| Cotteridge | |
| | John Cliff |
| | Mike Meadows |
| | Dorothy Audley |
| Dorridge | |
| | Lynne Wilson |
| | Phil Salmon |
| | Lis Helliar |
| | Helen Munday |
| Earlswood | |
| | Grenville Jones |
| | Jenny Cockroft |
| Great Barr | |
| | Roger O'Hare |
| | Dawn Brown |
| Hall Green United Community Church | |
| | Brian Dickens |
| | Val Dickens |
| | Blair Kesseler |

| | |
|---|---|
| Hawkesley | Clive Sweet |
| Hazelwell | Janet Thomas<br>Peter Thomas |
| Longbridge | Bright Obeng<br>Philip Osborn<br>Lenroy Ryner |
| Lozells | Richard Noah<br>Ellalyn Blake<br>Caroline Nana-Tchounga |
| Lyndon | Janet Rudge<br>Lorraine Sibson<br>Tony Ludlow<br>Claire Frew |
| Nether Whitacre | Carol Morgan<br>Jane Taylor<br>Helen Howell |
| Northfield | Colin Capell<br>Boaz Beoluf Jangan<br>Laura Enonchong |
| Perry Barr | Pansie McKenzie<br>Neilson Williams |
| Perry Hall | Daphne Gray<br>Vivette Haylette<br>Sarah Tolley |
| Saltley | Lorna Neale<br>Sylvina Payne<br>Ralph Neale |

| | |
|---|---|
| Selly Oak | |
| | Richard Kirby |
| | Brian Noake |
| | Karen Ashton |
| Shirley | |
| | Lois Beaumont |
| | Phil Salmon |
| | Pat Lowe |
| Solihull | |
| | Caroline Hinchliffe |
| | Jenni Kitson |
| | Yan Yeung |
| | Christine Burr |
| | Ian Hancock |
| | Alan Faulkner |
| | Karen Handford |
| | Glen Mullineux |
| South Yardley | |
| | Liz Lyons |
| | Joe Glasford |
| St Andrew's Chelmsley Wood | |
| St Andrews Stirchley | |
| | Margaret Murphy |
| | Sue Ford |
| St Michaels | |
| | Ian Crockford |
| Trinity Monkspath | |
| | Clive Prentice |
| | Ann Prentice |
| Water Orton | |
| | Gill Day |
| | Mike Cox |
| | Roger Boult |

**BIRMINGHAM METHODIST CIRCUIT**

England & Wales - Charity number 1132926

# Accounts

Circuit
Accruals Accounts
2023-2024

# THE METHODIST CHURCH

## REPORT AND ACCOUNTS
## (ACCRUALS BASIS)
### for the year ended 31 August 2024

**Birmingham Methodist Circuit**

**Registered Charity - Registration number** 1132926

**Birmingham District** 05/01

**Ministers**

Rev Cleopas Sibanda, Rev Farai Mapamula,
Rev Mindy Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo,
Rev Caroline (Caz) Hague, Rev Deborah Humphries,Rev Nicholas Jones
Rev Alison Richards, Rev Sue Shortman, Rev Karen Webber

**Circuit Stewards**

Marjorie Roper
Remi Olatunbosun (Property)

**Circuit Treasurer**

Andrew Morris

**Birmingham Methodist Circuit**
**TRUSTEES' ANNUAL REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2024***

**Introduction**
Welcome to the Annual Report of the Birmingham Methodist Circuit. The Circuit consists of 30 Methodist and Local Ecumenical Partnership churches in the City of Birmingham and surrounding area, served by a team of ordained and lay staff.

**Vision Statement and Priorities**
Birmingham Methodist Circuit aspires to be a welcoming Christian family with inspiring worship, radical compassion and social justice at its heart. In this way and following in our Methodist tradition, we aim to share in the transformation of life made possible through God's love.

As members of the Birmingham Methodist Circuit, we have agreed the following five priorities for the meaningful sharing of our God given resources:
**Transforming Life** - We aim to live in such a way as to bring about positive change in our own lives and the lives of others, to share God's love and to learn and grow as followers of Jesus both individually and in community.
**Inspiring Worship** - We aim to offer worship across the Circuit which glorifies God, is inviting to all, enriches faith and inspires us to respond.
**Radical Compassion** - We aim to develop and practice a radical compassion which is welcoming, inclusive, safe and empowering.

**Social Justice** - We aim to speak out and take action against injustice in all its forms.
**A Methodist Perspective** - Working together with our ecumenical partners and many others, we aim to uphold the values and principles which arise from our Methodist heritage, including being sustainable, ethical, collaborative and connected to Methodists across our nations and around the world.

| | |
|---|---|
| Full Name of Charity: | Birmingham Methodist Circuit |
| Registration Charity Number: | 1132926 |
| Date of registration: | 23 November 2009 |
| Main communication address: | Birmingham Methodist Circuit (Circuit Office), Selly Oak Methodist Church, Langleys Road, Selly Oak, Birmingham, B29 6HT |

The members of the Birmingham Methodist Circuit Meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.
Full membership is shown as Appendix A to this report.

**Circuit Ministers and officers**

| | |
|---|---|
| Active Circuit Ministers: | Rev Alison Richards, Rev Farai Mapamula, Rev Cleopas Sibanda<br>Rev Mindy Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo, Rev Caroline(Caz) Hague,<br>Rev Deborah Humphries, Rev Nick Jones, Rev Sue Shortman,<br>Rev Karen Webber |
| Circuit Lay Workers: | Ms Arul Israel, Mrs Ermine Mitchell, Mr Ian Nannestad, Mrs Diane Webb |
| Circuit Stewards: | Mrs Marjorie Roper, Mr Remi Olatunbosun (Property) |
| Administrators: | Mrs Amanda Harris, Mrs Narinderjit Kaur, Mrs Salome Noah, Mrs Sue Saunderson,<br>Mrs Jayne Snape, Mr Reuben Williams, Ms Mima Yedale |
| Circuit Treasurer: | Andrew Morris (Circuit Treasurer) acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year. |
| Auditor: | Wallace Crooke, Chartered Accountants & Registered Auditors, Wallace House,<br>20 Birmingham Road, Walsall, WS1 2LT |
| Investment Bankers: | Central Finance Board of the Methodist Church<br>Trustees for Methodist Church Purposes<br>CAF Bank Ltd |

**Circuit Property**
All Circuit property is held in the name of The Trustees for Methodist Church Purposes (TMCP).

**Review of the year**

The Circuit has been in existence for thirteen years. Faced with the difficulty of achieving a balanced budget, the decision was taken to use reserves to make up the shortfall. Increasing costs and declining income have led to a shortfall for the year to 31 August 2024 in the general fund of £327,617, excluding capital transactions . There was an overall surplus on unrestricted funds of £212,491. However excluding capital transactions, the overall shortfall is £425,955.

Faced with the reduction in available presbyters and a financial deficit, the Circuit grouped its resources of churches, lay and ordained staff, lay preachers and supernumerary ministers into five Mission and Ministry Teams, to provide more focussed mission. The teams were effective from 1 September 2019 but the Covid-19 pandemic has meant they are still not fully embedded in the life of the Circuit. From 1 September 2021 there was a reduction to four Mission and Ministry Teams.

Many churches have seen a reduction in their income, and have had to use reserves to pay their assessment and other costs. In contrast, the Circuit has seen a reduction in some of its costs, as some meetings are now held on Zoom and staff numbers have reduced.

**Income trends**

Circuit income is primarily drawn from the assessment paid by the Circuit churches. Some churches were unable to increase their assessment payments in 2023/24.
Rental income is derived from the rental of three manses which are surplus to current needs.

**Expenditure trends**

Stipends and salaries have increased each financial year in line with conference approved increases, and to pay the Living Wage.

17% of General Fund expenditure is the Circuit contribution to the District and Connexion, of which 89% is used to fund the work of the wider Methodist Church. This contribution increased by 7% from the previous year.
The other expenditure includes substantial amounts incurred on maintaining the Circuit manses to an appropriate standard.

**Plans for 2024/25**

Circuit financial plans for the current year have been prepared on the basis that there are 10 ordained staff, with anticipated cost of living stipend increases and a small increase in the assessment paid to the District. Overall the total amount offered as assessment by the churches is slightly lower than for 2023/24.

**Plans for 2025/26**

Circuit financial plans for 2025/26 have been prepared on the basis that there will be 11 ordained staff, with anticipated cost of living stipend increases and no change in the assessment paid to the District. At the time of writing, it appears unlikely that Circuit income from the churches will remain at the 2024/25 levels as membership continues to reduce and at least one church may have ceased to meet. Circuit reserves have been boosted by sales of surplus properties and so it is considered that the Circuit remains a going concern financially despite anticipated reductions in our income.

**Aims and organisation**

Charity objective is to act as a Resource provider within the area around Birmingham for the Methodist Church:
The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

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

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

**Public Benefit**

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

**Structure, Governance and Management**

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

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

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, the Circuit Finance Committee, the Circuit Property Committee and the Circuit HR Group.

**Volunteers**

The Circuit is indebted to the many volunteers without whom it could not function. Lay Preachers conduct many of the Sunday services, and volunteers play prominent roles in the stewardship of Circuit finances and property, and serve as Trustees, members of the Circuit Leadership Team, and on many other committees and working groups.

**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 available to all new Circuit Assembly members as induction to their role as trustees.

**Related Parties**

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist and Local Ecumenical Project Churches are linked to the Circuit: Acocks Green, Beacon, Cambridge Road, Castle Bromwich, The Church at Carrs Lane, Chinese Church, Cotteridge, Dorridge, Earlswood, Great Barr, Hall Green United Community Church, Hawkesley, Hazelwell, Longbridge, Lozells, Lyndon, Nether Whitacre, Northfield, Perry Barr, Perry Hall, Saltley, Selly Oak, Shirley, Solihull, South Yardley, St Andrews Chelmsley Wood, St Andrews Stirchley, St Michael's Hall Green, Trinity Monkspath, Water Orton.

**Risk Management**

The major risks have been identified and recorded by the Circuit Finance Committee and Leadership Team 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 regular basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

**Safeguarding**

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

Methodist Connexional practice outlines commitment to the following principles:

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

The Birmingham 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 Birmingham 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.

**Circuit Projects**

The Circuit Project at St Francis Community Centre, Woodgate Valley came to an end in July 2023. The Circuit continues to support the Project at Lozells Church and Community Centre. In 2023/24 The Circuit spent £nil on the running costs of the Woodgate Valley Project (2022/23 £25,638) and £48,427 on the running costs of the Lozells project (2022/23 £19,037). The Circuit also gave £500 each to Holly Hill School and Hawkesley School, both Methodist/Anglican schools.

**Reserves Policy**

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

The total funds held at 31 August 2024 are £6,631,709, of which £9,728 are restricted and £221,689 are designated. A detailed analysis of the funds is set out in Note 18 on page 15.

Fixed Assets £4,603,066 - unrestricted funds.

The balance of funds held after allowing for restricted funds, designated funds, commitments or the carrying amount of functional assets which the Circuit considers to represent a commitment of the reserves held, is £1,848,519 as at 31 August 2024, giving approximately 18 months cover for expenditure. This is considered sufficient.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 2024**

| | Notes to the accounts | General funds | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Total 2023-24 | Total 2022-23 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Income** | | | | | | | | |
| Donations and legacies | 4 | 245 | | | | | 245 | 1,796 |
| Income from monetary investments | | 16,136 | 72,765 | | 2636 | 451 | 91,988 | 51,948 |
| Income from Investment Properties | | | | | | | 0 | 0 |
| Assessments on Churches | | 696,336 | | | | | 696,336 | 685,761 |
| Capital Receipts | | 671,394 | 766,346 | | | | 1,437,740 | 1,655,782 |
| Grants Received | | 63,306 | | | | | 63,306 | 49,264 |
| Other Charitable Income | 5 | 114,165 | | | | | 114,165 | 184,102 |
| **Total Income** | | **1,561,582** | **839,111** | **0** | **2,636** | **451** | **2,403,780** | **2,628,653** |
| | | | | | | | | |
| | | | | | | | | |
| **Expenditure** | | | | | | | | |
| | | | | | | | | |
| Stipends, salaries, NIC & Pension costs | 8 | 655,796 | | | | | 655,796 | 698,291 |
| District Assessment | | 23,007 | | | | | 23,007 | 24,993 |
| Methodist Church Fund (Connexion) | | 178,629 | | | | | 178,629 | 164,007 |
| Administration, telephone & travel | | 61,644 | 4,656 | | 139 | | 66,439 | 45,679 |
| Insurance, utilities, etc | | 40,536 | | | | | 40,536 | 40,456 |
| Maintenance of Manses | | 247,174 | | | | | 247,174 | 34,505 |
| Other Expenditure on Circuit property | 10 | 20,251 | | | 1,076 | | 21,327 | 38,099 |
| Depreciation | 13 | | | | | | - | - |
| Provisions | | | | | | | - | - |
| Other Expenditure | 11 | 280,337 | 512,777 | | 2,100 | | 795,214 | 2,713,493 |
| Grants and Donations | 12 | 4,000 | 32,948 | 12,000 | | 875 | 49,823 | 22,432 |
| Contributions to District Advance Fund | | | 113,767 | | | | 113,767 | 43,798 |
| **Total Charitable Expenditure** | | **1,511,374** | **664,148** | **12,000** | **3,315** | **875** | **2,191,712** | **3,825,753** |
| | | | | | | | | |
| **Net income/(expenditure)** | | **50,208** | **174,963** | **-12,000** | **-679** | **-424** | **212,068** | **-1,197,100** |
| Transfers between funds | | 270,855 | -230,855 | 0 | -40,000 | | **0** | **0** |
| | | **321,063** | **-55,892** | **-12,000** | **-40,679** | **-424** | **212,068** | **-1,197,100** |
| **Other recognised gains / (losses):** | | | | | | | | |
| Gains/(losses) on monetary investments | | | | | | | - | 0 |
| Gains/(losses) on investment assets | | 0 | | | | | - | 0 |
| **Net movement in funds** | | **321,063** | **-55,892** | **-12,000** | **-40,679** | **-424** | **212,068** | **-1,197,100** |
| **Reconciliation of funds:** | | | | | | | | |
| Total funds brought forward | | 4,658,227 | 1,476,895 | 180,672 | 93,696 | 10,152 | 6,419,642 | 7,616,742 |
| **Total funds carried forward** | | **4,979,290** | **1,421,003** | **168,672** | **53,017** | **9,728** | **6,631,710** | **6,419,642** |

For information only Money received and passed on to External Organisations

| | | |
|---|---|---|
| Balance brought forward from last year | 0 | 0 |
| Offerings/Gifts - received for External Organisations | 0 | 223 |
| Offerings/Gifts - passed to External Organisations | 0 | 223 |
| Balance carried forward | 0 | 0 |

**Balance Sheet as at 31 August 2024**

| | Notes | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2024 | Totals 2023 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Fixed Assets** | | | | | | | | |
| Land & Buildings | 13 | 4,603,066 | | | | | 4,603,066 | 4,182,671 |
| Equipment | | | | | | | | |
| Investment properties | 14 | | | | | | | |
| Investments | | | | | | | | |
| ***Total fixed assets*** | | 4,603,066 | 0 | 0 | 0 | 0 | 4,603,066 | 4,182,671 |
| **Current Assets** | | | | | | | | |
| Debtors | 15 | 74,717 | 16,000 | | | 0 | 90,717 | 160,186 |
| Trustees for Methodist Church Purposes Deposits | | | 1,405,002 | 168,672 | 51,293 | | 1,624,967 | 1,682,363 |
| Central Finance Board Deposits | | 418,467 | | | | 8,852 | 427,319 | 320,601 |
| Cash at Bank and in hand | | 46,176 | 0 | | 2,800 | 876 | 49,852 | 248,647 |
| ***Total current assets*** | | 539,360 | 1,421,002 | 168,672 | 54,093 | 9,728 | 2,192,855 | 2,411,797 |
| **Current Liabilities** | | | | | | | | |
| Creditors and Accruals (due in under 1 yr) | 16 | 163,136 | | | 1,076 | 0 | 164,212 | 174,826 |
| ***Total Current Liablities*** | | **163,136** | **0** | **0** | **1,076** | **0** | **164,212** | **174,826** |
| ***Net current assets/(liabilities)*** | | 376,224 | 1,421,002 | 168,672 | 53,017 | 9,728 | 2,028,643 | 2,236,971 |
| ***Total assets less current liabilities*** | 18 | 4,979,290 | 1,421,002 | 168,672 | 53,017 | 9,728 | 6,631,709 | 6,419,642 |
| **Long term liabilities (due after more than 1 year)** | | | | | | | 0 | 0 |
| ***Net assets*** | | 4,979,290 | 1,421,002 | 168,672 | 53,017 | 9,728 | 6,631,709 | 6,419,642 |
| **Funds of the Circuit** | | | | | | | | |
| General Fund (Unrestricted) | 19 | 4,979,290 | | | | | 4,979,290 | 4,658,227 |
| Model Trust Fund (Unrestricted) | 19 | | 1,421,002 | | | | 1,421,003 | 1,476,895 |
| Model Trust Fund (Designated & Unrestricted) | 19 | | | 168,672 | | | 168,672 | 180,672 |
| Designated funds | 19 | | | | 53,017 | | 53,017 | 93,696 |
| Restricted funds | 19 | | | | | 9,728 | 9,728 | 10,152 |
| ***Total Funds*** | | 4,979,290 | 1,421,002 | 168,672 | 53,017 | 9,728 | 6,631,710 | 6,419,642 |

The financial statements were approved and authorised for issue by the Circuit Meeting on 22 March 2025.
Signed on behalf of the Circuit Meeting

Andrew Morris - Circuit Treasurer

**Birmingham Methodist Circuit** **Circuit No: 5/1**

## Cash flow statement for the year ended 31 August 2024

| Statement of cash flows | 2024 £ | 2023 £ |
|---|---|---|
| **Cash from operating activities** | | |
| Net cash used in operating activities | **601,329** | **-767,603** |
| **Cash flows from investing activities** | | |
| Dividends,interest and rents from investments | 91,988 | 51,948 |
| Proceeds from the sale of property,plant and equipment | 654,265 | 1,048,700 |
| Purchase of property,plant and equipment | 403,266 | 0 |
| **Net cash provided by investing activities** | **1,149,519** | **1,100,648** |
| **Cash flows from financing activities** | | 0 |
| **Net cash used in financing activities** | **0** | **0** |
| **Change in cash and cash equivalents in the reporting period** | -149,473 | 333,045 |
| Cash and cash equivalents at the beginning of the reporting period | 2,251,611 | 1,918,566 |
| **Cash and cash equivalents at the end of the reporting period** | **2,102,138** | **2,251,611** |

| Reconciliation of net income to net cash flow from operating activities | 2024 £ | 2023 £ |
|---|---|---|
| Net income for the reporting period ( as per statement of financial activities) | 212,068 | -1,197,100 |
| **Adjustments for:** | | |
| Loss/(Profit) on the sale of fixed assets | 422,394 | -94,986 |
| Asset transferred to Birmingham District | 0 | 452,922 |
| Gains on investments | 0 | 0 |
| Dividends, interest and rents from investments | -91,988 | -51,948 |
| (increase)/decrease in debtors | 69,469 | 149,027 |
| increase/(decrease) in creditors | -10,614 | -25,518 |
| **Net cash used in operating activities** | **601,329** | **-767,603** |

| Analysis of cash and cash equivalent | 2024 £ | 2023 £ |
|---|---|---|
| Cash in hand | 477,171 | 569,248 |
| Short term deposit (less than 3 months) | 1,624,967 | 1,682,363 |
| **Total cash and cash equivalents** | **2,102,138** | **2,251,611** |

## Notes to the Accounts

### 1. Basis of Preparation

Birmingham Methodist Circuit is a Charity registered in England. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities can be found within the Trustees' Annual Report located on pages 2 to 5.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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, but part of the fund has been designated for specific purposes and is shown separately. Designated Funds which are unrestricted but set aside for specific purposes. Restricted Funds which are held for a narrower purpose . Details of each material fund are disclosed in Note 18 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Income Recognition

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

#### Resources Expended

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

#### Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

#### VAT

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

#### Revaluation of functional property assets

The Circuit carries its functional property assets at deemed cost, with any impairment being recognised in the Statement of Financial Activities. The Circuit has used insurance value as at 1 September 2015 as its independent valuation at the date of transition. Some of the key assumptions used to determine the deemed cost of the assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

#### Tangible fixed assets for use by the Circuit

The manses are shown in the accounts at 2015 deemed values or subsequent cost. No depreciation is provided on these assets because the Trustees consider the current residual fair values to be not less than their current value. Any depreciation would not be material. The assets have been reviewed for impairment. Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

#### Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA. The Circuit does not hold any investment properties.

#### Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Notes to the Accounts (continued)

| 4. Donations and legacies | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2024 Total | 2023 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Donations | 245 | | | | 245 | 1,796 |
| Legacies | | | | | 0 | 0 |
| **Total** | 245 | - | | - | 245 | 1,796 |

| 5. Other charitable income | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2024 Total | 2023 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Payroll recharges | 51,517 | | | | 51,517 | 86,459 |
| Benevolent Fund | | | | 0 | 0 | 2,395 |
| Sundry income | 924 | | | | 924 | 591 |
| Transfer from closed churches | 13,521 | | | | 13,521 | 15,876 |
| Inner City Fund | | | | 0 | 0 | 5,660 |
| City Centre Fund recharges | 0 | | | | 0 | 42,152 |
| Manse Rental | 48,203 | | | | 48,203 | 30,969 |
| **Total** | 114,165 | 0 | 0 | 0 | 114,165 | 184,102 |

| 6. Payment to Trustees | | 2024 | 2023 |
|---|---|---|---|
| Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | £ | - | - |
| Number of trustees who were paid expenses | | 5 | 4 |
| Nature of the expenses: | Travel Expenses, Postage & Printing, Catering | | |
| Total amount paid | £ | 698 | 681 |

| 7. Fees for audit of the accounts | | 2024 | 2023 |
|---|---|---|---|
| Independent auditors' fees for reporting on the accounts | £ | 4,596 | 4,600 |

**Notes to the Accounts (continued)**

**8. Paid employees**

| | | 2024 | 2023 |
|---|---|---|---|
| **Staff Costs paid during the year were:** | | | |
| Gross wages, salaries and benefits in kind | £ | 518,098 | 552,283 |
| Employer's National Insurance costs | £ | 44,914 | 46,569 |
| Pension costs | £ | 90,081 | 96,623 |
| Apprenticeship Levy | £ | 2,703 | 2,816 |
| Total staff costs | £ | **655,796** | **698,291** |
| **Average number of staff employed during the year were:** | | 22 | 25 |

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000 (€70,000).

| | | 2024 | 2023 |
|---|---|---|---|
| The Circuit contributes to two pension schemes: | | | |
| Methodist Ministers' Pension Scheme (defined benefit) | £ | 78,246 | 83,181 |
| Lay Employees' Pension Scheme (defined contribution) | £ | 11,835 | 13,442 |
| | £ | 90,081 | 96,623 |

**Methodist Ministers' Pension Scheme**

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

The Connexion accounts for the MMPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Methodist Conference 2021 asked Districts, Circuits and churches to consider making voluntary donations of 15% of their free reserves to a Pension Reserve Fund to cover future deficits in the MMPS. Birmingham Circuit took the decision not to contribute to this Fund on a voluntary basis. It has now been determined that the voluntary contributions which were made are no longer required, and they have been returned to the donors with interest.

£5,170 was prepaid in respect of the Minister's Pension Scheme at 31 August 2024 (£6,872 at 31 August 2023).

**Lay Employees' Pension Scheme**

There is an employer debt on withdrawal from this scheme which was estimated at £20,217 at 30 September 2020.

**9. Leasing Commitments**

| **Committed to be paid:** | | 2024 | 2023 |
|---|---|---|---|
| Expiring Within 1 Year | £ | 955 | 955 |
| Between 2 & 5 Years | £ | 478 | 1,433 |
| After 5 Years | £ | - | - |
| | £ | 1,433 | 2,388 |

During the year £1,017 (2023: £2,009) was expensed through the SoFA in relation to operating leases. 2022/23 included costs of terminating the lease at Carrs Lane.

**Notes to the Accounts (continued)**

**10. Other Expenditure on Circuit property**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Quinquennial Inspections (Property and Electrical) | 13,800 | 7,913 |
| Management and other fees | 6,451 | 8,439 |
| | 20,251 | 16,352 |
| Lozells Methodist Church - Inner City Fund - Model Trust Fund | - | 3,845 |
| Lozells Methodist Church - Inner City Fund | - | 3,192 |
| Villa Road Legal Costs - Inner City Fund | 1,076 | - |
| Perry Barr Methodist Church - Inner City Fund - Model trust Fund | - | 14,710 |
| | 21,327 | 38,099 |

**11. Other Expenditure**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Children and Youth | 7,730 | 4,001 |
| Subscriptions (CIGB, BCT, Citizens) | 8,313 | 8,871 |
| Training | -250 | 4,510 |
| Audit Fee | 4,596 | 4,600 |
| Woodgate Valley | 0 | 2,880 |
| Philippians Fund | 4,504 | 281 |
| Meeting Expenses | 1,147 | 1,373 |
| Consultancy | 2,100 | 0 |
| Miscellaneous | 728 | 475 |
| | 28,868 | 26,991 |
| Connexional (CPF) Levies on Sold Properties | 110,731 | 512,097 |
| Capital Payment for Manses | 655,615 | 1,501,622 |
| City Centre Fund | - | 672,783 |
| | 795,214 | 2,713,493 |

**12. Grants & Donations**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Holly Hill School | 2,000 | 2,000 |
| Hawkesley School | 2,000 | 2,000 |
| | 4,000 | 4,000 |
| Perry Hall Replacement Windows ( 2023 Car Park ) | 5,359 | 1,282 |
| Lozells staffing costs | 12,000 | 12,000 |
| Setting up Holly Hill Church | 875 | - |
| Coleshill Outreach Worker | | 1,950 |
| Roof replacement- Water Orton | 25,000 | - |
| Benevolent Fund | | 3,200 |
| Grant for Roller Shutter- Hall Green | 564 | |
| Grant for Header/Pipework- Hall Green | 2,024 | |
| | 49,823 | 22,432 |

**Notes to the Accounts (continued)**

**13. Tangible Fixed Assets**

The Circuit held 13 manses at 31 August 2024. One manse was sold and one was purchased in the yearColeshill United Church was transferred in and sold in the year. Maypole Methodist Church was transferred in during the year. All Circuit property is held in the name of the Trustees for Methodist Church Purposes.

Cost or valuation

| | Residential Land £ | Other Land £ | Manses £ | Other buildings £ | Other fixed assets including motor vehicles £ | Fixtures, fittings and equipment £ | Payments on account and assets under construction £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | 3,992,671 | 190,000 | | | | 4,182,671 |
| Additions | | | 403,266 | 372,000 | | | | 775,266 |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | 231,871 | 123,000 | | | | 354,871 |
| Transfers * (+/-) | | | | | | | | |
| Balance carried forward | | | 4,164,066 | 439,000 | | | | 4,603,066 |

**Accumulated depreciation**

| | | | SL or RB | SL or RB | SL or RB | SL or RB | | |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | | | | | | |
| Depreciation charge for year (-) | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | | | | | | |
| Transfers* (+/-) | | | | | | | | |
| Balance carried forward | | | | | | | | |

**Net book value**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Brought forward | - | - | - | - | - | - | - | - |
| Carried forward | - | - | 4,164,066 | 439,000 | - | - | - | 4,603,066 |

**14. Investments**

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month.
These are regarded as medium and long term investments.TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

No investment property was held during the year.

**Notes to the Accounts (continued)**

**15. Analysis of debtors**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Accrued income (includes outstanding assessment payments) | 26,151 | 91,789 |
| Other debtors | 40,850 | 44,397 |
| Loans | 23,716 | 24,000 |
| **Total Debtors** | **90,717** | **160,186** |

**Analysis of Loans**

| | | |
|---|---|---|
| Due within one year | 8,000 | 8,000 |
| Due within two to five years | 15,716 | 16,000 |
| Due after five years | | |
| | **23,716** | **24,000** |

**16. Analysis of current liabilities and long term creditors**

| | | |
|---|---|---|
| Prepaid Assessments | 133,097 | 133,837 |
| Other Creditors | 31,115 | 40,989 |
| **Total Current Liabilities** | **164,212** | **174,826** |

**17. Capital Commitments and Contingent Liabilities**

| | | |
|---|---|---|
| At 31 August 2024 capital commitments amounted to: | - | - |
| At 31 August 2024 contingent liabilities amounted to: | - | - |

**18 Analysis of Net Assets between funds**

| | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2024 | Totals 2023 |
|---|---|---|---|---|---|---|---|
| Fixed assets | 4,603,066 | | | | | 4,603,066 | 4,182,671 |
| Current assets | 539,360 | 1,421,002 | 168,672 | 54,093 | 9,728 | 2,192,855 | 2,411,797 |
| Current liabilities | -163,136 | | | -1,076 | | -164,212 | -174,826 |
| | **4,979,290** | **1,421,002** | **168,672** | **53,017** | **9,728** | **6,631,709** | **6,419,642** |

**Notes to the Accounts (continued)**

**19. Detailed analysis of individual fund movements**

**Unrestricted Funds**

| Unrestricted Fund Name | Opening | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| General | 4,658,227 | 1,561,582 | 1,511,374 | 270,855 | | 4,979,290 | The general purposes of the Circuit |
| Model Trust Fund | 1,476,895 | 839,111 | 664,149 | -230,855 | | 1,421,002 | Support for the mission of the Circuit |
| Designated - Model Trust Fund | 180,672 | | 12,000 | | | 168,672 | Supporting work within Birmingham Inner City |
| Designated - Inner City | 4,900 | | 3,176 | | | 1,724 | Supporting work within Birmingham Inner City |
| Designated - Property | 40,000 | | | -40,000 | | | Major repairs to manses |
| Designated - Trinity Monkspath | 48,796 | 2,636 | 139 | | | 51,293 | The general purposes of the Circuit |
| Totals | 6,409,490 | 2,403,329 | 2,190,838 | | | 6,621,981 | |

**Restricted Funds**

| Restricted Fund Name | Opening Balance | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| Benevolent Fund | 876 | | | | | 876 | Support for individuals in specific need |
| Holly Hill School | 9,276 | 451 | 875 | | | 8,852 | Supporting a Methodist/Anglican school |
| Totals | 10,152 | 451 | 875 | | | 9,728 | |

The reasons for the transfers between funds were as follows:

To provide working capital for the Circuit and to adjust for the sale of fixed assets.

## Notes to the Accounts (continued)

## 20. Related party transactions

**This year**

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2024 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 178,629 | | |
| Birmingham Methodist District | Methodist Governing Body | Contribution to District costs | | 23,007 | | |
| | | | | | | |
| **Total** | | | **0** | **201,636** | **0** | **0** |

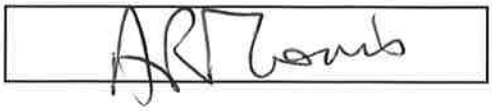
**Last year**

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2023 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 164,007 | | |
| Birmingham Methodist District | Methodist Governing Body | Contribution to District costs | | 24,993 | | |
| | | | | | | |
| **Total** | | | **0** | **189,000** | **0** | **0** |

## Birmingham Methodist Circuit
## DECLARATIONS

**Treasurer**

I confirm that these accrual based accounts for the year ended 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 22 March 2025

Name of Treasurer **Andrew Morris**

Address 11 Rodman Close, Edgbaston, Birmingham, B15 3PE

**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 August 2024 were presented to the Circuit Meeting at its meeting on 22 March 2025

and were approved.

Signature of the Chair of the meeting

Name of the Chair of the meeting **Rev Farai Mapamula**

Date 22 March 2025

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BIRMINGHAM METHODIST CIRCUIT

### Opinion

We have audited the financial statements of Birmingham Methodist Circuit (the 'charity') for the year ended 31 August 2024 on pages six to sixteen, which comprise of the statement of finanical activities, the balance sheet, cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources for the year ended;
- have been properly preapred in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information in the Trustees' Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of trustees, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which noncompliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;

- inquired management and trustees, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;

- reviewed minutes of meetings of the Board of Trustees to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations

- reviewed accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Use of our report**
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wallace Crooke

Wallace Crooke
Chartered Accountants & Registered Auditors
Wallace House
20 Birmingham Road
Walsall
West Midlands
WS1 2LT

Date: 22/03/2025

Wallace Crooke is eligible for appointment as auditor of the charity by virtue of its eligibilty for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Birmingham Methodist Circuit**

CIRCUIT ASSEMBLY MEMBERSHIP

| | |
|---|---|
| PRESBYTERS | |
| | Rev Farai Mapamula |
| | Rev Cleopas Sibanda |
| | Rev Quophie Anochie Ababio |
| | Rev Ping Ting Chen |
| | Rev Molly Chitokwindo |
| | Rev Caroline Hague |
| | Rev Karen Webber |
| DEACON | |
| | Angie Allport |
| PROBATIONER PRESBYTER | |
| | Julie Clark |
| MINISTERS IN OTHER APPOINTMENTS | |
| | Rev Mindy Bell |
| CLERGY IN LEP's | |
| SUPERNUMERARY MINISTERS | |
| | Rev Alison Geary |
| | Rev Donald Sampson |
| | Rev Caroline Homan |
| | Rev Barbara Calvert |
| LAYWORKERS | |
| | Ermine Mitchell |
| | Diane Webb |
| | Salome Noah |
| CIRCUIT STEWARDS | |
| | Marjorie Roper |
| | Remi Olatunbosun (Property) |
| | Sarah Tolley |
| | Richard Kirby |
| | Moses Dakunivosa |
| | Angel Chiu |
| CIRCUIT TREASURER | |
| | Andrew Morris |
| Safeguarding Convenor | |
| | Sue Ford |
| Queens Foundation | |
| | Rev Gary Hall |
| CA Minute Taker | |
| | Valerie Edden |
| Circuit Local Preachers & Worship Leaders Representatives | |
| | Fiona Beadle |
| | Keith Dennis |
| | Danny Dorsett |
| | Annette Sampson |
| | Gareth Davis |
| | Helen Woodall |
| CO-OPTED MEMBERS | |
| | Kath Collman |

CIRCUIT CHURCH REPRESENTATIVES

| | |
|---|---|
| Acocks Green | |
| | Mark Firmstone |
| | Alan Bennett |
| | Helen Powick |

| | |
|---|---|
| Beacon | |
| | Judith Wingate |
| | Jeremy Parker |
| | Sheila Maggs |
| Cambridge Road | |
| | Anne Lockyer |
| | Barbara Howarth |
| | Nicola Sharman |
| Castle Bromwich | |
| | Sue Mitchell |
| | Gareth Davies |
| | Mark Ashmore |
| The Church at Carrs Lane | |
| | Peter Woodall |
| Chinese Church | |
| | Angel Chiu |
| | Cynthia Law |
| | Rhoda Tong |
| | Sissy Wong |
| Cotteridge | |
| | John Cliff |
| | Mike Meadows |
| | Dorothy Audley |

| | |
|---|---|
| Dorridge | |
| | Lynne Wilson |
| | Phil Salmon |
| | Lis Helliar |
| | Helen Munday |
| Earlswood | |
| | Paul Spence |
| | Pat Fowler |
| | Jenny Cockroft |
| Great Barr | |
| | Roger O'Hare |
| Hall Green United Community Church | |
| | Brian Dickens |
| | Val Dickens |
| | Blair Kesseler |
| Hawkesley | |
| | Clive Sweet |
| Hazelwell | |
| | Janet Thomas |
| | Peter Thomas |
| Longbridge | |
| | Bright Obeng |
| | Philip Osborn |
| | Lenroy Ryner |
| Lozells | |
| | Ellalyn Blake |
| | Caroline Nana-Tchounga |
| Lyndon | |
| | Janet Rudge |
| | Lorraine Sibson |
| | John Evans |

| | |
|---|---|
| Nether Whitacre | |
| | Carol Morgan |
| | Jane Taylor |
| | Helen Howell |
| Northfield | |
| | Colin Capell |
| | Boaz Beoluf Jangan |
| | Laura Enonchong |
| Perry Barr | |
| | Pansie McKenzie |
| | Neilson Williams |
| Perry Hall | |
| | Daphne Gray |
| | Vivette Haylette |
| | Sarah Tolley |
| Saltley | |
| | Lorna Neale |
| | Sylvina Payne |
| | Ralf Neale |
| Selly Oak | |
| | Richard Kirby |
| | Brian Noake |
| | Karen Ashton |
| Shirley | |
| | Lois Beaumont |
| | Bill Russell |
| | Pat Lowe |
| Solihull | |
| | Caroline Hinchliffe |
| | Jenni Kitson |
| | Yan Yeung |
| | Christine Burr |
| | Ian Hancock |
| | Alan Faulkner |
| South Yardley | |
| | Liz Lyons |
| | Joe Glasford |

| | |
|---|---|
| St Andrew's Chelmsley Wood | |
| St Andrews Stirchley | Margaret Murphy |
| | Sue Ford |
| St Michaels | Ian Crockford |
| Trinity Monkspath | Clive Prentice |
| | Ann Prentice |
| Water Orton | Gill Day |
| | Mike Cox |
| | Roger Boult |

**BIRMINGHAM METHODIST CIRCUIT**

England & Wales - Charity number 1132926

# Accounts

Circuit
Accruals Accounts
2022-2023

# THE METHODIST CHURCH

## REPORT AND ACCOUNTS
## (ACCRUALS BASIS)
### for the year ended 31 August 2023

**Birmingham Methodist Circuit**

| Registered Charity - Registration number | 1132926 |
|---|---|

| Birmingham District | 05/01 |
|---|---|

**Ministers**

Rev Alison Richards, Rev Cleopas Sibanda, Rev Farai Mapamula,
Rev Mindy Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo,
Rev Caroline (Caz) Hague, Rev Deborah Humphries,Rev Nicholas Jones
Rev Sue Shortman, Rev Karen Webber
Deacon Ruth Yorke

**Circuit Stewards**

Gill Wilkins
Janice Martin
Marjorie Roper
Sharon Clutterbuck

**Circuit Treasurer**

Andrew Morris

**Birmingham Methodist Circuit**
**TRUSTEES' ANNUAL REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2023***

**Introduction**

Welcome to the Annual Report of the Birmingham Methodist Circuit. The Circuit consists of 32 Methodist and Local Ecumenical Partnership churches in the City of Birmingham and surrounding area, served by a team of ordained and lay staff.

**Vision Statement and Priorities**

Birmingham Methodist Circuit aspires to be a welcoming Christian family with inspiring worship, radical compassion and social justice at its heart. In this way and following in our Methodist tradition, we aim to share in the transformation of life made possible through God's love.

As members of the Birmingham Methodist Circuit, we have agreed the following five priorities for the meaningful sharing of our God given resources:

**Transforming Life** - We aim to live in such a way as to bring about positive change in our own lives and the lives of others, to share God's love and to learn and grow as followers of Jesus both individually and in community.

**Inspiring Worship** - We aim to offer worship across the Circuit which glorifies God, is inviting to all, enriches faith and inspires us to respond.

**Radical Compassion** - We aim to develop and practice a radical compassion which is welcoming, inclusive, safe and empowering.

**Social Justice** - We aim to speak out and take action against injustice in all its forms.

**A Methodist Perspective** - Working together with our ecumenical partners and many others, we aim to uphold the values and principles which arise from our Methodist heritage, including being sustainable, ethical, collaborative and connected to Methodists across our nations and around the world.

| | |
|---|---|
| Full Name of Charity: | Birmingham Methodist Circuit |
| Registration Charity Number: | 1132926 |
| Date of registration: | 23 November 2009 |
| Main communication address: | Birmingham Methodist Circuit (Circuit Office), Selly Oak Methodist Church, Langleys Road, Selly Oak, Birmingham, B29 6HT |

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

Full membership is shown as Appendix A to this report.

**Circuit Ministers and officers**

| | |
|---|---|
| Active Circuit Ministers: | Rev Alison Richards, Rev Farai Mapamula, Rev Cleopas Sibanda<br>Rev Mindy Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo, Rev Caroline(Caz) Hague,<br>Rev Deborah Humphries, Rev Nick Jones, Rev Sue Shortman,<br>Rev Karen Webber, Deacon Ruth Yorke |
| Circuit Lay Workers: | Ms Arul Israel, Mrs Ermine Mitchell, Mr Ian Nannestad, Mrs Diane Webb |
| Circuit Stewards: | Mrs Gill Wilkins, Mrs Janice Martin, Mrs Marjorie Roper, Mrs Sharon Clutterbuck,<br>Mr Remi Olatunbosun (Property) |
| Administrators: | Mrs Hazel Bethell, Mrs Diane Campbell, Mrs Amanda Harris, Mrs Salome Noah,<br>Mrs Sue Saunderson, Mrs Jayne Snape, Ms Mima Yedale |
| Circuit Treasurer: | Andrew Morris (Circuit Treasurer) acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year. |
| Auditor: | Wallace Crooke, Chartered Accountants & Registered Auditors, Wallace House,<br>20 Birmingham Road, Walsall, WS1 2LT |
| Investment Bankers: | Central Finance Board of the Methodist Church<br>Trustees for Methodist Church Purposes<br>CAF Bank Ltd |

**Circuit Property**

All Circuit property is held in the name of The Trustees for Methodist Church Purposes (TMCP).

**Review of the year**

The Circuit has been in existence for twelve years. Faced with the difficulty of achieving a balanced budget, the decision was taken to use reserves to make up the shortfall. Increasing costs and declining income have led to a shortfall for the year to 31 August 2023 in the general fund of £172,429, excluding capital transactions . There was an overall shortfall on unrestricted funds of £523,823. However excluding capital transactions, the overall shortfall is £152,604.

Faced with the reduction in available presbyters and a financial deficit, the Circuit grouped its resources of churches, lay and ordained staff, lay preachers and supernumerary ministers into five Mission and Ministry Teams, to provide more focussed mission. The teams were effective from 1 September 2019 but the Covid-19 pandemic has meant they are still not fully embedded in the life of the Circuit. From 1 September 2021 there was a reduction to four Mission and Ministry Teams.

**Covid-19**

The effects of the Covid-19 pandemic on the Circuit continued to be felt in 2022/23. Many churches have seen a reduction in their income, and have had to use reserves to pay their assessment and other costs. In contrast, the Circuit has seen a reduction in some of its costs, as some meetings are now held on Zoom and fewer activities for our young people took place.

**Income trends**

Circuit income is primarily drawn from the assessment paid by the Circuit churches. Some churches were unable to increase their assessment payments in 2022/23.

Rental income is derived from the rental of two manses which are surplus to current needs.

**Expenditure trends**

Stipends and salaries have increased each financial year in line with conference approved increases, and to pay the Living Wage.

19% of General Fund expenditure is the Circuit contribution to the District and Connexion, of which 87% is used to fund the work of the wider Methodist Church. This contribution decreased by 1.1% from the previous year.

The other expenditure includes substantial amounts incurred on maintaining the Circuit manses to an appropriate standard.

**Plans for 2023/24**

Circuit financial plans for the current year have been prepared on the basis that there are 11 ordained staff, with anticipated cost of living stipend increases and no change in the assessment paid to the District. Overall the total amount offered as assessment by the churches has remained almost the same as for 2022/23.

**Plans for 2024/25**

Circuit financial plans for 2024/25 have been prepared on the basis that there will be 10 ordained staff, with anticipated cost of living stipend increases and no change in the assessment paid to the District. At the time of writing, it appears unlikely that Circuit income from the churches will remain at the 2023/24 levels as membership continues to reduce and at least one church will have ceased to meet. Circuit reserves have been boosted by sales of surplus properties and so it is considered that the Circuit remains a going concern financially despite anticipated reductions in our income.

**Aims and organisation**

Charity objective is to act as a Resource provider within the area around Birmingham for the Methodist Church:

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

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

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

**Public Benefit**

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

**Structure, Governance and Management**

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

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

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, the Circuit Finance Committee, the Circuit Property Committee and the Circuit HR Group.

**Volunteers**

The Circuit is indebted to the many volunteers without whom it could not function. Lay Preachers conduct many of the Sunday services, and volunteers play prominent roles in the stewardship of Circuit finances and property, and serve as Trustees, members of the Circuit Leadership Team, and on many other committees and working groups.

**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 available to all new Circuit Assembly members as induction to their role as trustees.

**Related Parties**

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist and Local Ecumenical Project Churches are linked to the Circuit: Acocks Green, Beacon, Cambridge Road, Castle Bromwich, The Church at Carrs Lane, Chinese Church, Cotteridge, Dorridge, Earlswood, Great Barr, Hall Green United Community Church, Hawkesley, Hazelwell, Longbridge, Lozells, Lyndon, Maypole, Nether Whitacre, Northfield, Perry Barr, Perry Hall, Saltley, Selly Oak, Shirley, Solihull, South Yardley, St Andrews Chelmsley Wood, St Andrews Stirchley, St Michael's Hall Green, Trinity Monkspath, Water Orton.

**Risk Management**

The major risks have been identified and recorded by the Circuit Finance Committee and Leadership Team 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 regular basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

**Safeguarding**

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

Methodist Connexional practice outlines commitment to the following principles:

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

The Birmingham 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 Birmingham 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.

**Circuit Projects**

The Circuit Project at St Francis Community Centre, Woodgate Valley came to an end in July 2023. The Circuit continues to support the Project at Lozells Church and Community Centre. In 2022/23 The Circuit spent £25,638 on the running costs of the Woodgate Valley Project (2021/22 £9,755) and £19,037 on the running costs of the Lozells project (2021/22 £11,536). The Circuit also gave £500 each to Holly Hill School and Hawkesley School, both Methodist/Anglican schools.

**Reserves Policy**

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

The total funds held at 31 August 2023 are £6,419,642, of which £10,152 are restricted and £274,368 are designated. A detailed analysis of the funds is set out in Note 18 on page 15.

Fixed Assets £4,182,671 - unrestricted funds.

The balance of funds held after allowing for restricted funds, designated funds, commitments or the carrying amount of functional assets which the Circuit considers to represent a commitment of the reserves held, is £1,917,451 as at 31 August 2023, giving approximately 20 months cover for expenditure. This is considered sufficient.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 2023**

| | Notes to the accounts | General funds | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Total 2022-23 | Total 2021-22 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Income** | | | | | | | | |
| Donations and legacies | 4 | 1,796 | | | | - | 1,796 | 340 |
| Income from monetary investments | | 9,033 | 41,082 | | 1,522 | 311 | 51,948 | 9,160 |
| Income from Investment Properties | | 0 | | | | | 0 | 0 |
| Assessments on Churches | | 685,761 | | | | | 685,761 | 717,067 |
| Capital Receipts | | 94,985 | 1,560,797 | | | - | 1,655,782 | 1,533,376 |
| Grants Received | | 49,264 | | | | | 49,264 | 56,932 |
| Other Charitable Income | 5 | 133,895 | | | 5,660 | 44,547 | 184,102 | 98,032 |
| **Total Income** | | **974,734** | **1,601,879** | **0** | **7,182** | **44,858** | **2,628,653** | **2,414,907** |
| | | | | | | | | |
| | | | | | | | | |
| **Expenditure** | | | | | | | | |
| | | | | | | | | |
| Stipends, salaries, NIC & Pension costs | 8 | 661,265 | | | | 37,026 | 698,291 | 731,299 |
| District Assessment | | 24,993 | | | | | 24,993 | 24,159 |
| Methodist Church Fund (Connexion) | | 164,007 | | | | | 164,007 | 166,953 |
| Administration, telephone & travel | | 42,041 | 1,997 | | 135 | 1,506 | 45,679 | 75,044 |
| Insurance, utilities, etc | | 37,757 | | | | 2,699 | 40,456 | 45,034 |
| Maintenance of Manses | | 33,659 | | | | 846 | 34,505 | 98,155 |
| Other Expenditure on Circuit property | 10 | 16,352 | | 18,555 | 3,192 | - | 38,099 | 7,936 |
| Depreciation | 13 | | | | | | - | - |
| Provisions | | | | | | | - | - |
| Other Expenditure | 11 | 1,527,778 | 512,097 | | 760 | 672,858 | 2,713,493 | 630,980 |
| Grants and Donations | 12 | 5,950 | 1,282 | 12,000 | | 3,200 | 22,432 | 48,760 |
| Contributions to District Advance Fund | | | 43,798 | | | | 43,798 | 88,385 |
| **Total Charitable Expenditure** | | **2,513,802** | **559,174** | **30,555** | **4,087** | **718,135** | **3,825,753** | **1,916,705** |
| | | | | | | | | |
| **Net income/(expenditure)** | | **-1,539,068** | **1,042,705** | **-30,555** | **3,095** | **-673,277** | **-1,197,100** | **498,202** |
| Transfers between funds | | 162,230 | -202,230 | | 40,000 | | **0** | **0** |
| | | **-1,376,838** | **840,475** | **-30,555** | **43,095** | **-673,277** | **-1,197,100** | **498,202** |
| **Other recognised gains / (losses):** | | | | | | | | |
| Gains/(losses) on monetary investments | | | | | | | - | - |
| Gains/(losses) on investment assets | | 0 | | | | | - | - |
| **Net movement in funds** | | **-1,376,838** | **840,475** | **-30,555** | **43,095** | **-673,277** | **-1,197,100** | **498,202** |
| **Reconciliation of funds:** | | | | | | | | |
| Total funds brought forward | | 6,035,065 | 636,420 | 211,227 | 50,601 | 683,429 | 7,616,742 | 7,118,540 |
| **Total funds carried forward** | | **4,658,227** | **1,476,895** | **180,672** | **93,696** | **10,152** | **6,419,642** | **7,616,742** |

For information only Money received and passed on to External Organisations

| | | |
|---|---|---|
| Balance brought forward from last year | 0 | 0 |
| Offerings/Gifts - received for External Organisations | 0 | 223 |
| Offerings/Gifts - passed to External Organisations | 0 | 223 |
| Balance carried forward | 0 | 0 |

**Balance Sheet as at 31 August 2023**

| | Notes | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2023 | Totals 2022 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Fixed Assets** | | | | | | | | |
| Land & Buildings | 13 | 4,182,671 | | | | | 4,182,671 | 5,589,307 |
| Equipment | | | | | | | | |
| Investment properties | 14 | | | | | | | |
| Investments | | | | | | | | |
| ***Total fixed assets*** | | 4,182,671 | 0 | 0 | 0 | 0 | 4,182,671 | 5,589,307 |
| **Current Assets** | | | | | | | | |
| Debtors | 15 | 136,186 | 24,000 | | | 0 | 160,186 | 309,213 |
| Trustees for Methodist Church Purposes Deposits | | 0 | 1,452,895 | 180,672 | 48,796 | 0 | 1,682,363 | 1,441,822 |
| Central Finance Board Deposits | | 311,325 | | | | 9,276 | 320,601 | 361,599 |
| Cash at Bank and in hand | | 202,871 | 0 | | 44,900 | 876 | 248,647 | 115,145 |
| ***Total current assets*** | | 650,382 | 1,476,895 | 180,672 | 93,696 | 10,152 | 2,411,797 | 2,227,779 |
| **Current Liabilities** | | | | | | | | |
| Creditors and Accruals (due in under 1 yr) | 16 | 174,826 | | | 0 | 0 | 174,826 | 200,344 |
| ***Total Current Liabilities*** | | **174,826** | **0** | **0** | **0** | **0** | **174,826** | **200,344** |
| ***Net current assets/(liabilities)*** | | 475,556 | 1,476,895 | 180,672 | 93,696 | 10,152 | 2,236,971 | 2,027,435 |
| ***Total assets less current liabilities*** | 18 | 4,658,227 | 1,476,895 | 180,672 | 93,696 | 10,152 | 6,419,642 | 7,616,742 |
| **Long term liabilities (due after more than 1 year)** | | | | | | | 0 | 0 |
| ***Net assets*** | | 4,658,227 | 1,476,895 | 180,672 | 93,696 | 10,152 | 6,419,642 | 7,616,742 |
| **Funds of the Circuit** | | | | | | | | |
| General Fund (Unrestricted) | 19 | 4,658,227 | | | | | 4,658,227 | 6,035,065 |
| Model Trust Fund (Unrestricted) | 19 | | 1,476,895 | | | | 1,476,895 | 636,420 |
| Model Trust Fund (Designated & Unrestricted) | 19 | | | 180,672 | | | 180,672 | 211,227 |
| Designated funds | 19 | | | | 93,696 | | 93,696 | 50,601 |
| Restricted funds | 19 | | | | | 10,152 | 10,152 | 683,429 |
| ***Total Funds*** | | 4,658,227 | 1,476,895 | 180,672 | 93,696 | 10,152 | 6,419,642 | 7,616,742 |

The financial statements were approved and authorised for issue by the Circuit Meeting on 23 March 2024.
Signed on behalf of the Circuit Meeting

A R Morris

Andrew Morris - Circuit Treasurer

**Birmingham Methodist Circuit** **Circuit No: 5/1**

**Cash flow statement for the year ended 31 August 2023**

| Statement of cash flows | 2023 £ | 2022 £ |
|---|---|---|
| **Cash from operating activities** | | |
| Net cash used in operating activities | **-767,603** | **-389,386** |
| **Cash flows from investing activities** | | |
| Dividends,interest and rents from investments | 51,948 | 9,160 |
| Proceeds from the sale of property,plant and equipment | 1,048,700 | 836,226 |
| Purchase of property,plant and equipment | 0 | -931,450 |
| **Net cash provided by investing activities** | **1,100,648** | **-86,064** |
| **Cash flows from financing activities** | 0 | 0 |
| **Net cash used in financing activities** | **0** | **0** |
| **Change in cash and cash equivalents in the reporting period** | 333,045 | -475,450 |
| Cash and cash equivalents at the beginning of the reporting period | 1,918,566 | 2,394,016 |
| **Cash and cash equivalents at the end of the reporting period** | **2,251,611** | **1,918,566** |

| Reconciliation of net income to net cash flow from operating activities | 2023 £ | 2022 £ |
|---|---|---|
| Net income for the reporting period ( as per statement of financial activities) | -1,197,100 | 498,202 |
| **Adjustments for:** | | |
| Loss/(Profit) on the sale of fixed assets | -94,986 | -272,005 |
| Asset transferred to Birmingham District | 452,922 | 0 |
| Gains on investments | 0 | -525,000 |
| Dividends, interest and rents from investments | -51,948 | -9,160 |
| (increase)/decrease in debtors | 149,027 | -117,213 |
| increase/(decrease) in creditors | -25,518 | 35,790 |
| **Net cash used in operating activities** | **-767,603** | **-389,386** |

| Analysis of cash and cash equivalent | 2023 £ | 2022 £ |
|---|---|---|
| Cash in hand | 569,248 | 476,744 |
| Short term deposit (less than 3 months) | 1,682,363 | 1,441,822 |
| **Total cash and cash equivalents** | **2,251,611** | **1,918,566** |

## Notes to the Accounts

### 1. Basis of Preparation

Birmingham Methodist Circuit is a Charity registered in England. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities can be found within the Trustees' Annual Report located on pages 2 to 5.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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, but part of the fund has been designated for specific purposes and is shown separately. Designated Funds which are unrestricted but set aside for specific purposes. Restricted Funds which are held for a narrower purpose . Details of each material fund are disclosed in Note 18 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Income Recognition

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

#### Resources Expended

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

#### Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

#### VAT

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

#### Revaluation of functional property assets

The Circuit carries its functional property assets at deemed cost, with any impairment being recognised in the Statement of Financial Activities. The Circuit has used insurance value as at 1 September 2015 as its independent valuation at the date of transition. Some of the key assumptions used to determine the deemed cost of the assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

#### Tangible fixed assets for use by the Circuit

The manses are shown in the accounts at 2015 deemed values or subsequent cost. No depreciation is provided on these assets because the Trustees consider the current residual fair values to be not less than their current value. Any depreciation would not be material. The assets have been reviewed for impairment. Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

#### Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA. The Circuit does not hold any investment properties.

#### Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Notes to the Accounts (continued)

| 4. Donations and legacies | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2023 Total | 2022 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Donations | 1,796 | | | | 1,796 | 340 |
| Legacies | | | | | 0 | 0 |
| **Total** | 1,796 | - | | - | 1,796 | 340 |

| 5. Other charitable income | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2023 Total | 2022 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Payroll recharges | 86,459 | | | | 86,459 | 68,531 |
| Benevolent Fund | 0 | | | 2,395 | 2,395 | 2,170 |
| Sundry income | 591 | | | | 591 | 664 |
| Transfer from closed churches | 15,876 | | | | 15,876 | 5,942 |
| Inner City Fund | | | 5,660 | | 5,660 | 0 |
| City Centre Fund recharges | | | | 42,152 | 42,152 | 0 |
| Manse Rental | 30,969 | | | | 30,969 | 20,725 |
| **Total** | 133,895 | 0 | 5,660 | 44,547 | 184,102 | 98,032 |

| 6. Payment to Trustees | | 2023 | 2022 |
|---|---|---|---|
| Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | £ | - | - |
| Number of trustees who were paid expenses | | 4 | 3 |
| Nature of the expenses: | Travel Expenses, Postage, Stationery & Printing, Catering | | |
| Total amount paid | £ | 681 | 482 |

| 7. Fees for audit of the accounts | | 2023 | 2022 |
|---|---|---|---|
| Independent auditors' fees for reporting on the accounts | £ | 4,600 | 4,158 |

**Notes to the Accounts (continued)**

**8. Paid employees**

| | | 2023 | 2022 |
|---|---|---|---|
| **Staff Costs paid during the year were:** | | | |
| Gross wages, salaries and benefits in kind | £ | 552,283 | 578,681 |
| Employer's National Insurance costs | £ | 46,569 | 48,240 |
| Pension costs | £ | 96,623 | 101,574 |
| Apprenticeship Levy | £ | 2,816 | 2,804 |
| Total staff costs | £ | **698,291** | **731,299** |
| **Average number of staff employed during the year were:** | | 25 | 28 |

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000 (€70,000).

| | | 2023 | 2022 |
|---|---|---|---|
| The Circuit contributes to two pension schemes: | | | |
| Methodist Ministers' Pension Scheme (defined benefit) | £ | 83,181 | 87,528 |
| Lay Employees' Pension Scheme (defined contribution) | £ | 13,442 | 14,046 |
| | £ | 96,623 | 101,574 |

**Methodist Ministers' Pension Scheme**

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

The Connexion accounts for the MMPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Methodist Conference 2021 asked Districts, Circuits and churches to consider making voluntary donations of 15% of their free reserves to a Pension Reserve Fund to cover future deficits in the MMPS. Birmingham Circuit took the decision not to contribute to this Fund on a voluntary basis.

£7,523 was prepaid in respect of the Minister's Pension Scheme at 31 August 2023 (£6,700 at 31 August 2022).

**Lay Employees' Pension Scheme**

There is an employer debt on withdrawal from this scheme which was estimated at £20,217 at 30 September 2020.

**9. Leasing Commitments**

| **Committed to be paid:** | | 2023 | 2022 |
|---|---|---|---|
| Expiring Within 1 Year | £ | 955 | 955 |
| Between 2 & 5 Years | £ | 1,433 | 2,388 |
| After 5 Years | £ | - | - |
| | £ | 2,388 | 3,343 |

During the year £2,009 (2022: £3,750) was expensed through the SoFA in relation to operating leases.
This included costs of terminating the lease at Carrs Lane.

**Notes to the Accounts (continued)**

**10. Other Expenditure on Circuit property**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Quinquennial Inspections (Property and Electrical) | 7,913 | 12,108 |
| Management and other fees | 8,439 | 4,793 |
| | 16,352 | 16,901 |
| Lozells Methodist Church - Inner City Fund - Model Trust Fund | 3,845 | - 8,965 |
| Lozells Methodist Church - Inner City Fund | 3,192 | |
| Perry Barr Methodist Church - Inner City Fund - Model trust Fund | 14,710 | |
| | 38,099 | 7,936 |

**11. Other Expenditure**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Children and Youth | 4,001 | 3,544 |
| Subscriptions (CIGB, BCT, Citizens) | 8,871 | 10,392 |
| Training | 4,510 | 2,580 |
| Audit Fee | 4,600 | 4,158 |
| Woodgate Valley | 2,880 | - |
| Philippians Fund | 281 | 2,800 |
| Meeting Expenses | 1,373 | 517 |
| Miscellaneous | 475 | 620 |
| | 26,991 | 24,611 |
| Connexional (CPF) Levies on Sold Properties | 512,097 | 42,148 |
| Capital Payment for Manses | 1,501,622 | 564,221 |
| City Centre Fund | 672,783 | - |
| | 2,713,493 | 630,980 |

**12. Grants & Donations**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Holly Hill School | 2,000 | 2,000 |
| Hawkesley School | 2,000 | 2,000 |
| Time4Change | - | 500 |
| | 4,000 | 4,500 |
| Perry Hall Car Park | 1,282 | 14,363 |
| Shirley Boiler | - | 14,998 |
| Nether Whitacre Boiler | - | 1,725 |
| Lozells Payroll Costs | 12,000 | 12,000 |
| Coleshill Outreach worker | 1,950 | - |
| Holly Hill School Fund | - | 349 |
| Benevolent Fund | 3,200 | 825 |
| | 22,432 | 48,760 |

**Notes to the Accounts (continued)**

**13. Tangible Fixed Assets**

The Circuit held 13 manses at 31 August 2023. Two manses were sold in the year, and one was transferred to Birmingham District. Sparkhill Methodist Church was sold in the year.

Cost or valuation

| | Residential Land £ | Other Land £ | Manses £ | Other buildings £ | Other fixed assets including motor vehicles £ | Fixtures, fittings and equipment £ | Payments on account and assets under construction £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | 4,874,307 | 715,000 | | | | 5,589,307 |
| Additions | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | 881,636 | 525,000 | | | | 1,406,636 |
| Transfers * (+/-) | | | | | | | | |
| Balance carried forward | | | 3,992,671 | 190,000 | | | | 4,182,671 |

**Accumulated depreciation**

| | | | SL or RB | SL or RB | SL or RB | SL or RB | | |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | | | | | | |
| Depreciation charge for year (-) | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | | | | | | |
| Transfers* (+/-) | | | | | | | | |
| Balance carried forward | | | | | | | | |

**Net book value**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Brought forward | - | - | - | - | - | - | - | - |
| Carried forward | - | - | 3,992,671 | 190,000 | - | - | - | 4,182,671 |

**14. Investments**

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month.
These are regarded as medium and long term investments.TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

No investment property was held during the year.

**Notes to the Accounts (continued)**

**15. Analysis of debtors**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Accrued income (includes outstanding assessment payments) | 91,789 | 236,191 |
| Other debtors | 44,397 | 41,022 |
| Loans | 24,000 | 32,000 |
| **Total Debtors** | **160,186** | **309,213** |

**Analysis of Loans**

| | | |
|---|---|---|
| Due within one year | 8,000 | 8,000 |
| Due within two to five years | 16,000 | 24,000 |
| Due after five years | | |
| | **24,000** | **32,000** |

**16. Analysis of current liabilities and long term creditors**

| | | |
|---|---|---|
| Prepaid Assessments | 133,837 | 135,600 |
| Other Creditors | 40,989 | 64,744 |
| **Total Current Liabilities** | **174,826** | **200,344** |

**17. Capital Commitments and Contingent Liabilities**

| | | |
|---|---|---|
| At 31 August 2023 capital commitments amounted to: | - | - |
| At 31 August 2023 contingent liabilities amounted to: | - | - |

Notes to the Accounts (continued)

**19. Detailed analysis of individual fund movements**

**Unrestricted Funds**

| Unrestricted Fund Name | Opening | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| General | 6,035,065 | 974,734 | 2,513,802 | 162,230 | | 4,658,227 | The general purposes of the Circuit |
| Model Trust Fund | 636,420 | 1,601,879 | 559,174 | -202,230 | | 1,476,895 | Support for the mission of the Circuit |
| Designated - Model Trust Fund | 211,227 | | 30,555 | | | 180,672 | Supporting work within Birmingham Inner City |
| Designated - Inner City | 3,192 | 5,660 | 3,952 | | | 4,900 | Supporting work within Birmingham Inner City |
| Designated - Property | | | | 40,000 | | 40,000 | Major repairs to manses |
| Designated - Trinity Monkspath | 47,409 | 1,522 | 135 | | | 48,796 | The general purposes of the Circuit |
| Totals | 6,933,313 | 2,583,795 | 3,107,618 | | | 6,409,490 | |

**Restricted Funds**

| Restricted Fund Name | Opening Balance | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| Benevolent Fund | 1,681 | 2,395 | 3,200 | | | 876 | Support for individuals in specific need |
| City Centre Trust | 672,783 | 42,152 | 714,935 | | | | Supporting work in Birmingham City Centre |
| Holly Hill School | 8,965 | 311 | | | | 9,276 | Supporting a Methodist/Anglican school |
| Totals | 683,429 | 44,858 | 718,135 | | | 10,152 | |

The reasons for the transfers between funds were as follows:

To provide working capital for the Circuit, to adjust for the sale of fixed assets and to account for a partial loan repayment.

Notes to the Accounts (continued)

## 20. Related party transactions

This year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2023 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 164,007 | | |
| | | | | | | |
| Total | | | 0 | 164,007 | 0 | 0 |

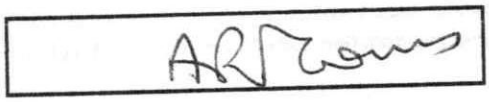
Last year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2022 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 166,953 | | |
| | | | | | | |
| Total | | | 0 | 166,953 | 0 | 0 |

## Birmingham Methodist Circuit
## DECLARATIONS

**Treasurer**

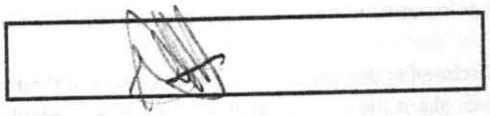
I confirm that these accrual based accounts for the year ended 31 August 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

| | | | |
|---|---|---|---|
| Signature of Treasurer |  | Date | 23 March 2024 |
| Name of Treasurer | Andrew Morris | | |
| Address | 11 Rodman Close, Edgbaston, Birmingham, B15 3PE | | |

**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 August 2022 were presented to the Circuit Meeting at its meeting on 23 March 2024

and were approved.

| | |
|---|---|
| Signature of the Chair of the meeting |  |
| Name of the Chair of the meeting | Rev Farai Mapamula |
| Date | 23 March 2024 |

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BIRMINGHAM METHODIST CIRCUIT

**Opinion**

We have audited the financial statements of Birmingham Methodist Circuit (the 'charity') for the year ended 31 August 2023 on pages six to sixteen, which comprise of the statement of finanical activities, the balance sheet, cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources for the year ended;
- have been properly preapred in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information in the Trustees' Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of trustees, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which noncompliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;

- inquired management and trustees, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;

- reviewed minutes of meetings of the Board of Trustees to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations

- reviewed accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Use of our report**
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wallace Crooke

Wallace Crooke
Chartered Accountants & Registered Auditors
Wallace House
20 Birmingham Road
Walsall
West Midlands
WS1 2LT

Date:

Wallace Crooke is eligible for appointment as auditor of the charity by virtue of its eligibilty for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Birmingham Methodist Circuit**

CIRCUIT ASSEMBLY MEMBERSHIP

| | |
|---|---|
| MINISTERS | Rev Nick Jones<br>Rev Alison Richards<br>Rev Ping Ting Chen<br>Rev Molly Chitokwindo<br>Rev Caroline Hague<br>Rev Deborah Humphries<br>Rev Farai Mapamula<br>Rev Sue Shortman<br>Rev Cleopas Sibanda<br>Rev Karen Webber |
| MINISTERS IN OTHER APPOINTMENTS | Rev Mindy Bell |
| CLERGY IN LEP's | Rev Mike Claridge |
| SUPERNUMERARY MINISTERS | Rev Alison Geary<br>Rev Donald Sampson<br>Rev Caroline Homan<br>Rev Barbara Calvert |
| LAYWORKERS | Ermine Mitchell<br>Diane Webb<br>Salome Noah<br>Arul Israel<br>Heather Rose |
| CIRCUIT STEWARDS | Gill Wilkins<br>Janice Martin<br>Marjorie Roper<br>Sharon Clutterbuck<br>Remi Olatunbosun (Property) |
| TREASURER | Andrew Morris |
| Queens Foundation | Rev Gary Hall |
| CA Minute Taker | Valerie Edden |
| Circuit Local Preachers & Worship Leaders Representatives | Fiona Beadle<br>Keith Dennis<br>Danny Dorsett<br>Annette Sampson<br>Gareth Davis<br>Helen Woodall |

| | |
|---|---|
| Circuit Safeguarding Co-ordinator | Sue Ford |
| CO-OPTED MEMBERS | Kath Collman<br>Moses Dakunivosa |

CIRCUIT CHURCH REPRESENTATIVES

| | |
|---|---|
| Acocks Green | Mark Firmstone<br>Alan Bennett<br>Helen Powick |
| Beacon | Judith Wingate<br>Jeremy Parker<br>Sheila Maggs |
| Cambridge Road | Anne Lockyer<br>Barbara Howarth<br>Nicola Sharman |
| Castle Bromwich | Sue Mitchell<br>Ray Glenn<br>Mark Ashmore |
| The Church at Carrs Lane | Peter Woodall |
| Chinese Church | Angel Chiu<br>Cynthia Law<br>Rhoda Tong<br>Sissy Wong |
| Cotteridge | John Cliff<br>Mike Meadows<br>Dorothy Audley |

| | |
|---|---|
| Dorridge | |
| | Lynne Wilson |
| | Phil Salmon |
| | Lis Helliar |
| | Helen Munday |
| Earlswood | |
| | Paul Spence |
| | Pat Fowler |
| | Jenny Cockroft |
| Great Barr | |
| Hall Green United Community Church | |
| | Brian Dickens |
| | Val Dickens |
| | Blair Kesseler |
| Hawkesley | |
| | Clive Sweet |
| Hazelwell | |
| | Janet Thomas |
| | Peter Thomas |
| Longbridge | |
| | Bright Obeng |
| | Philip Osborn |
| | Lenroy Ryner |
| Lozells | |
| | Ellalyn Blake |
| | Caroline Nana-Tchounga |
| Lyndon | |
| | Tony Ludlow |
| | Adrian Burgess |
| | Jo Hancock |
| Maypole | |
| | Sandra Jenkinson |

| | |
|---|---|
| Nether Whitacre | |
| | Carol Morgan |
| | Jane Taylor |
| | Helen Howell |
| Northfield | |
| | Andrew Coldrick |
| | Boaz Beoluf Jangan |
| | Laura Enonchong |
| Perry Barr | |
| | Pansie McKenzie |
| | Neilson Williams |
| Perry Hall | |
| | Daphne Gray |
| | Vivette Haylette |
| Saltley | |
| | Lorna Neale |
| | Sylvina Payne |
| | Ralf Neale |
| Selly Oak | |
| | Richard Kirby |
| | Brian Noake |
| | Karen Ashton |
| Shirley | |
| | Lois Beaumont |
| | Bill Russell |
| | Pat Lowe |
| Solihull | |
| | Caroline Hinchliffe |
| | Sandra Ker |
| | Jenni Kitson |
| | Karen Robertson |
| South Yardley | |
| | Linda Loo |
| | Joe Glasford |

| | |
|---|---|
| St Andrew's Chelmsley Wood | |
| St Andrews Stirchley | Margaret Murphy |
| | Sue Ford |
| St Michaels | Ian Crockford |
| Trinity Monkspath | Clive Prentice |
| | Ann Prentice |
| Water Orton | Gill Day |
| | Mike Cox |
| | Roger Boult |

**BIRMINGHAM METHODIST CIRCUIT**

England & Wales - Charity number 1132926

# Accounts

# THE METHODIST CHURCH

## REPORT AND ACCOUNTS
## (ACCRUALS BASIS)
### for the year ended 31 August 2022

**Birmingham Methodist Circuit**

Registered Charity - Registration number **1132926**

**Birmingham District** **05/01**

**Ministers**

Rev Dr Neil Johnson, Rev Alison Richards, Rev Nicholas Jones
Rev Mindy Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo,
Rev Caroline (Caz) Hague, Rev Deborah Humphries, Rev Farai Mapamula,
Rev Cleopas Sibanda, Rev Sue Shortman, Rev Karen Webber
Deacon Ruth Yorke

**Circuit Stewards**

Gill Wilkins
Janice Martin
Marjorie Roper
Sharon Clutterbuck
Mary Mahachi

**Circuit Treasurer**

Andrew Morris

*FOR THE YEAR ENDED 31 AUGUST 2022*

**Introduction**

Welcome to the Annual Report of the Birmingham Methodist Circuit. The Circuit consists of 32 Methodist and Local Ecumenical Partnership churches in the City of Birmingham and surrounding area, served by a team of ordained and lay staff.

**Vision Statement and Priorities**

Birmingham Methodist Circuit aspires to be a welcoming Christian family with inspiring worship, radical compassion and social justice at its heart. In this way and following in our Methodist tradition, we aim to share in the transformation of life made possible through God's love.

As members of the Birmingham Methodist Circuit, we have agreed the following five priorities for the meaningful sharing of our God given resources:

**Transforming Life** - We aim to live in such a way as to bring about positive change in our own lives and the lives of others, to share God's love and to learn and grow as followers of Jesus both individually and in community.

**Inspiring Worship** - We aim to offer worship across the Circuit which glorifies God, is inviting to all, enriches faith and inspires us to respond.

**Radical Compassion** - We aim to develop and practice a radical compassion which is welcoming, inclusive, safe and empowering.

**Social Justice** - We aim to speak out and take action against injustice in all its forms.

**A Methodist Perspective** - Working together with our ecumenical partners and many others, we aim to uphold the values and principles which arise from our Methodist heritage, including being sustainable, ethical, collaborative and connected to Methodists across our nations and around the world.

| | |
|---|---|
| Full Name of Charity: | Birmingham Methodist Circuit |
| Registration Charity Number: | 1132926 |
| Date of registration: | 23 November 2009 |
| Main communication address: | Birmingham Methodist Circuit (Circuit Office), Selly Oak Methodist Church, Langleys Road, Selly Oak, Birmingham, B29 6HT |

The members of the Birmingham Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.
Full membership is shown as Appendix A to this report.

**Circuit Ministers and officers**

| | |
|---|---|
| Active Circuit Ministers: | Rev Dr Neil Johnson, Rev Alison Richards, Rev Nick Jones<br>Rev Mindy Bell, Rev Ping Ting Chen, Rev Molly Chitokwindo, Rev Caroline(Caz) Hague,<br>Rev Deborah Humphries, Rev Farai Mapamula, Rev Sue Shortman,<br>Rev Cleopas Sibanda, Rev Karen Webber, Deacon Ruth Yorke |
| Circuit Lay Workers: | Ms Maria Clack, Ms Arul Israel, Mrs Ermine Mitchell, Mr Dean Taylor,<br>Mrs Salome Noah, Mrs Diane Webb |
| Circuit Stewards: | Mrs Gill Wilkins, Mrs Janice Martin, Mrs Marjorie Roper, Mrs Sharon Clutterbuck,<br>Ms Mary Mahachi |
| Administrators: | Mrs Hazel Bethell, Mrs Beverley Francis, Mrs Amanda Harris,<br>Mrs Sue Saunderson, Ms Jayne Snape, Mr Joel Wilson, Ms Mima Yedale |
| Circuit Treasurer: | Andrew Morris (Circuit Treasurer) acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year. |
| Auditor: | Wallace Crooke, Chartered Accountants & Registered Auditors, Wallace House,<br>20 Birmingham Road, Walsall, WS1 2LT |
| Investment Bankers: | Central Finance Board of the Methodist Church<br>Trustees for Methodist Church Purposes<br>CAF Bank Ltd |

**Circuit Property**

All Circuit property is held in the name of The Trustees for Methodist Church Purposes (TMCP).

**Review of the year**

The Circuit has been in existence for eleven years. Faced with the difficulty of achieving a balanced budget, the decision was taken to use reserves to make up the shortfall. Increasing costs and declining income have led to a shortfall for the year to 31 August 2022 in the general fund of £237,504 before accounting for the value of Sparkhill Methodist Church - £525,000. This gave an overall surplus of £287,496 before fund transfers. There was an overall surplus on unrestricted funds of £543,876. This arose from the sale of surplus properties in the year. However excluding capital transactions, the overall shortfall is £333,058.

Faced with the reduction in available presbyters and a financial deficit, the Circuit grouped its resources of churches, lay and ordained staff, lay preachers and supernumerary ministers into five Mission and Ministry Teams, to provide more focussed mission. The teams were effective from 1 September 2019 but the Covid-19 pandemic has meant they are still not fully embedded in the life of the Circuit. From 1 September 2021 there was a reduction to four Mission and Ministry Teams.

**Covid-19**

The effects of the Covid-19 pandemic on the Circuit continued to be felt in 2021/22. Many churches have seen a reduction in their income, and have had to use reserves to pay their assessment and other costs. In contrast, the Circuit saw a reduction in some of its costs, as very little travel took place and activities planned for our young people were unable to take place.

**Income trends**

Circuit income is primarily drawn from the assessment paid by the Circuit churches. Some churches were unable to maintain their assessment payments at the agreed amounts in 2021/22.
Rental income is derived from the rental of two manses which are surplus to current needs.

**Expenditure trends**

Stipends and salaries have increased each financial year in line with conference approved increases, and to pay the Living Wage.

18% of General Fund expenditure is the Circuit contribution to the District and Connexion, of which 89% is used to fund the work of the wider Methodist Church. This contribution decreased by 1.16% from the previous year.
The other expenditure includes substantial amounts incurred on maintaining the Circuit manses to an appropriate standard.

**Plans for 2022/23**

Circuit financial plans for the current year have been prepared on the basis that there are 12 ordained staff, with anticipated cost of living stipend increases but a 4% reduction in the assessment paid to the District. Overall there has been a decrease in the total amount offered as assessment by the churches. There is currently still some uncertainty about how much some churches will actually be able to pay to the Circuit for 2022/23.

**Plans for 2023/24**

Circuit financial plans for 2023/24 have been prepared on the basis that there will be 11 ordained staff, with anticipated cost of living stipend increases and no change in the assessment paid to the District. At the time of writing, it appears unlikely that Circuit income from the churches will return to pre-pandemic levels as membership is down and some churches have ceased to meet. Circuit reserves have been boosted by sales of surplus properties and so it is considered that the Circuit remains a going concern financially despite the reduction in our income in 2021/22 and anticipated further reduction in 2022/23 and 2023/24.

**Aims and organisation**

Charity objective is to act as a Resource provider within the area around Birmingham for the Methodist Church:
The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

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

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

**Public Benefit**

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

**Structure, Governance and Management**

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

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

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, the Circuit Finance Committee, the Circuit Property Committee and the Circuit HR Group.

**Volunteers**

The Circuit is indebted to the many volunteers without whom it could not function. Lay Preachers conduct many of the Sunday services, and volunteers play prominent roles in the stewardship of Circuit finances and property, and serve as Trustees, members of the Circuit Leadership Team, and on many other committees and working groups.

**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 available to all new Circuit Assembly members as induction to their role as trustees.

**Related Parties**

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist and Local Ecumenical Project Churches are linked to the Circuit: Acocks Green, Beacon, Cambridge Road, Castle Bromwich, The Church at Carrs Lane, Chinese Church, Coleshill United, Cotteridge, Dorridge, Earlswood, Great Barr, Hall Green United Community Church, Hawkesley, Hazelwell, Longbridge, Lozells, Lyndon, Maypole, Nether Whitacre, Northfield, Perry Barr, Perry Hall, Saltley, Selly Oak, Shirley, Solihull, South Yardley, St Andrews Chelmsley Wood, St Andrews Stirchley, St Michael's Hall Green, Trinity Monkspath, Water Orton.

**Risk Management**

The major risks have been identified and recorded by the Circuit Finance Committee and Leadership Team 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 regular basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

**Safeguarding**

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

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

The Birmingham 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 Birmingham 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.

**Circuit Projects**

The Circuit supports Projects at St Francis Community Centre, Woodgate Valley and at Lozells Church and Community Centre. In 2021/22 The Circuit spent £9,755 on the running costs of the Woodgate Valley Project (2020/21 £4,180) and £11,536 on the running costs of the Lozells project (2020/21 £54,730).

**Reserves Policy**

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

The total funds held at 31 August 2022 are £7,616,742, of which £683,429 are restricted and £261,828 are designated. A detailed analysis of the funds is set out in Note 18 on page 15.

Fixed Assets £5,589,307 - unrestricted funds.

The balance of funds held after allowing for restricted funds, designated funds, commitments or the carrying amount of functional assets which the Circuit considers to represent a commitment of the reserves held, is £1,078,984 as at 31 August 2022, giving approximately 11 months cover for expenditure. This is considered sufficient.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 2022

| | Notes to the accounts | General funds | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Total 2021-22 | Total 2020-21 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Income** | | | | | | | | |
| Donations and legacies | 4 | 340 | | | | - | 340 | 2,534 |
| Income from monetary investments | | 816 | 5,985 | | 222 | 2,137 | 9,160 | 6,574 |
| Income from Investment Properties | | 0 | | | | | 0 | 0 |
| Assessments on Churches | | 717,067 | | | | | 717,067 | 744,448 |
| Capital Receipts | | 525,000 | 385,006 | | | 623,370 | 1,533,376 | 1,197,764 |
| Grants Received | | 56,932 | | | | | 56,932 | 55,862 |
| Other Charitable Income | 5 | 95,862 | | | | 2,170 | 98,032 | 53,714 |
| **Total Income** | | **1,396,017** | **390,991** | **0** | **222** | **627,677** | **2,414,907** | **2,060,896** |
| | | | | | | | | |
| | | | | | | | | |
| **Expenditure** | | | | | | | | |
| | | | | | | | | |
| Stipends, salaries, NIC & Pension costs | 8 | 695,802 | | | | 35,497 | 731,299 | 761,699 |
| District Assessment | | 24,159 | | | | | 24,159 | 21,971 |
| Methodist Church Fund (Connexion) | | 166,953 | | | | | 166,953 | 176,989 |
| Administration, telephone & travel | | 57,591 | 3,691 | | 8,635 | 5,127 | 75,044 | 53,711 |
| Insurance, utilities, etc | | 41,594 | | | | 3,440 | 45,034 | 52,218 |
| Maintenance of Manses | | 76,731 | | | | 21,424 | 98,155 | 64,078 |
| Other Expenditure on Circuit property | 10 | 16,900 | | 1,986 | -10,950 | - | 7,936 | 148,829 |
| Depreciation | 13 | | | | | | - | - |
| Provisions | | | | | | | - | - |
| Other Expenditure | 11 | 24,291 | | | | 606,689 | 630,980 | 641,210 |
| Grants and Donations | 12 | 4,500 | 31,086 | 12,000 | | 1,174 | 48,760 | 58,465 |
| Contributions to District Advance Fund | | | 88,385 | | | | 88,385 | 36,830 |
| **Total Charitable Expenditure** | | **1,108,521** | **123,162** | **13,986** | **-2,315** | **673,351** | **1,916,705** | **2,016,000** |
| | | | | | | | | |
| **Net income/(expenditure)** | | **287,496** | **267,829** | **-13,986** | **2,537** | **-45,674** | **498,202** | **44,896** |
| Transfers between funds | | 630,029 | -741,328 | | | 111,299 | **0** | **0** |
| | | **917,525** | **-473,499** | **-13,986** | **2,537** | **65,625** | **498,202** | **44,896** |
| **Other recognised gains / (losses):** | | | | | | | | |
| Gains/(losses) on monetary investments | | | | | | | - | - |
| Gains/(losses) on investment assets | | 0 | | | | | - | - |
| **Net movement in funds** | | **917,525** | **-473,499** | **-13,986** | **2,537** | **65,625** | **498,202** | **44,896** |
| **Reconciliation of funds:** | | | | | | | | |
| Total funds brought forward | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |
| **Total funds carried forward** | | **6,035,065** | **636,420** | **211,227** | **50,601** | **683,429** | **7,616,742** | **7,118,540** |

For information only Money received and passed on to External Organisations

| | | |
|---|---|---|
| Balance brought forward from last year | 0 | 0 |
| Offerings/Gifts - received for External Organisations | 223 | 2500 |
| Offerings/Gifts - passed to External Organisations | 223 | 2500 |
| Balance carried forward | 0 | 0 |

**Balance Sheet as at 31 August 2022**

| | Notes | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2022 | Totals 2021 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Fixed Assets** | | | | | | | | |
| Land & Buildings | 13 | 5,589,307 | | | | | 5,589,307 | 4,697,078 |
| Equipment | | | | | | | | |
| Investment properties | 14 | | | | | | | |
| Investments | | | | | | | | |
| *Total fixed assets* | | 5,589,307 | 0 | 0 | 0 | 0 | 5,589,307 | 4,697,078 |
| **Current Assets** | | | | | | | | |
| Debtors | 15 | 147,056 | 162,002 | | | 155 | 309,213 | 192,000 |
| Trustees for Methodist Church Purposes Deposits | | 0 | 489,416 | 211,227 | 47,409 | 693,770 | 1,441,822 | 1,971,050 |
| Central Finance Board Deposits | | 352,634 | | | | 8,965 | 361,599 | 370,254 |
| Cash at Bank and in hand | | 125,270 | (14,998) | | 3,192 | 1,681 | 115,145 | 52,712 |
| *Total current assets* | | 624,960 | 636,420 | 211,227 | 50,601 | 704,571 | 2,227,779 | 2,586,016 |
| **Current Liabilities** | | | | | | | | |
| Creditors and Accruals (due in under 1 yr) | 16 | 179,202 | | | 0 | 21,142 | 200,344 | 164,554 |
| *Total Current Liablities* | | **179,202** | **0** | **0** | **0** | **21,142** | **200,344** | **164,554** |
| *Net current assets/(liabilities)* | | 445,758 | 636,420 | 211,227 | 50,601 | 683,429 | 2,027,435 | 2,421,462 |
| *Total assets less current liabilities* | | 6,035,065 | 636,420 | 211,227 | 50,601 | 683,429 | 7,616,742 | 7,118,540 |
| **Long term liabilities (due after more than 1 year)** | | | | | | | 0 | 0 |
| *Net assets* | | 6,035,065 | 636,420 | 211,227 | 50,601 | 683,429 | 7,616,742 | 7,118,540 |
| **Funds of the Circuit** | | | | | | | | |
| General Fund (Unrestricted) | 18 | 6,035,065 | | | | | 6,035,065 | 5,117,540 |
| Model Trust Fund (Unrestricted) | 18 | | 636,420 | | | | 636,420 | 1,109,919 |
| Model Trust Fund (Designated & Unrestricted) | 18 | | | 211,227 | | | 211,227 | 225,213 |
| Designated funds | 18 | | | | 50,601 | | 50,601 | 48,064 |
| Restricted funds | 18 | | | | | 683,429 | 683,429 | 617,804 |
| *Total Funds* | | 6,035,065 | 636,420 | 211,227 | 50,601 | 683,429 | 7,616,742 | 7,118,540 |

The financial statements were approved and authorised for issue by the Circuit Meeting on 25 March 2023.
Signed on behalf of the Circuit Meeting

Andrew Morris - Circuit Treasurer

Birmingham Methodist Circuit Circuit No: 5/1

## Cash flow statement for the year ended 31 August 2022

| Statement of cash flows | 2022 £ | 2021 £ |
|---|---|---|
| **Cash from operating activities** | | |
| Net cash used in operating activities | **-389,386** | **-606,822** |
| **Cash flows from investing activities** | | |
| Dividends,interest and rents from investments | 9,160 | 6,574 |
| Proceeds from the sale of property,plant and equipment | 836,226 | 1,182,332 |
| Purchase of property,plant and equipment | -931,450 | 0 |
| **Net cash provided by investing activities** | **-86,064** | **1,188,906** |
| **Cash flows from financing activities** | 0 | 0 |
| **Net cash used in financing activities** | **0** | **0** |
| **Change in cash and cash equivalents in the reporting period** | -475,450 | 582,084 |
| Cash and cash equivalents at the beginning of the reporting period | 2,394,016 | 1,811,932 |
| **Cash and cash equivalents at the end of the reporting period** | **1,918,566** | **2,394,016** |

| Reconciliation of net income to net cash flow from operating activities | 2022 £ | 2021 £ |
|---|---|---|
| Net income for the reporting period ( as per statement of financial activities) | 498,202 | 44,896 |
| **Adjustments for:** | | |
| Loss/(Profit) on the sale of fixed assets | -272,005 | -563,494 |
| Gains on investments | -525,000 | 0 |
| Dividends, interest and rents from investments | -9,160 | -6,574 |
| (increase)/decrease in debtors | -117,213 | -54,673 |
| increase/(decrease) in creditors | 35,790 | -26,977 |
| **Net cash used in operating activities** | **-389,386** | **-606,822** |

| Analysis of cash and cash equivalent | 2022 £ | 2021 £ |
|---|---|---|
| Cash in hand | 476,744 | 422,966 |
| Short term deposit (less than 3 months) | 1,441,822 | 1,971,050 |
| **Total cash and cash equivalents** | **1,918,566** | **2,394,016** |

## Notes to the Accounts

### 1. Basis of Preparation

Birmingham Methodist Circuit is a Charity registered in England. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities can be found within the Trustees' Annual Report located on pages 2 to 5.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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, but part of the fund has been designated for specific purposes and is shown separately. Designated Funds which are unrestricted but set aside for specific purposes. Restricted Funds which are held for a narrower purpose . Details of each material fund are disclosed in Note 18 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Income Recognition

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

#### Resources Expended

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

#### Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

#### VAT

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

#### Revaluation of functional property assets

The Circuit carries its functional property assets at deemed cost, with any impairment being recognised in the Statement of Financial Activities. The Circuit has used insurance value as at 1 September 2015 as its independent valuation at the date of transition. Some of the key assumptions used to determine the deemed cost of the assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

#### Tangible fixed assets for use by the Circuit

The manses are shown in the accounts at 2015 deemed values or subsequent cost. No depreciation is provided on these assets because the Trustees consider the current residual fair values to be not less than their current value. Any depreciation would not be material. The assets have been reviewed for impairment. Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

#### Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA. The Circuit does not hold any investment properties.

#### Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Notes to the Accounts (continued)

| 4. Donations and legacies | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2022 Total | 2021 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Donations | 340 | | | | 340 | 2,534 |
| Legacies | | | | | 0 | 0 |
| **Total** | 340 | - | | - | 340 | 2,534 |

| 5. Other charitable income | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2022 Total | 2021 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Payroll recharges | 68,531 | | | | 68,531 | 32,235 |
| Benevolent Fund | 0 | | | 2,170 | 2,170 | 0 |
| Sundry income | 664 | | | | 664 | 936 |
| Transfer from closed church | 5,942 | | | | 5,942 | 0 |
| Inner City Fund | | | 0 | | 0 | 323 |
| Manse Rental | 20,725 | | | | 20,725 | 20,220 |
| **Total** | 95,862 | 0 | 0 | 2,170 | 98,032 | 53,714 |

| 6. Payment to Trustees | | 2022 | 2021 |
|---|---|---|---|
| Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | £ | - | - |
| Number of trustees who were paid expenses | | 3 | 1 |
| Nature of the expenses: | Travel Expenses, Postage, Stationery & Printing, Training | | |
| Total amount paid | £ | 482 | 473 |

| 7. Fees for audit of the accounts | | 2022 | 2021 |
|---|---|---|---|
| Independent auditors' fees for reporting on the accounts | £ | 4,158 | 4,422 |

Notes to the Accounts (continued)

**8. Paid employees**

| | | 2022 | 2021 |
|---|---|---|---|
| **Staff Costs paid during the year were:** | | | |
| Gross wages, salaries and benefits in kind | £ | 578,681 | 599,086 |
| Employer's National Insurance costs | £ | 48,240 | 49,998 |
| Pension costs | £ | 101,574 | 109,376 |
| Apprenticeship Levy | £ | 2,804 | 3,239 |
| Total staff costs | £ | **731,299** | **761,699** |
| **Average number of staff employed during the year were:** | | 28 | 29 |

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000 (€70,000).

| | | 2022 | 2021 |
|---|---|---|---|
| The Circuit contributes to two pension schemes: | | | |
| Methodist Ministers' Pension Scheme (defined benefit) | £ | 87,528 | 94,848 |
| Lay Employees' Pension Scheme (defined contribution) | £ | 14,046 | 14,528 |
| | £ | 101,574 | 109,376 |

**Methodist Ministers' Pension Scheme**

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

The Connexion accounts for the MMPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Methodist Conference 2021 asked Districts, Circuits and churches to consider making voluntary donations of 15% of their free reserves to a Pension Reserve Fund to cover future deficits in the MMPS. Birmingham Circuit took the decision not to contribute to this Fund on a voluntary basis.

£6,700 was prepaid in respect of the Minister's Pension Scheme at 31 August 2022 (£7,294 at 31 August 2021).

**Lay Employees' Pension Scheme**

There is an employer debt on withdrawal from this scheme which was estimated at £20,217 at 30 September 2020.

**9. Leasing Commitments**

| **Committed to be paid:** | | 2022 | 2021 |
|---|---|---|---|
| Expiring Within 1 Year | £ | 955 | 2,619 |
| Between 2 & 5 Years | £ | 2,388 | 4,591 |
| After 5 Years | £ | - | - |
| | £ | 3,343 | 7,210 |

During the year £3,750 (2021: £2,166) was expensed through the SoFA in relation to operating leases. This included the cost of terminating the lease at Carrs Lane.

## Notes to the Accounts (continued)

### 10. Other Expenditure on Circuit property

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Quinquennial Inspections (Property and Electrical) | 12,108 | 12,766 |
| Management and other fees | 4,793 | 1,427 |
| | 16,901 | 14,193 |
| Lozells Methodist Church - Inner City Fund (External Refurbishment) | - 8,965 | 134,636 |
| | 7,936 | 148,829 |

### 11. Other Expenditure

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Children and Youth | 3,544 | - |
| Subscriptions (CIGB, BCT, Citizens) | 10,392 | 11,690 |
| Training | 2,580 | 272 |
| Audit Fee | 4,158 | 4,422 |
| Woodgate Valley | - | - |
| Philippians Fund | 2,800 | 1,094 |
| Meeting Expenses | 517 | - |
| Miscellaneous | 620 | 1,727 |
| | 24,611 | 19,205 |
| Connexional (CPF) Levies on Sold Properties | 42,148 | 622,005 |
| Capital Payment for Manses | 564,221 | |
| Holly Hill School | - | - |
| | 630,980 | 641,210 |

### 12. Grants & Donations

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Holly Hill School | 2,000 | 2,000 |
| Hawkesley School | 2,000 | 2,000 |
| Time4Change | 500 | 200 |
| | 4,500 | 4,200 |
| Small Heath Grants Repaid | 0 | 12,265 |
| Dorridge Car Park | | 11,000 |
| Perry Hall Car Park | 14,363 | 0 |
| Shirley Boiler | 14,998 | 0 |
| Nether Whitacre Boiler | 1,725 | 0 |
| Lozells Payroll Costs | 12,000 | 10,000 |
| City Centre Fund - Retail Chaplain, Counselling Centre, Inclusive Gathering | 0 | 21,000<br>0 |
| Holly Hill School Fund | 349 | 0 |
| Benevolent Fund | 825 | 0 |
| | 48,760 | 58,465 |

**Notes to the Accounts (continued)**

**13. Tangible Fixed Assets**

The Circuit holds 16 manses. Two manses were purchased in the year, replacing two which were sold during the year.

Cost or valuation

| | Residential Land £ | Other Land £ | Manses £ | Other buildings £ | Other fixed assets including motor vehicles £ | Fixtures, fittings and equipment £ | Payments on account and assets under construction £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | 4,507,078 | 190,000 | | | | 4,697,078 |
| Additions | | | 931,450 | 525,000 | | | | 1,456,450 |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | -564,221 | | | | | -564,221 |
| Transfers * (+/-) | | | | | | | | |
| Balance carried forward | | | 4,874,307 | 715,000 | | | | 5,589,307 |

**Accumulated depreciation**

| | | | SL or RB | SL or RB | SL or RB | SL or RB | | |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | | | | | | |
| Depreciation charge for year (-) | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | | | | | | |
| Transfers* (+/-) | | | | | | | | |
| Balance carried forward | | | | | | | | |

**Net book value**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Brought forward | - | - | 4,507,078 | 190,000 | - | - | - | 4,697,078 |
| Carried forward | - | - | 4,874,307 | 715,000 | - | - | - | 5,589,307 |

Other buildings include the Frankley Children's Centre, which has been valued at £190,000 freehold subject to a lease with 9 years unexpired at Nil rent. The valuation was undertaken by Carters, Chartered Surveyors, who are not connected to Birmingham Methodist Circuit. The addition to other buildings in the year was the introduction at market value £525,000 of Sparkhill Methodist Church, which ceased to meet during the year. The additions to manses during the year were of manses at Grove Avenue and Honeysuckle Way. The disposals during the year were of the manses at Mackenzie Road and Marlborough Road.

**14. Investments**

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month.
These are regarded as medium and long term investments.TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

No investment property was held during the year.

Notes to the Accounts (continued)

## 15. Analysis of debtors

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Accrued income (includes outstanding assessment payments) | 236,191 | 109,472 |
| Other debtors | 41,022 | 42,528 |
| Loans | 32,000 | 40,000 |
| **Total Debtors** | **309,213** | **192,000** |

**Analysis of Loans**

| | | |
|---|---|---|
| Due within one year | 8,000 | 8,000 |
| Due within two to five years | 24,000 | 32,000 |
| Due after five years | | |
| | **32,000** | **40,000** |

## 16. Analysis of current liabilities and long term creditors

| | | |
|---|---|---|
| Prepaid Assessments | 135,600 | 126,098 |
| Other Creditors | 64,744 | 38,456 |
| **Total Current Liabilities** | **200,344** | **164,554** |

## 17. Capital Commitments and Contingent Liabilities

| | | |
|---|---|---|
| At 31 August 2022 capital commitments amounted to: | - | 15,837 |
| At 31 August 2022 contingent liabilities amounted to: | - | - |

Notes to the Accounts (continued)

18. Detailed analysis of individual fund movements

Unrestricted Funds

| Unrestricted Fund Name | Opening | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| General | 5,117,540 | 1,396,017 | 1,108,521 | 630,029 | | 6,035,065 | The general purposes of the Circuit |
| Model Trust Fund | 1,109,919 | 390,991 | 123,162 | -741,328 | | 636,420 | Support for the mission of the Circuit |
| Designated - Model Trust Fund | 225,213 | | 13,986 | | | 211,227 | Supporting work within Birmingham Inner City |
| Designated - Inner City | 742 | 10,950 | 8,500 | | | 3,192 | Supporting work within Birmingham Inner City |
| Designated - Property | | | | | | | Major repairs to manses |
| Designated - Trinity Monkspath | 47,322 | 222 | 135 | | | 47,409 | The general purposes of the Circuit |
| Totals | 6,500,736 | 1,798,180 | 1,254,304 | -111,299 | | 6,933,313 | |

Restricted Funds

| Restricted Fund Name | Opening Balance | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| Benevolent Fund | 336 | 2,170 | 825 | | | 1,681 | Support for individuals in specific need |
| City Centre Trust | 608,192 | 625,469 | 672,177 | 111,299 | | 672,783 | Supporting work in Birmingham City Centre |
| Holly Hill School | 9,276 | 38 | 349 | | | 8,965 | Supporting a Methodist/Anglican school |
| Totals | 617,804 | 627,677 | 673,351 | 111,299 | | 683,429 | |

The reasons for the transfers between funds were as follows:

To provide working capital for the Circuit, to adjust for the sale of fixed assets and to account for a partial loan repayment.

Notes to the Accounts (continued)

19. Related party transactions

This year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2022 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 166,953 | | |
| | | | | | | |
| Total | | | 0 | 166,953 | 0 | 0 |

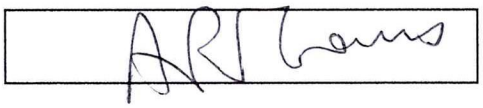
Last year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2021 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 176,989 | | |
| | | | | | | |
| Total | | | 0 | 176,989 | 0 | 0 |

## Birmingham Methodist Circuit
## DECLARATIONS

**Treasurer**

I confirm that these accrual based accounts for the year ended 31 August 2022 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 | **25 March 2023** |
| Name of Treasurer | **Andrew Morris** | | |
| Address | 11 Rodman Close, Edgbaston, Birmingham, B15 3PE | | |

**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 August 2022 were presented to the Circuit Meeting at its meeting on **25 March 2023**

and were approved.

| | | | |
|---|---|---|---|
| Signature of the Chair of the meeting | | | |
| Name of the Chair of the meeting | **Rev Cleopas Sibanda** | | |
| Date | **25 March 2023** | | |

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BIRMINGHAM METHODIST CIRCUIT

### Opinion

We have audited the financial statements of Birmingham Methodist Circuit (the 'charity') for the year ended 31 August 2022 on pages six to sixteen, which comprise of the statement of finanical activities, the balance sheet, cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources for the year ended;
- have been properly preapred in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information in the Trustees' Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wallace Crooke

Wallace Crooke
Chartered Accountants & Registered Auditors
Wallace House
20 Birmingham Road
Walsall
West Midlands
WS1 2LT

Date: 25 March 2023

Wallace Crooke is eligible for appointment as auditor of the charity by virtue of its eligibilty for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Birmingham Methodist Circuit**

CIRCUIT ASSEMBLY MEMBERSHIP

MINISTERS

Rev Nick Jones
Rev Alison Richards
Rev Ping Ting Chen
Rev Molly Chitokwindo
Rev Caroline Hague
Rev Deborah Humphries
Rev Farai Mapamula
Rev Sue Shortman
Rev Cleopas Sibanda
Rev Karen Webber
Deacon Ruth Yorke

MINISTERS IN OTHER APPOINTMENTS

Rev Mindy Bell

CLERGY IN LEP's

Rev Mike Claridge
Rev Lorraine Shorten

SUPERNUMERARY MINISTERS

Rev Alison Geary
Rev Donald Sampson
Rev Caroline Homan
Rev Barbara Calvert

LAYWORKERS

Ermine Mitchell
Diane Webb
Salome Noah
Arul Israel
Heather Rose

CIRCUIT STEWARDS

Gill Wilkins
Janice Martin
Marjorie Roper
Sharon Clutterbuck
Remi Olatunbosun (Property)

TREASURER

Andrew Morris

Queens Foundation

Rev Gary Hall

CA Minute Taker

Valerie Edden

Circuit Local Preachers & Worship Leaders Representatives

Fiona Beadle
Keith Dennis
Danny Dorsett
Annette Sampson
Joy Wadsworth
Helen Woodall

| | |
|---|---|
| Circuit Safeguarding Co-ordinator | |
| | Jenny Fisher |
| CO-OPTED MEMBERS | |
| | Kath Collman |
| | Moses Dakunivosa |
| CIRCUIT CHURCH REPRESENTATIVES | |
| Acocks Green | |
| | Mark Firmstone |
| | Alan Bennett |
| | Helen Powick |
| Beacon | |
| | Judith Wingate |
| | Jeremy Parker |
| | Sheila Maggs |
| Cambridge Road | |
| | Anne Lockyer |
| | Barbara Howarth |
| | Nicola Sharman |
| Castle Bromwich | |
| | Mal Glenn |
| | Ray Glenn |
| | Sue Mitchell |
| The Church at Carrs Lane | |
| | Peter Woodall |
| | Joe Bullen |
| Chinese Church | |
| | Angel Chiu |
| | Helen Xue |
| | Rhoda Tong |
| | Sissy Wong |
| Coleshill United | |
| | Chris Courts |
| | Peter Courts |
| Cotteridge | |
| | Lorna Babb |
| | John Cliff |
| | Mike Meadows |
| | Dorothy Audley |

| | |
|---|---|
| Dorridge | |
| | Lynne Wilson |
| | Phil Salmon |
| | Lis Helliar |
| | Helen Munday |
| Earlswood | |
| | Paul Spence |
| | Pat Fowler |
| | Jenny Cockroft |
| Great Barr | |
| | Sylvia Emery |
| Hall Green United Community Church | |
| | Brian Dickens |
| | Val Dickens |
| | Blair Kesseler |
| Hawkesley | |
| | Clive Sweet |
| | Erica Elliott |
| Hazelwell | |
| | Janet Thomas |
| | Peter Thomas |
| | Yvonne Swain |
| Longbridge | |
| | Remi Olatunbosun |
| | Philip Osborn |
| | Lenroy Ryner |
| Lozells | |
| | Ellalyn Blake |
| | Caroline Nana-Tchounga |
| Lyndon | |
| | Tony Ludlow |
| Maypole | |
| | Sandra Jenkinson |
| | Jennie Owen |

| | |
|---|---|
| Nether Whitacre | Carol Morgan |
| | Jane Taylor |
| | Helen Howell |
| Northfield | Andrew Coldrick |
| | Boaz Jangan |
| | Laura Enonchong |
| Perry Barr | Pansie McKenzie |
| | Neilson Williams |
| Perry Hall | Daphne Gray |
| | Vivienne Haylette |
| Saltley | Lorna Neale |
| | Sylvia Payne |
| Selly Oak | Richard Kirby |
| | Brian Noake |
| | John Richardson |
| | Karen Ashton |
| Shirley | Lois Beaumont |
| | Keith Lovell |
| | Bill Russell |
| | Pat Lowe |
| Solihull | Caroline Hinchliffe |
| | Sandra Ker |
| | Jenni Kitson |
| | Howard Staight |
| | Sue Kelley |
| South Yardley | Liz Lyons |
| | Linda Loo |
| | Joe Glasford |

| | |
|---|---|
| St Andrew's Chelmsley Wood | |
| St Andrews Stirchley | Margaret Murphy |
| | Sue Ford |
| St Michaels | Ian Crockford |
| | Pauline Astardjian |
| Trinity Monkspath | Clive Prentice |
| | Ann Prentice |
| Water Orton | Gill Day |
| | Mike Cox |
| | Roger Boult |

**BIRMINGHAM METHODIST CIRCUIT**

England & Wales - Charity number 1132926

# Accounts

Circuit
Accruals Accounts
2020-2021

# THE METHODIST CHURCH

## REPORT AND ACCOUNTS
## (ACCRUALS BASIS)
### for the year ended 31 August 2021

**Birmingham Methodist Circuit**

| Registered Charity - Registration number | 1132926 |
|---|---|

| Birmingham District | 05/01 |
|---|---|

**Ministers**

| |
|---|
| Rev Dr Neil Johnson, Rev Alison Richards, Rev Nicholas Jones |
| Rev Mindy Bell, Rev Ping Ting Chen |
| ,Rev Caroline (Caz) Hague, Rev Deborah Humphries |
| Rev Dr Vincent Jambawo, Rev Farai Mapamula, |
| Rev Cleopas Sibanda, Rev Sue Shortman, Rev Andrew Orton |
| Rev Samuel Uwimana, Rev Karen Webber, Deacon Ruth Yorke |

**Circuit Stewards**

| |
|---|
| Gill Wilkins |
| Janice Martin |
| Marjorie Roper |
| Sharon Clutterbuck |
| Mary Mahachi |
| Richard Burr (Property) |

**Circuit Treasurer**

| |
|---|
| Andrew Morris |

**Introduction**

Welcome to the Annual Report of the Birmingham Methodist Circuit. The Circuit consists of 34 Methodist and Local Ecumenical Partnership churches in the City of Birmingham and surrounding area, served by a team of ordained and lay staff.

**Vision Statement and Priorities**

Birmingham Methodist Circuit aspires to be a welcoming Christian family with inspiring worship, radical compassion and social justice at its heart. In this way and following in our Methodist tradition, we aim to share in the transformation of life made possible through God's love.

As members of the Birmingham Methodist Circuit, we have agreed the following five priorities for the meaningful sharing of our God given resources:

**Transforming Life** - We aim to live in such a way as to bring about positive change in our own lives and the lives of others, to share God's love and to learn and grow as followers of Jesus both individually and in community.

**Inspiring Worship** - We aim to offer worship across the Circuit which glorifies God, is inviting to all, enriches faith and inspires us to respond.

**Radical Compassion** - We aim to develop and practice a radical compassion which is welcoming, inclusive, safe and empowering.

**Social Justice** - We aim to speak out and take action against injustice in all its forms.

**A Methodist Perspective** - Working together with our ecumenical partners and many others, we aim to uphold the values and principles which arise from our Methodist heritage, including being sustainable, ethical, collaborative and connected to Methodists across our nations and around the world.

| | |
|---|---|
| Full Name of Charity: | Birmingham Methodist Circuit |
| Registration Charity Number: | 1132926 |
| Date of registration: | 23 November 2009 |
| Main communication address: | Birmingham Methodist Circuit (Central Office), The Church at Carrs Lane, Carrs Lane, Birmingham, B4 7SX |

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

Full membership is shown as Appendix A to this report.

**Circuit Ministers and officers**

| | |
|---|---|
| Active Circuit Ministers: | Rev Dr Neil Johnson, Rev Alison Richards, Rev Nick Jones<br>Rev Mindy Bell, Rev Ping Ting Chen, Rev Caroline(Caz) Hague, Rev Deborah Humphries,<br>Rev Dr Vincent Jambawo, Rev Farai Mapamula, Rev Sue Shortman,<br>Rev Andrew Orton, Rev Cleopas Sibanda, Rev Samuel Uwimana,<br>Rev Karen Webber, Deacon Ruth Yorke |
| Circuit Lay Workers: | Mr Eddy Aigbe, Ms Maria Clack, Ms Arul Israel, Mrs Ermine Mitchell, Mr Dean Taylor,<br>Mrs Salome Noah, Mrs Diane Webb |
| Circuit Stewards: | Mrs Gill Wilkins, Mrs Janice Martin, Mrs Marjorie Roper, Mrs Sharon Clutterbuck,<br>Ms Mary Mahachi<br>Mr Richard Burr (Property) |
| Administrators: | Mrs Hazel Bethell, Mrs Beverley Francis, Ms Vivien Jones, Mr Tom Milton,<br>Mrs Sue Saunderson, Ms Jayne Snape, Mr Joel Wilson, Ms Mima Yedale |
| Circuit Treasurer: | Andrew Morris (Circuit Treasurer) acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year. |
| Auditor: | Wallace Crooke, Chartered Accountants & Registered Auditors, Wallace House,<br>20 Birmingham Road, Walsall, WS1 2LT |
| Investment Bankers: | Central Finance Board of the Methodist Church<br>Trustees for Methodist Church Purposes<br>CAF Bank Ltd |

**Circuit Property**

All Circuit property is held in the name of The Trustees for Methodist Church Purposes (TMCP).

**Review of the year**

The Circuit has been in existence for ten years. Faced with the difficulty of achieving a balanced budget, the decision was taken to use reserves to make up the shortfall. Increasing costs and declining income have led to a shortfall for the year to 31 August 2021 in the general fund of £243,448. There was an overall surplus on unrestricted funds of £130,500. This arose from the sale of surplus properties in the year. However excluding capital transactions, the overall shortfall is £287,358.

Faced with the reduction in available presbyters and a financial deficit, the Circuit grouped its resources of churches, lay and ordained staff, lay preachers and supernumerary ministers into five Mission and Ministry Teams, to provide more focussed mission. The teams were effective from 1 September 2019 but the Covid-19 pandemic has meant they are not yet fully embedded in the life of the Circuit. From 1 September 2021 there has been a reduction to four Mission and Ministry Teams.

**Covid-19**

The effect of the Covid-19 pandemic on the Circuit in 2020/21 continued to be profound. For most of the year, churches were closed for worship,and for much of the time, user groups were unable to use the premises. Many churches have seen a considerable reduction in their income, and have had to use reserves to pay their assessment and other costs. In contrast, the Circuit has seen a reduction in some of its costs, as very little travel has taken place and activities planned for our young people were unable to take place.

**Income trends**

Circuit income is primarily drawn from the assessment paid by the Circuit churches. Some churches were unable to maintain their assessment payments at the agreed amounts in 2020/21.

Rental income is derived from the rental of a manse which is surplus to current needs.

**Expenditure trends**

Stipends and salaries have increased each financial year in line with conference approved increases, and to pay the Living Wage.

18% of General Fund expenditure is the Circuit contribution to the District and Connexion, of which 89% is used to fund the work of the wider Methodist Church. This contribution decreased by 1.16% from the previous year.

The other expenditure includes substantial amounts incurred on maintaining the Circuit manses to an appropriate standard.

**Plans for 2021/22**

Circuit financial plans for the current year have been prepared on the basis that there are 13 ordained staff, with anticipated cost of living stipend increases but a 4% reduction in the assessment paid to the District. Overall there has been a decrease in the total amount offered as assessment by the churches. There is currently some uncertainty about how much some churches will actually be able to pay to the Circuit for 2021/22.

**Plans for 2022/23**

Circuit financial plans for 2022/23 have been prepared on the basis that there will be 12 ordained staff, with anticipated cost of living stipend increases but a further small reduction in the assessment paid to the District. At the time of writing, it appears unlikely thatCircuit income from the churches will return to pre-pandemic levels as membership is down and some churches may have ceased to meet. Circuit reserves have been boosted by sales of surplus properties and so it is considered that the Circuit remains a going concern financially despite the substantial reduction in our income in 2021/22.

**Aims and organisation**

Charity objective is to act as a Resource provider within the area around Birmingham for the Methodist Church:

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

a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

**Public Benefit**

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

**Structure, Governance and Management**

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

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

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, the Circuit Resources Forum and the Circuit Executive.

**Volunteers**

The Circuit is indebted to the many volunteers without whom it could not function. Lay Preachers conduct many of the Sunday services, and volunteers play prominent roles in the stewardship of Circuit finances and property, and serve as Trustees, members of the Circuit Executive and Resources Forum, and on many other committees and working groups.

**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 available to all new Circuit Assembly members as induction to their role as trustees.

**Related Parties**

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist and Local Ecumenical Project Churches are linked to the Circuit: Acocks Green, Beacon, Cambridge Road, Castle Bromwich, The Church at Carrs Lane, Chinese Church, Coleshill United, Cotteridge, Dorridge, Earlswood, Great Barr, Hall Green United Community Church, Hawkesley, Hazelwell, Longbridge, Lozells, Lyndon, Maypole, Nether Whitacre, Northfield, Perry Barr, Perry Hall, Saltley, Selly Oak, Shirley, Solihull, South Yardley, Sparkhill, St Andrews Chelmsley Wood, St Andrews Stirchley, St Michael's Hall Green, Trinity Monkspath, Villa Road, Water Orton.

**Risk Management**

The major risks have been identified and recorded by the Circuit Resources Forum 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 regular basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

**Safeguarding**

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

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

The Birmingham 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 Birmingham 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.

**Circuit Projects**

The Circuit supports Projects at St Francis Community Centre, Woodgate Valley and at Lozells Church and Community Centre. In 2020/21 The Circuit spent £4,180 on the running costs of the Woodgate Valley Project (2019/20 £10,867) and £54,730 on the running costs of the Lozells project (2019/20 Nil). In addition the Circuit spent £134,431 out of the Inner City Fund on refurbishment of the buildings at Lozells (2019/20 £25,072).

**Reserves Policy**

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

The total funds held at 31 August 2021 are £7,118,540, of which £617,804 are restricted and £273,277 are designated. A detailed analysis of the funds is set out in Note 18 on page 15.

Fixed Assets £4,697,078 - unrestricted funds.

The balance of funds held after allowing for restricted funds, designated funds, commitments or the carrying amount of functional assets which the Circuit considers to represent a commitment of the reserves held, is £1,514,544 as at 31 August 2021, giving approximately 16 months cover for expenditure. This is considered sufficient.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Birmingham Methodist Circuit Number 05/01

**Statement of Financial Activities (SOFA) for the year ended 31 August 2021**

| | Notes to the accounts | General funds | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Total 2020-21 | As Restated Total 2019-20 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Income** | | | | | | | | |
| Donations and legacies | 4 | 2,534 | | | | | 2,534 | 299 |
| Income from monetary investments | | 359 | 3,748 | | 159 | 2,308 | 6,574 | 14,810 |
| Income from Investment Properties | | 0 | | | | | 0 | 0 |
| Assessments on Churches | | 744,448 | | | | | 744,448 | 842,422 |
| Capital Receipts | | | 1,197,764 | | | | 1,197,764 | 113,083 |
| Grants Received | | 55,862 | | | | | 55,862 | 79,676 |
| Other Charitable Income | 6 | 53,391 | | | 323 | | 53,714 | 105,307 |
| **Total Income** | | **856,594** | **1,201,512** | **0** | **482** | **2,308** | **2,060,896** | **1,155,597** |
| | | | | | | | | |
| | | | | | | | | |
| **Expenditure** | | | | | | | | |
| | | | | | | | | |
| Stipends, salaries, NIC & Pension costs | 9 | 726,838 | | | | 34,861 | 761,699 | 808,269 |
| District Assessment | | 21,971 | | | | | 21,971 | 21,303 |
| Methodist Church Fund (Connexion) | | 176,989 | | | | | 176,989 | 179,997 |
| Administration, telephone & travel | | 49,666 | 1,215 | | 95 | 2,735 | 53,711 | 58,116 |
| Insurance, utilities, etc | | 49,218 | | | | 3,000 | 52,218 | 71,557 |
| Maintenance of Manses | | 37,762 | | | | 26,316 | 64,078 | 73,255 |
| Other Expenditure on Circuit property | 11 | 14,193 | | 134,636 | 0 | - | 148,829 | 31,608 |
| Depreciation | 14 | | | | | | - | - |
| Provisions | | | | | | | - | - |
| Other Expenditure | 12 | 19,205 | 622,005 | | | 0 | 641,210 | 117,732 |
| Grants and Donations | 13 | 4,200 | 23,265 | 10,000 | | 21,000 | 58,465 | 57,366 |
| Contributions to District Advance Fund | | | 36,830 | | | | 36,830 | 47,493 |
| **Total Charitable Expenditure** | | **1,100,042** | **683,315** | **144,636** | **95** | **87,912** | **2,016,000** | **1,466,696** |
| | | | | | | | | |
| **Net income/(expenditure)** | | **-243,448** | **518,197** | **-144,636** | **387** | **-85,604** | **44,896** | **-311,099** |
| Transfers between funds | | -305,840 | 305,840 | | | | | |
| | | **-549,288** | **824,037** | **-144,636** | **387** | **-85,604** | **44,896** | **-311,099** |
| **Other recognised gains / (losses):** | | | | | | | | |
| Gains/(losses) on monetary investments | | | | | | | - | - |
| Gains/(losses) on investment assets | | 0 | | | | | - | - |
| **Net movement in funds** | | **-549,288** | **824,037** | **-144,636** | **387** | **-85,604** | **44,896** | **-311,099** |
| **Reconciliation of funds:** | | | | | | | | |
| Total funds brought forward | | 5,666,828 | 285,882 | 369,849 | 47,677 | 703,408 | 7,073,644 | 7,384,743 |
| **Total funds carried forward** | | **5,117,540** | **1,109,919** | **225,213** | **48,064** | **617,804** | **7,118,540** | **7,073,644** |

For information only Money received and passed on to External Organisations

| | | |
|---|---|---|
| Balance brought forward from last year | 0 | 0 |
| Offerings/Gifts - received for External Organisations | 223 | 2500 |
| Offerings/Gifts - passed to External Organisations | 223 | 2500 |
| Balance carried forward | 0 | 0 |

Balance Sheet as at 31 August 2021

| | Notes | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2021 | Totals 2020 as Restated |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Fixed Assets** | | | | | | | | |
| Land & Buildings | 14 | 4,697,078 | | | | | 4,697,078 | 5,315,916 |
| Equipment | | | | | | | | |
| Investment properties | 15 | | | | | | | |
| Investments | | | | | | | | |
| *Total fixed assets* | | 4,697,078 | 0 | 0 | 0 | 0 | 4,697,078 | 5,315,916 |
| **Current Assets** | | | | | | | | |
| Debtors | 16 | 152,000 | 40,000 | | 0 | 0 | 192,000 | 137,327 |
| Trustees for Methodist Church Purposes Deposits | | 0 | 1,069,919 | 225,213 | 47,322 | 628,596 | 1,971,050 | 1,369,182 |
| Central Finance Board Deposits | | 360,978 | | | | 9,276 | 370,254 | 354,772 |
| Cash at Bank and in hand | | 51,634 | | | 742 | 336 | 52,712 | 87,978 |
| *Total current assets* | | 564,612 | 1,109,919 | 225,213 | 48,064 | 638,208 | 2,586,016 | 1,949,259 |
| **Current Liabilities** | | | | | | | | |
| Creditors and Accruals (due in under 1 yr) | 17 | 144,150 | | | 0 | 20,404 | 164,554 | 191,531 |
| ***Total Current Liablities*** | | **144,150** | **0** | **0** | **0** | **20,404** | **164,554** | **191,531** |
| *Net current assets/(liabilities)* | | 420,462 | 1,109,919 | 225,213 | 48,064 | 617,804 | 2,421,462 | 1,757,728 |
| *Total assets less current liabilities* | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |
| **Long term liabilities (due after more than 1 year)** | | | | | | | 0 | 0 |
| *Net assets* | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |
| **Funds of the Circuit** | | | | | | | | |
| General Fund (Unrestricted) | 19 | 5,117,540 | | | | | 5,117,540 | 5,666,828 |
| Model Trust Fund (Unrestricted) | 19 | | 1,109,919 | | | | 1,109,919 | 285,882 |
| Model Trust Fund (Designated & Unrestricted) | 19 | | | 225,213 | | | 225,213 | 369,849 |
| Designated funds | 19 | | | | 48,064 | | 48,064 | 47,677 |
| Restricted funds | 19 | | | | | 617,804 | 617,804 | 703,408 |
| *Total Funds* | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |

The financial statements were approved and authorised for issue by the Circuit Assembly on 26 March 2022.
Signed on behalf of the Circuit Assembly

.....
Andrew Morris - Circuit Treasurer

Birmingham Methodist Circuit | Circuit No: 5/1

## Cash flow statement for the year ended 31 August 2021

| Statement of cash flows | 2021 £ | 2020 £ |
|---|---|---|
| **Cash from operating activities** | | |
| Net cash used in operating activities | **-178,973** | **-438,992** |
| **Cash flows from investing activities** | | |
| Dividends,interest and rents from investments | 6,574 | 14,810 |
| Proceeds from the sale of property,plant and equipment | 1,182,332 | 280,147 |
| Purchase of property,plant and equipment | 0 | 0 |
| **Net cash provided by investing activities** | **1,188,906** | **294,957** |
| **Cash flows from financing activities** | 0 | 0 |
| **Net cash used in financing activities** | **0** | **0** |
| **Change in cash and cash equivalents in the reporting period** | 582,084 | -186,902 |
| Cash and cash equivalents at the beginning of the reporting period | 1,811,932 | 1,998,834 |
| **Cash and cash equivalents at the end of the reporting period** | **2,394,016** | **1,811,932** |

| Reconciliation of net income to net cash flow from operating activities | 2021 £ | 2020 £ |
|---|---|---|
| Net income for the reporting period ( as per statement of financial activities) | 44,896 | -311,099 |
| **Adjustments for:** | | |
| Loss/(Profit) on the sale of fixed assets | -135,645 | -113,083 |
| Gains on investments | 0 | 0 |
| Dividends, interest and rents from investments | -6,574 | -14,810 |
| (increase)/decrease in debtors | -54,673 | 0 |
| increase/(decrease) in creditors | -26,977 | 0 |
| **Net cash used in operating activities** | **-178,973** | **-438,992** |

| Analysis of cash and cash equivalent | 2021 £ | 2020 £ |
|---|---|---|
| Cash in hand | 422,966 | 442,750 |
| Short term deposit (less than 3 months) | 1,971,050 | 1,369,182 |
| **Total cash and cash equivalents** | **2,394,016** | **1,811,932** |

## Notes to the Accounts

### 1. Basis of Preparation

Birmingham Methodist Circuit is a Charity registered in England. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities can be found within the Trustees' Annual Report located on pages 2 to 5.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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, but part of the fund has been designated for specific purposes and is shown separately. Designated Funds which are unrestricted but set aside for specific purposes. Restricted Funds which are held for a narrower purpose . Details of each material fund are disclosed in Note 17 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Income Recognition

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

#### Resources Expended

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

#### Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

#### VAT

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

#### Revaluation of functional property assets

The Circuit carries its functional property assets at deemed cost, with any impairment being recognised in the Statement of Financial Activities. The Circuit has used insurance value as at 1 September 2015 as its independent valuation at the date of transition. Some of the key assumptions used to determine the deemed cost of the assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

#### Tangible fixed assets for use by the Circuit

The manses are shown in the accounts at 2015 deemed values or subsequent cost. No depreciation is provided on these assets because the Trustees consider the current residual fair values to be not less than their current value. Any depreciation would not be material. The assets have been reviewed for impairment. Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

#### Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA. The Circuit does not hold any investment properties.

#### Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Notes to the Accounts (continued)

**4. Prior Year Restatement**

The prior year figures have been restated following a valuation of the property known as the Frankley Children's Centre and included as Note 14 of the Financial Statements. The adjustment is due to a valuation post year-end, which identified that the property valuation needed to be restated.

| 5. Donations and legacies | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Donations | 2,534 | | | | 2,534 | 299 |
| Legacies | | | | | 0 | 0 |
| **Total** | 2,534 | - | | - | 2,534 | 299 |

| 6. Other charitable income | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Holy Habits | 0 | | | | 0 | 152 |
| Payroll recharges | 32,235 | | | | 32,235 | 72,118 |
| Benevolent Fund | 0 | | | | 0 | 0 |
| Sundry income | 936 | | | | 936 | 579 |
| Transfer from closed church | 0 | | | | 0 | 1,553 |
| Eadie Community House | 0 | | | | 0 | 12,875 |
| Inner City Fund | | | 323 | | 323 | 1,030 |
| Manse Rental | 20,220 | | | | 20,220 | 17,000 |
| **Total** | 53,391 | 0 | 323 | 0 | 53,714 | 105,307 |

| 7. Payment to Trustees | | 2021 | 2020 |
|---|---|---|---|
| Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | £ | - | - |
| Number of trustees who were paid expenses | | 1 | 6 |
| Nature of the expenses: | Travel Expenses, Postage, Stationery & Printing, Training | | |
| Total amount paid | £ | 473 | 1,182 |

| 8. Fees for audit of the accounts | | 2021 | 2020 |
|---|---|---|---|
| Independent auditors' fees for reporting on the accounts | £ | 4,422 | 4,020 |

Notes to the Accounts (continued)

**9. Paid employees**

| | | 2021 | 2020 |
|---|---|---|---|
| **Staff Costs paid during the year were:** | | | |
| Gross wages, salaries and benefits in kind | £ | 599,086 | 632,986 |
| Employer's National Insurance costs | £ | 49,998 | 52,410 |
| Pension costs | £ | 109,376 | 119,958 |
| Apprenticeship Levy | £ | 3,239 | 2,915 |
| Total staff costs | £ | **761,699** | **808,269** |
| | | | |
| **Average number of staff employed during the year were:** | | 29 | 31 |

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000 (€70,000).

| | | 2021 | 2020 |
|---|---|---|---|
| The Circuit contributes to two pension schemes: | | | |
| Methodist Ministers' Pension Scheme (defined benefit) | £ | 94,848 | 106,575 |
| Lay Employees' Pension Scheme (defined contribution) | £ | 14,528 | 13,381 |
| | £ | 109,376 | 119,956 |

**Methodist Ministers' Pension Scheme**

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

The Connexion accounts for the MMPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Methodist Conference 2021 asked Districts, Circuits and churches to consider making voluntary donations of 15% of their free reserves to a Pension Reserve Fund to cover future deficits in the MMPS. Birmingham Circuit took the decision not to contribute to this Fund on a voluntary basis.

£7,294 was prepaid in respect of the Minister's Pension Scheme at 31 August 2021 (£8,354 at 31 August 2020).

**Lay Employees' Pension Scheme**

There is an employer debt on withdrawal from this scheme which is estimated at £20,217 at 30 September 2020.

**10. Leasing Commitments**

| **Committed to be paid:** | | 2021 | 2020 |
|---|---|---|---|
| Expiring Within 1 Year | £ | 2,619 | 2,661 |
| Between 2 & 5 Years | £ | 4,591 | 3,161 |
| After 5 Years | £ | - | - |
| | £ | 7,210 | 5,822 |

During the year £2,166 (2020: £2,661) was expensed through the SoFA in relation to operating leases.

## Notes to the Accounts (continued)

### 11. Other Expenditure on Circuit property

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Quinquennial Inspections (Property and Electrical) | 12,766 | 4,512 |
| Management and other fees | 1,427 | 11,051 |
| | 14,193 | 15,563 |
| Lozells Methodist Church - Inner City Fund (External Refurbishment) | 134,636 | 16,045 |
| | 148,829 | 31,608 |

### 12. Other Expenditure

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Children and Youth | 0 | 3,385 |
| Subscriptions (CIGB, BCT, Citizens) | 11,690 | 11,690 |
| Training | 272 | 2,128 |
| Audit Fee | 4,422 | 4,020 |
| Woodgate Valley | 0 | 1,564 |
| Philippians Fund | 1,094 | 500 |
| Meeting Expenses | 0 | 1,065 |
| Miscellaneous | 1,727 | 1,322 |
| | 19,205 | 25,674 |
| Connexional Levies on Sold Properties | 622,005 | 92,058 |
| Holly Hill School | - | - |
| | 641,210 | 117,732 |

### 13. Grants & Donations

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Holly Hill School | 2,000 | 2,000 |
| Hawkesley School | 2,000 | 2,000 |
| Individual | 200 | 100 |
| | 4,200 | 4,100 |
| Small Heath Grants Repaid | 12,265 | 0 |
| Dorridge for Dining Room and Car Park | 11,000 | 0 |
| Water Orton - Refurbishment | 0 | 14,666 |
| Acocks Green - Roof replacement | 0 | 16,000 |
| St Andrews Stirchley - Refurbishment | 0 | 5,000 |
| Lozells Payroll Costs | 10,000 | 10,000 |
| City Centre Fund - Retail Chaplain, Counselling Centre, Inclusive Gathering | 21,000 | 7,000 |
| Benevolent Fund | 0 | 600 |
| | 58,465 | 57,366 |

**Notes to the Accounts (continued)**

**14. Tangible Fixed Assets**

The Circuit holds 16 manses. Eadie Community House, a former manse occupied as a Christian Community, and two surplus manses were sold during the year.

Cost or valuation

| | Residential Land £ | Other Land £ | Manses £ | Other buildings £ | Other fixed assets including motor vehicles £ | Fixtures, fittings and equipment £ | Payments on account and assets under construction £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | 4,916,383 | 399,533 | | | | 5,315,916 |
| Additions | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | 409,305 | 209,533 | | | | 618,838 |
| Transfers * (+/-) | | | | | | | | |
| Balance carried forward | | | 4,507,078 | 190,000 | | | | 4,697,078 |

**Accumulated depreciation**

| | | | SL or RB | SL or RB | SL or RB | SL or RB | | |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | | | | | | |
| Depreciation charge for year (-) | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | | | | | | |
| Transfers* (+/-) | | | | | | | | |
| Balance carried forward | | | | | | | | |

**Net book value**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Brought forward | - | - | 4,916,383 | 399,533 | - | - | - | 5,315,916 |
| Carried forward | - | - | 4,507,078 | 190,000 | - | - | - | 4,697,078 |

Other buildings include the Frankley Children's Centre, which has been valued at £190,000 freehold subject to a lease with 9 years unexpired at Nil rent. The valuation was undertaked by Carters, Chartered Surveyors, who are not connected to Birmingham Methodist Circuit. The disposal during the year was of the former Eadie Community House.

**15. Investments**

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month.
These are regarded as medium and long term investments.TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

No investment property was held during the year.

Notes to the Accounts (continued)

16. Analysis of debtors

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Accrued income | 89,129 | 23,979 |
| Other debtors | 62,871 | 65,348 |
| Loans | 40,000 | 48,000 |
| **Total Debtors** | **192,000** | **137,327** |

**Analysis of Loans**

| | | |
|---|---|---|
| Due within one year | 8,000 | 8,000 |
| Due within two to five years | 32,000 | 32,000 |
| Due after five years | | 8,000 |
| | **40,000** | **48,000** |

17. Analysis of current liabilities and long term creditors

| | | |
|---|---|---|
| Prepaid Assessments | 126,098 | 154,477 |
| Other Creditors | 38,456 | 37,054 |
| **Total Current Liabilities** | **164,554** | **191,531** |

18. Capital Commitments and Contingent Liabilities

| | | |
|---|---|---|
| At 31 August 2021 capital commitments amounted to: | 15,837 | 132,000 |
| At 31 August 2021 contingent liabilities amounted to: | - | - |

Notes to the Accounts (continued)

19. Detailed analysis of individual fund movements

Unrestricted Funds

| Unrestricted Fund Name | Opening | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| General | 5,476,828 | 856,594 | 1,100,042 | -305,840 | | 4,927,540 | The general purposes of the Circuit |
| Model Trust Fund | 285,882 | 1,201,512 | 683,315 | 305,840 | | 1,109,919 | Support for the mission of the Circuit |
| Designated - Model Trust Fund | 369,849 | | 144,636 | | | 225,213 | Supporting work within Birmingham Inner City |
| Designated - Inner City | 419 | 323 | | | | 742 | Supporting work within Birmingham Inner City |
| Designated - Property | | | | | | | Major repairs to manses |
| Designated - Trinity Monkspath | 47,258 | 159 | 95 | | | 47,322 | The general purposes of the Circuit |
| Totals | 6,180,236 | 2,058,588 | 1,928,088 | | | 6,310,736 | |

Restricted Funds

| Restricted Fund Name | Opening Balance | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| Benevolent Fund | 336 | | | | | 336 | Support for individuals in specific need |
| City Centre Trust | 693,809 | 2,295 | 87,912 | | | 608,192 | Supporting work in Birmingham City Centre |
| Holly Hill School | 9,263 | 13 | | | | 9,276 | Supporting a Methodist/Anglican school |
| Totals | 703,408 | 2,308 | 87,912 | | | 617,804 | |

| Endowment Name | How the capital is invested | The current value of the capital | Annual income | What the income was used for |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |
| Totals | | | | |

The reasons for the transfers between funds were as follows:

To provide working capital for the Circuit, to adjust for the sale of fixed assets and to account for a partial loan repayment.

Notes to the Accounts (continued)

## 20. Related party transactions

This year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2021 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| JMA | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 176,989 | | |
| Mission in Britain Fund | | | | | | |
| Fund for Support of Presbyters & Deacons | | | | | | |
| Fund for Property | | | | | | |
| World Mission Fund | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | | | 0 | 176,989 | 0 | 0 |

Last year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2020 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| JMA | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 179,997 | | |
| Mission in Britain Fund | | | | | | |
| Fund for Support of Presbyters & Deacons | | | | | | |
| Fund for Property | | | | | | |
| World Mission Fund | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | | | 0 | 179,997 | 0 | 0 |

Circuit
Accruals Accounts
2020-2021

# THE METHODIST CHURCH

## REPORT AND ACCOUNTS
## (ACCRUALS BASIS)
### for the year ended 31 August 2021

**Birmingham Methodist Circuit**

| Registered Charity - Registration number | 1132926 |
|---|---|

| Birmingham District | 05/01 |
|---|---|

**Ministers**

| |
|---|
| Rev Dr Neil Johnson, Rev Alison Richards, Rev Nicholas Jones |
| Rev Mindy Bell, Rev Ping Ting Chen |
| ,Rev Caroline (Caz) Hague, Rev Deborah Humphries |
| Rev Dr Vincent Jambawo, Rev Farai Mapamula, |
| Rev Cleopas Sibanda, Rev Sue Shortman, Rev Andrew Orton |
| Rev Samuel Uwimana, Rev Karen Webber, Deacon Ruth Yorke |

**Circuit Stewards**

| |
|---|
| Gill Wilkins |
| Janice Martin |
| Marjorie Roper |
| Sharon Clutterbuck |
| Mary Mahachi |
| Richard Burr (Property) |

**Circuit Treasurer**

| |
|---|
| Andrew Morris |

**Introduction**

Welcome to the Annual Report of the Birmingham Methodist Circuit. The Circuit consists of 34 Methodist and Local Ecumenical Partnership churches in the City of Birmingham and surrounding area, served by a team of ordained and lay staff.

**Vision Statement and Priorities**

Birmingham Methodist Circuit aspires to be a welcoming Christian family with inspiring worship, radical compassion and social justice at its heart. In this way and following in our Methodist tradition, we aim to share in the transformation of life made possible through God's love.

As members of the Birmingham Methodist Circuit, we have agreed the following five priorities for the meaningful sharing of our God given resources:

**Transforming Life** - We aim to live in such a way as to bring about positive change in our own lives and the lives of others, to share God's love and to learn and grow as followers of Jesus both individually and in community.

**Inspiring Worship** - We aim to offer worship across the Circuit which glorifies God, is inviting to all, enriches faith and inspires us to respond.

**Radical Compassion** - We aim to develop and practice a radical compassion which is welcoming, inclusive, safe and empowering.

**Social Justice** - We aim to speak out and take action against injustice in all its forms.

**A Methodist Perspective** - Working together with our ecumenical partners and many others, we aim to uphold the values and principles which arise from our Methodist heritage, including being sustainable, ethical, collaborative and connected to Methodists across our nations and around the world.

| | |
|---|---|
| Full Name of Charity: | Birmingham Methodist Circuit |
| Registration Charity Number: | 1132926 |
| Date of registration: | 23 November 2009 |
| Main communication address: | Birmingham Methodist Circuit (Central Office), The Church at Carrs Lane, Carrs Lane, Birmingham, B4 7SX |

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

Full membership is shown as Appendix A to this report.

**Circuit Ministers and officers**

| | |
|---|---|
| Active Circuit Ministers: | Rev Dr Neil Johnson, Rev Alison Richards, Rev Nick Jones<br>Rev Mindy Bell, Rev Ping Ting Chen, Rev Caroline(Caz) Hague, Rev Deborah Humphries,<br>Rev Dr Vincent Jambawo, Rev Farai Mapamula, Rev Sue Shortman,<br>Rev Andrew Orton, Rev Cleopas Sibanda, Rev Samuel Uwimana,<br>Rev Karen Webber, Deacon Ruth Yorke |
| Circuit Lay Workers: | Mr Eddy Aigbe, Ms Maria Clack, Ms Arul Israel, Mrs Ermine Mitchell, Mr Dean Taylor,<br>Mrs Salome Noah, Mrs Diane Webb |
| Circuit Stewards: | Mrs Gill Wilkins, Mrs Janice Martin, Mrs Marjorie Roper, Mrs Sharon Clutterbuck,<br>Ms Mary Mahachi<br>Mr Richard Burr (Property) |
| Administrators: | Mrs Hazel Bethell, Mrs Beverley Francis, Ms Vivien Jones, Mr Tom Milton,<br>Mrs Sue Saunderson, Ms Jayne Snape, Mr Joel Wilson, Ms Mima Yedale |
| Circuit Treasurer: | Andrew Morris (Circuit Treasurer) acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year. |
| Auditor: | Wallace Crooke, Chartered Accountants & Registered Auditors, Wallace House,<br>20 Birmingham Road, Walsall, WS1 2LT |
| Investment Bankers: | Central Finance Board of the Methodist Church<br>Trustees for Methodist Church Purposes<br>CAF Bank Ltd |

**Circuit Property**

All Circuit property is held in the name of The Trustees for Methodist Church Purposes (TMCP).

**Review of the year**

The Circuit has been in existence for ten years. Faced with the difficulty of achieving a balanced budget, the decision was taken to use reserves to make up the shortfall. Increasing costs and declining income have led to a shortfall for the year to 31 August 2021 in the general fund of £243,448. There was an overall surplus on unrestricted funds of £130,500. This arose from the sale of surplus properties in the year. However excluding capital transactions, the overall shortfall is £287,358.

Faced with the reduction in available presbyters and a financial deficit, the Circuit grouped its resources of churches, lay and ordained staff, lay preachers and supernumerary ministers into five Mission and Ministry Teams, to provide more focussed mission. The teams were effective from 1 September 2019 but the Covid-19 pandemic has meant they are not yet fully embedded in the life of the Circuit. From 1 September 2021 there has been a reduction to four Mission and Ministry Teams.

**Covid-19**

The effect of the Covid-19 pandemic on the Circuit in 2020/21 continued to be profound. For most of the year, churches were closed for worship,and for much of the time, user groups were unable to use the premises. Many churches have seen a considerable reduction in their income, and have had to use reserves to pay their assessment and other costs. In contrast, the Circuit has seen a reduction in some of its costs, as very little travel has taken place and activities planned for our young people were unable to take place.

**Income trends**

Circuit income is primarily drawn from the assessment paid by the Circuit churches. Some churches were unable to maintain their assessment payments at the agreed amounts in 2020/21.

Rental income is derived from the rental of a manse which is surplus to current needs.

**Expenditure trends**

Stipends and salaries have increased each financial year in line with conference approved increases, and to pay the Living Wage.

18% of General Fund expenditure is the Circuit contribution to the District and Connexion, of which 89% is used to fund the work of the wider Methodist Church. This contribution decreased by 1.16% from the previous year.

The other expenditure includes substantial amounts incurred on maintaining the Circuit manses to an appropriate standard.

**Plans for 2021/22**

Circuit financial plans for the current year have been prepared on the basis that there are 13 ordained staff, with anticipated cost of living stipend increases but a 4% reduction in the assessment paid to the District. Overall there has been a decrease in the total amount offered as assessment by the churches. There is currently some uncertainty about how much some churches will actually be able to pay to the Circuit for 2021/22.

**Plans for 2022/23**

Circuit financial plans for 2022/23 have been prepared on the basis that there will be 12 ordained staff, with anticipated cost of living stipend increases but a further small reduction in the assessment paid to the District. At the time of writing, it appears unlikely thatCircuit income from the churches will return to pre-pandemic levels as membership is down and some churches may have ceased to meet. Circuit reserves have been boosted by sales of surplus properties and so it is considered that the Circuit remains a going concern financially despite the substantial reduction in our income in 2021/22.

**Aims and organisation**

Charity objective is to act as a Resource provider within the area around Birmingham for the Methodist Church:

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

a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

**Public Benefit**

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

**Structure, Governance and Management**

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

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

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, the Circuit Resources Forum and the Circuit Executive.

**Volunteers**

The Circuit is indebted to the many volunteers without whom it could not function. Lay Preachers conduct many of the Sunday services, and volunteers play prominent roles in the stewardship of Circuit finances and property, and serve as Trustees, members of the Circuit Executive and Resources Forum, and on many other committees and working groups.

**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 available to all new Circuit Assembly members as induction to their role as trustees.

**Related Parties**

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist and Local Ecumenical Project Churches are linked to the Circuit: Acocks Green, Beacon, Cambridge Road, Castle Bromwich, The Church at Carrs Lane, Chinese Church, Coleshill United, Cotteridge, Dorridge, Earlswood, Great Barr, Hall Green United Community Church, Hawkesley, Hazelwell, Longbridge, Lozells, Lyndon, Maypole, Nether Whitacre, Northfield, Perry Barr, Perry Hall, Saltley, Selly Oak, Shirley, Solihull, South Yardley, Sparkhill, St Andrews Chelmsley Wood, St Andrews Stirchley, St Michael's Hall Green, Trinity Monkspath, Villa Road, Water Orton.

**Risk Management**

The major risks have been identified and recorded by the Circuit Resources Forum 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 regular basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

**Safeguarding**

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

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

The Birmingham 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 Birmingham 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.

**Circuit Projects**

The Circuit supports Projects at St Francis Community Centre, Woodgate Valley and at Lozells Church and Community Centre. In 2020/21 The Circuit spent £4,180 on the running costs of the Woodgate Valley Project (2019/20 £10,867) and £54,730 on the running costs of the Lozells project (2019/20 Nil). In addition the Circuit spent £134,431 out of the Inner City Fund on refurbishment of the buildings at Lozells (2019/20 £25,072).

**Reserves Policy**

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

The total funds held at 31 August 2021 are £7,118,540, of which £617,804 are restricted and £273,277 are designated. A detailed analysis of the funds is set out in Note 18 on page 15.

Fixed Assets £4,697,078 - unrestricted funds.

The balance of funds held after allowing for restricted funds, designated funds, commitments or the carrying amount of functional assets which the Circuit considers to represent a commitment of the reserves held, is £1,514,544 as at 31 August 2021, giving approximately 16 months cover for expenditure. This is considered sufficient.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Birmingham Methodist Circuit Number 05/01

**Statement of Financial Activities (SOFA) for the year ended 31 August 2021**

| | Notes to the accounts | General funds | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Total 2020-21 | As Restated Total 2019-20 |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Income** | | | | | | | | |
| Donations and legacies | 4 | 2,534 | | | | | 2,534 | 299 |
| Income from monetary investments | | 359 | 3,748 | | 159 | 2,308 | 6,574 | 14,810 |
| Income from Investment Properties | | 0 | | | | | 0 | 0 |
| Assessments on Churches | | 744,448 | | | | | 744,448 | 842,422 |
| Capital Receipts | | | 1,197,764 | | | | 1,197,764 | 113,083 |
| Grants Received | | 55,862 | | | | | 55,862 | 79,676 |
| Other Charitable Income | 6 | 53,391 | | | 323 | | 53,714 | 105,307 |
| **Total Income** | | **856,594** | **1,201,512** | **0** | **482** | **2,308** | **2,060,896** | **1,155,597** |
| | | | | | | | | |
| | | | | | | | | |
| **Expenditure** | | | | | | | | |
| | | | | | | | | |
| Stipends, salaries, NIC & Pension costs | 9 | 726,838 | | | | 34,861 | 761,699 | 808,269 |
| District Assessment | | 21,971 | | | | | 21,971 | 21,303 |
| Methodist Church Fund (Connexion) | | 176,989 | | | | | 176,989 | 179,997 |
| Administration, telephone & travel | | 49,666 | 1,215 | | 95 | 2,735 | 53,711 | 58,116 |
| Insurance, utilities, etc | | 49,218 | | | | 3,000 | 52,218 | 71,557 |
| Maintenance of Manses | | 37,762 | | | | 26,316 | 64,078 | 73,255 |
| Other Expenditure on Circuit property | 11 | 14,193 | | 134,636 | 0 | - | 148,829 | 31,608 |
| Depreciation | 14 | | | | | | - | - |
| Provisions | | | | | | | - | - |
| Other Expenditure | 12 | 19,205 | 622,005 | | | 0 | 641,210 | 117,732 |
| Grants and Donations | 13 | 4,200 | 23,265 | 10,000 | | 21,000 | 58,465 | 57,366 |
| Contributions to District Advance Fund | | | 36,830 | | | | 36,830 | 47,493 |
| **Total Charitable Expenditure** | | **1,100,042** | **683,315** | **144,636** | **95** | **87,912** | **2,016,000** | **1,466,696** |
| | | | | | | | | |
| **Net income/(expenditure)** | | **-243,448** | **518,197** | **-144,636** | **387** | **-85,604** | **44,896** | **-311,099** |
| Transfers between funds | | -305,840 | 305,840 | | | | | |
| | | **-549,288** | **824,037** | **-144,636** | **387** | **-85,604** | **44,896** | **-311,099** |
| **Other recognised gains / (losses):** | | | | | | | | |
| Gains/(losses) on monetary investments | | | | | | | - | - |
| Gains/(losses) on investment assets | | 0 | | | | | - | - |
| **Net movement in funds** | | **-549,288** | **824,037** | **-144,636** | **387** | **-85,604** | **44,896** | **-311,099** |
| **Reconciliation of funds:** | | | | | | | | |
| Total funds brought forward | | 5,666,828 | 285,882 | 369,849 | 47,677 | 703,408 | 7,073,644 | 7,384,743 |
| **Total funds carried forward** | | **5,117,540** | **1,109,919** | **225,213** | **48,064** | **617,804** | **7,118,540** | **7,073,644** |

For information only Money received and passed on to External Organisations

| | | |
|---|---|---|
| Balance brought forward from last year | 0 | 0 |
| Offerings/Gifts - received for External Organisations | 223 | 2500 |
| Offerings/Gifts - passed to External Organisations | 223 | 2500 |
| Balance carried forward | 0 | 0 |

Balance Sheet as at 31 August 2021

| | Notes | General Funds (Unrestricted) | CMTF (Unrestricted) | CMTF (Designated & Unrestricted) | Designated Funds (Unrestricted) | Restricted Funds | Totals 2021 | Totals 2020 as Restated |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Fixed Assets** | | | | | | | | |
| Land & Buildings | 14 | 4,697,078 | | | | | 4,697,078 | 5,315,916 |
| Equipment | | | | | | | | |
| Investment properties | 15 | | | | | | | |
| Investments | | | | | | | | |
| *Total fixed assets* | | 4,697,078 | 0 | 0 | 0 | 0 | 4,697,078 | 5,315,916 |
| **Current Assets** | | | | | | | | |
| Debtors | 16 | 152,000 | 40,000 | | 0 | 0 | 192,000 | 137,327 |
| Trustees for Methodist Church Purposes Deposits | | 0 | 1,069,919 | 225,213 | 47,322 | 628,596 | 1,971,050 | 1,369,182 |
| Central Finance Board Deposits | | 360,978 | | | | 9,276 | 370,254 | 354,772 |
| Cash at Bank and in hand | | 51,634 | | | 742 | 336 | 52,712 | 87,978 |
| *Total current assets* | | 564,612 | 1,109,919 | 225,213 | 48,064 | 638,208 | 2,586,016 | 1,949,259 |
| **Current Liabilities** | | | | | | | | |
| Creditors and Accruals (due in under 1 yr) | 17 | 144,150 | | | 0 | 20,404 | 164,554 | 191,531 |
| ***Total Current Liablities*** | | **144,150** | **0** | **0** | **0** | **20,404** | **164,554** | **191,531** |
| *Net current assets/(liabilities)* | | 420,462 | 1,109,919 | 225,213 | 48,064 | 617,804 | 2,421,462 | 1,757,728 |
| *Total assets less current liabilities* | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |
| **Long term liabilities (due after more than 1 year)** | | | | | | | 0 | 0 |
| *Net assets* | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |
| **Funds of the Circuit** | | | | | | | | |
| General Fund (Unrestricted) | 19 | 5,117,540 | | | | | 5,117,540 | 5,666,828 |
| Model Trust Fund (Unrestricted) | 19 | | 1,109,919 | | | | 1,109,919 | 285,882 |
| Model Trust Fund (Designated & Unrestricted) | 19 | | | 225,213 | | | 225,213 | 369,849 |
| Designated funds | 19 | | | | 48,064 | | 48,064 | 47,677 |
| Restricted funds | 19 | | | | | 617,804 | 617,804 | 703,408 |
| *Total Funds* | | 5,117,540 | 1,109,919 | 225,213 | 48,064 | 617,804 | 7,118,540 | 7,073,644 |

The financial statements were approved and authorised for issue by the Circuit Assembly on 26 March 2022.
Signed on behalf of the Circuit Assembly

.....
Andrew Morris - Circuit Treasurer

Birmingham Methodist Circuit | Circuit No: 5/1

## Cash flow statement for the year ended 31 August 2021

| Statement of cash flows | 2021 £ | 2020 £ |
|---|---|---|
| **Cash from operating activities** | | |
| Net cash used in operating activities | **-178,973** | **-438,992** |
| **Cash flows from investing activities** | | |
| Dividends,interest and rents from investments | 6,574 | 14,810 |
| Proceeds from the sale of property,plant and equipment | 1,182,332 | 280,147 |
| Purchase of property,plant and equipment | 0 | 0 |
| **Net cash provided by investing activities** | **1,188,906** | **294,957** |
| **Cash flows from financing activities** | 0 | 0 |
| **Net cash used in financing activities** | **0** | **0** |
| **Change in cash and cash equivalents in the reporting period** | 582,084 | -186,902 |
| Cash and cash equivalents at the beginning of the reporting period | 1,811,932 | 1,998,834 |
| **Cash and cash equivalents at the end of the reporting period** | **2,394,016** | **1,811,932** |

| Reconciliation of net income to net cash flow from operating activities | 2021 £ | 2020 £ |
|---|---|---|
| Net income for the reporting period ( as per statement of financial activities) | 44,896 | -311,099 |
| **Adjustments for:** | | |
| Loss/(Profit) on the sale of fixed assets | -135,645 | -113,083 |
| Gains on investments | 0 | 0 |
| Dividends, interest and rents from investments | -6,574 | -14,810 |
| (increase)/decrease in debtors | -54,673 | 0 |
| increase/(decrease) in creditors | -26,977 | 0 |
| **Net cash used in operating activities** | **-178,973** | **-438,992** |

| Analysis of cash and cash equivalent | 2021 £ | 2020 £ |
|---|---|---|
| Cash in hand | 422,966 | 442,750 |
| Short term deposit (less than 3 months) | 1,971,050 | 1,369,182 |
| **Total cash and cash equivalents** | **2,394,016** | **1,811,932** |

## Notes to the Accounts

### 1. Basis of Preparation

Birmingham Methodist Circuit is a Charity registered in England. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities can be found within the Trustees' Annual Report located on pages 2 to 5.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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, but part of the fund has been designated for specific purposes and is shown separately. Designated Funds which are unrestricted but set aside for specific purposes. Restricted Funds which are held for a narrower purpose . Details of each material fund are disclosed in Note 17 to these accounts. Any funds may be represented by more than just cash.

### 3. Accounting policies

#### Income Recognition

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

#### Resources Expended

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

#### Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

#### VAT

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

#### Revaluation of functional property assets

The Circuit carries its functional property assets at deemed cost, with any impairment being recognised in the Statement of Financial Activities. The Circuit has used insurance value as at 1 September 2015 as its independent valuation at the date of transition. Some of the key assumptions used to determine the deemed cost of the assets are based on the valuer's knowledge and experience of the market and values of similar properties, which could be deemed subjective.

#### Tangible fixed assets for use by the Circuit

The manses are shown in the accounts at 2015 deemed values or subsequent cost. No depreciation is provided on these assets because the Trustees consider the current residual fair values to be not less than their current value. Any depreciation would not be material. The assets have been reviewed for impairment. Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

#### Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA. The Circuit does not hold any investment properties.

#### Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Notes to the Accounts (continued)

**4. Prior Year Restatement**

The prior year figures have been restated following a valuation of the property known as the Frankley Children's Centre and included as Note 14 of the Financial Statements. The adjustment is due to a valuation post year-end, which identified that the property valuation needed to be restated.

| 5. Donations and legacies | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Donations | 2,534 | | | | 2,534 | 299 |
| Legacies | | | | | 0 | 0 |
| **Total** | 2,534 | - | | - | 2,534 | 299 |

| 6. Other charitable income | Unrestricted | Circuit Model Trust Fund | Designated (Unrestricted) | Restricted | 2021 Total | 2020 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Holy Habits | 0 | | | | 0 | 152 |
| Payroll recharges | 32,235 | | | | 32,235 | 72,118 |
| Benevolent Fund | 0 | | | | 0 | 0 |
| Sundry income | 936 | | | | 936 | 579 |
| Transfer from closed church | 0 | | | | 0 | 1,553 |
| Eadie Community House | 0 | | | | 0 | 12,875 |
| Inner City Fund | | | 323 | | 323 | 1,030 |
| Manse Rental | 20,220 | | | | 20,220 | 17,000 |
| **Total** | 53,391 | 0 | 323 | 0 | 53,714 | 105,307 |

| 7. Payment to Trustees | | 2021 | 2020 |
|---|---|---|---|
| Payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting | £ | - | - |
| Number of trustees who were paid expenses | | 1 | 6 |
| Nature of the expenses: | Travel Expenses, Postage, Stationery & Printing, Training | | |
| Total amount paid | £ | 473 | 1,182 |

| 8. Fees for audit of the accounts | | 2021 | 2020 |
|---|---|---|---|
| Independent auditors' fees for reporting on the accounts | £ | 4,422 | 4,020 |

Notes to the Accounts (continued)

**9. Paid employees**

| | | 2021 | 2020 |
|---|---|---|---|
| **Staff Costs paid during the year were:** | | | |
| Gross wages, salaries and benefits in kind | £ | 599,086 | 632,986 |
| Employer's National Insurance costs | £ | 49,998 | 52,410 |
| Pension costs | £ | 109,376 | 119,958 |
| Apprenticeship Levy | £ | 3,239 | 2,915 |
| Total staff costs | £ | **761,699** | **808,269** |
| | | | |
| **Average number of staff employed during the year were:** | | 29 | 31 |

There are no employees who received total emoluments (excluding employer pension costs) of more than £60,000 (€70,000).

| | | 2021 | 2020 |
|---|---|---|---|
| The Circuit contributes to two pension schemes: | | | |
| Methodist Ministers' Pension Scheme (defined benefit) | £ | 94,848 | 106,575 |
| Lay Employees' Pension Scheme (defined contribution) | £ | 14,528 | 13,381 |
| | £ | 109,376 | 119,956 |

**Methodist Ministers' Pension Scheme**

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

The Connexion accounts for the MMPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Methodist Conference 2021 asked Districts, Circuits and churches to consider making voluntary donations of 15% of their free reserves to a Pension Reserve Fund to cover future deficits in the MMPS. Birmingham Circuit took the decision not to contribute to this Fund on a voluntary basis.

£7,294 was prepaid in respect of the Minister's Pension Scheme at 31 August 2021 (£8,354 at 31 August 2020).

**Lay Employees' Pension Scheme**

There is an employer debt on withdrawal from this scheme which is estimated at £20,217 at 30 September 2020.

**10. Leasing Commitments**

| **Committed to be paid:** | | 2021 | 2020 |
|---|---|---|---|
| Expiring Within 1 Year | £ | 2,619 | 2,661 |
| Between 2 & 5 Years | £ | 4,591 | 3,161 |
| After 5 Years | £ | - | - |
| | £ | 7,210 | 5,822 |

During the year £2,166 (2020: £2,661) was expensed through the SoFA in relation to operating leases.

## Notes to the Accounts (continued)

### 11. Other Expenditure on Circuit property

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Quinquennial Inspections (Property and Electrical) | 12,766 | 4,512 |
| Management and other fees | 1,427 | 11,051 |
| | 14,193 | 15,563 |
| Lozells Methodist Church - Inner City Fund (External Refurbishment) | 134,636 | 16,045 |
| | 148,829 | 31,608 |

### 12. Other Expenditure

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Children and Youth | 0 | 3,385 |
| Subscriptions (CIGB, BCT, Citizens) | 11,690 | 11,690 |
| Training | 272 | 2,128 |
| Audit Fee | 4,422 | 4,020 |
| Woodgate Valley | 0 | 1,564 |
| Philippians Fund | 1,094 | 500 |
| Meeting Expenses | 0 | 1,065 |
| Miscellaneous | 1,727 | 1,322 |
| | 19,205 | 25,674 |
| Connexional Levies on Sold Properties | 622,005 | 92,058 |
| Holly Hill School | - | - |
| | 641,210 | 117,732 |

### 13. Grants & Donations

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Holly Hill School | 2,000 | 2,000 |
| Hawkesley School | 2,000 | 2,000 |
| Individual | 200 | 100 |
| | 4,200 | 4,100 |
| Small Heath Grants Repaid | 12,265 | 0 |
| Dorridge for Dining Room and Car Park | 11,000 | 0 |
| Water Orton - Refurbishment | 0 | 14,666 |
| Acocks Green - Roof replacement | 0 | 16,000 |
| St Andrews Stirchley - Refurbishment | 0 | 5,000 |
| Lozells Payroll Costs | 10,000 | 10,000 |
| City Centre Fund - Retail Chaplain, Counselling Centre, Inclusive Gathering | 21,000 | 7,000 |
| Benevolent Fund | 0 | 600 |
| | 58,465 | 57,366 |

**Notes to the Accounts (continued)**

**14. Tangible Fixed Assets**

The Circuit holds 16 manses. Eadie Community House, a former manse occupied as a Christian Community, and two surplus manses were sold during the year.

Cost or valuation

| | Residential Land £ | Other Land £ | Manses £ | Other buildings £ | Other fixed assets including motor vehicles £ | Fixtures, fittings and equipment £ | Payments on account and assets under construction £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | 4,916,383 | 399,533 | | | | 5,315,916 |
| Additions | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | 409,305 | 209,533 | | | | 618,838 |
| Transfers * (+/-) | | | | | | | | |
| Balance carried forward | | | 4,507,078 | 190,000 | | | | 4,697,078 |

**Accumulated depreciation**

| | | | SL or RB | SL or RB | SL or RB | SL or RB | | |
|---|---|---|---|---|---|---|---|---|
| Balance brought forward | | | | | | | | |
| Depreciation charge for year (-) | | | | | | | | |
| Revaluations (+/-) | | | | | | | | |
| Disposals (-) | | | | | | | | |
| Transfers* (+/-) | | | | | | | | |
| Balance carried forward | | | | | | | | |

**Net book value**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Brought forward | - | - | 4,916,383 | 399,533 | - | - | - | 5,315,916 |
| Carried forward | - | - | 4,507,078 | 190,000 | - | - | - | 4,697,078 |

Other buildings include the Frankley Children's Centre, which has been valued at £190,000 freehold subject to a lease with 9 years unexpired at Nil rent. The valuation was undertaked by Carters, Chartered Surveyors, who are not connected to Birmingham Methodist Circuit. The disposal during the year was of the former Eadie Community House.

**15. Investments**

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month.
These are regarded as medium and long term investments.TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

No investment property was held during the year.

Notes to the Accounts (continued)

16. Analysis of debtors

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Accrued income | 89,129 | 23,979 |
| Other debtors | 62,871 | 65,348 |
| Loans | 40,000 | 48,000 |
| **Total Debtors** | **192,000** | **137,327** |

**Analysis of Loans**

| | | |
|---|---|---|
| Due within one year | 8,000 | 8,000 |
| Due within two to five years | 32,000 | 32,000 |
| Due after five years | | 8,000 |
| | **40,000** | **48,000** |

17. Analysis of current liabilities and long term creditors

| | | |
|---|---|---|
| Prepaid Assessments | 126,098 | 154,477 |
| Other Creditors | 38,456 | 37,054 |
| **Total Current Liabilities** | **164,554** | **191,531** |

18. Capital Commitments and Contingent Liabilities

| | | |
|---|---|---|
| At 31 August 2021 capital commitments amounted to: | 15,837 | 132,000 |
| At 31 August 2021 contingent liabilities amounted to: | - | - |

Notes to the Accounts (continued)

19. Detailed analysis of individual fund movements

Unrestricted Funds

| Unrestricted Fund Name | Opening | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| General | 5,476,828 | 856,594 | 1,100,042 | -305,840 | | 4,927,540 | The general purposes of the Circuit |
| Model Trust Fund | 285,882 | 1,201,512 | 683,315 | 305,840 | | 1,109,919 | Support for the mission of the Circuit |
| Designated - Model Trust Fund | 369,849 | | 144,636 | | | 225,213 | Supporting work within Birmingham Inner City |
| Designated - Inner City | 419 | 323 | | | | 742 | Supporting work within Birmingham Inner City |
| Designated - Property | | | | | | | Major repairs to manses |
| Designated - Trinity Monkspath | 47,258 | 159 | 95 | | | 47,322 | The general purposes of the Circuit |
| Totals | 6,180,236 | 2,058,588 | 1,928,088 | | | 6,310,736 | |

Restricted Funds

| Restricted Fund Name | Opening Balance | Income | Expenditure | Transfers | Gain/(losses) | Closing Balance | Purpose of the fund |
|---|---|---|---|---|---|---|---|
| Benevolent Fund | 336 | | | | | 336 | Support for individuals in specific need |
| City Centre Trust | 693,809 | 2,295 | 87,912 | | | 608,192 | Supporting work in Birmingham City Centre |
| Holly Hill School | 9,263 | 13 | | | | 9,276 | Supporting a Methodist/Anglican school |
| Totals | 703,408 | 2,308 | 87,912 | | | 617,804 | |

| Endowment Name | How the capital is invested | The current value of the capital | Annual income | What the income was used for |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |
| Totals | | | | |

The reasons for the transfers between funds were as follows:

To provide working capital for the Circuit, to adjust for the sale of fixed assets and to account for a partial loan repayment.

Notes to the Accounts (continued)

## 20. Related party transactions

This year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2021 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| JMA | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 176,989 | | |
| Mission in Britain Fund | | | | | | |
| Fund for Support of Presbyters & Deacons | | | | | | |
| Fund for Property | | | | | | |
| World Mission Fund | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | | | 0 | 176,989 | 0 | 0 |

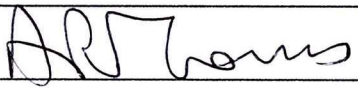
Last year

| Name of related party | Relationship | Description of transaction | Income from related party during the year | Payments to related party during the year | Loans to related party during the year | Amounts owed by related party as on 31-Aug-2020 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| JMA | | | | | | |
| Methodist Church Fund | Methodist Governing Body | Contribution to Connexional costs | | 179,997 | | |
| Mission in Britain Fund | | | | | | |
| Fund for Support of Presbyters & Deacons | | | | | | |
| Fund for Property | | | | | | |
| World Mission Fund | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | | | 0 | 179,997 | 0 | 0 |

## Birmingham Methodist Circuit
## DECLARATIONS

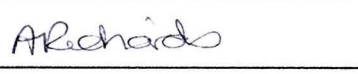
### Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2021 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 | 26 March 2022 |
| Name of Treasurer | **Andrew Morris** | | |
| Address | 11 Rodman Close, Edgbaston, Birmingham, B15 3PE | | |

**Presentation to the Circuit Meeting for approval.**

| | |
|---|---|
| I confirm that the annual report and accounts for the year ended 31 August 2021 were presented to the Circuit Meeting at its meeting on and were approved. | 26 March 2022 |

| | |
|---|---|
| Signature of the Chair of the meeting |  |
| Name of the Chair of the meeting | **Rev Alison Richards** |
| Date | 26 March 2022 |

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BIRMINGHAM METHODIST CIRCUIT

### Opinion

We have audited the financial statements of Birmingham Methodist Circuit (the 'charity') for the year ended 31 August 2021 on pages six to fifteen, which comprise of the statement of finanical activities, the balance sheet, cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources for the year ended;
- have been properly preapred in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information in the Trustees' Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wallace Crooke

Wallace Crooke
Chartered Accountants & Registered Auditors
Wallace House
20 Birmingham Road
Walsall
West Midlands
WS1 2LT

Date: 30/03/22

Wallace Crooke is eligible for appointment as auditor of the charity by virtue of its eligibilty for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Birmingham Methodist Circuit**

CIRCUIT ASSEMBLY MEMBERSHIP

| | |
|---|---|
| MINISTERS | Rev Dr Neil Johnson |
| | Rev Nick Jones |
| | Rev Alison Richards |
| | Rev Ping Ting Chen |
| | Rev Molly Chitokwindo |
| | Rev Caroline Hague |
| | Rev Deborah Humphries |
| | Rev Farai Mapamula |
| | Rev Sue Shortman |
| | Rev Cleopas Sibanda |
| | Rev Karen Webber |
| | Deacon Ruth Yorke |
| MINISTERS IN OTHER APPOINTMENTS | Rev Mindy Bell |
| CLERGY IN LEP's | Rev Mike Claridge |
| | Rev Lorraine Shorten |
| SUPERNUMERARY MINISTERS | Rev Alison Geary |
| | Rev Donald Sampson |
| | Rev Caroline Homan |
| | Rev Barbara Calvert |
| LAYWORKERS | Ermine Mitchell |
| | Diane Webb |
| | Salome Noah |
| | Arul Israel |
| | Susannah Saunderson |
| CIRCUIT STEWARDS | Gill Wilkins |
| | Mary Mahachi |
| | Janice Martin |
| | Marjorie Roper |
| | Sharon Clutterbuck |
| | Richard Burr (Property) |
| TREASURER | Andrew Morris |
| Queens Foundation | Rev Gary Hall |
| CA Minute Taker | Valerie Edden |

Circuit Local Preachers & Worship Leaders Representatives

Fiona Beadle
Keith Dennis
Danny Dorsett
Annette Sampson
Joy Wadsworth
Alan Wildbur
Helen Woodall

| | |
|---|---|
| Circuit Safeguarding Co-ordinator | |
| | Jenny Fisher |
| Forum Convenors | |
| Resources | Rev Alison Richards |
| Service & Evangelism | Rev Dr Neil Johnson |
| Worship, Learning & Caring | Rev Nick Jones |
| CO-OPTED MEMBERS | |
| | Kath Collman |
| | Moses Dakunivosa |
| | Mike Fisher |
| CIRCUIT CHURCH REPRESENTATIVES | |
| Acocks Green | |
| | Mark Firmstone |
| | Alan Bennett |
| | Sandra Gilbert |
| Beacon | |
| | Judith Wingate |
| | Pam Wallace |
| | Christine Tedstone |
| Cambridge Road | |
| | Anne Lockyer |
| | Barbara Howarth |
| Castle Bromwich | |
| | Mal Glenn |
| | Ray Glenn |
| | Sue Mitchell |
| The Church at Carrs Lane | |
| | Peter Woodall |
| | Joe Bullen |
| Chinese Church | |
| | William Yuen |
| | Helen Xue |
| | Rhoda Tong |
| | Paul Chung |
| Coleshill United | |
| | Chris Courts |
| | Peter Courts |
| Cotteridge | |
| | Lorna Babb |
| | John Cliff |
| | Mike Meadows |

| | |
|---|---|
| Dorridge | |
| | Lynne Wilson |
| | Phil Salmon |
| | Lis Helliar |
| | Helen Munday |
| Earlswood | |
| | Paul Spence |
| | Pat Fowler |
| Great Barr | |
| | Sylvia Emery |
| | Judith Kirby |
| Hall Green United Community Church | |
| | Peter Astardjian |
| | Brian Dickens |
| | Val Dickens |
| | Linda Ramdharry |
| Hawkesley | |
| | Clive Sweet |
| | Adam Lloyd |
| Hazelwell | |
| | Janet Thomas |
| | Peter Thomas |
| | Yvonne Swain |
| Longbridge | |
| | Remi Olatunbosun |
| | Philip Osborn |
| | Lenroy Ryner |
| Lozells | |
| | Ellalyn Blake |
| | Caroline Nana-Tchounga |
| Lyndon | |
| | Wendy Magee |
| | Tony Ludlow |
| Maypole | |
| | Sandra Jenkinson |
| | Jennie Owen |

| | |
|---|---|
| Nether Whitacre | |
| | Carol Morgan |
| | Jane Taylor |
| | Helen Howell |
| Northfield | |
| | Andrew Coldrick |
| | James Herbert |
| | Laura Enonchong |
| Perry Barr | |
| | Pansie McKenzie |
| | Neilson Williams |
| Perry Hall | |
| | Daphne Gray |
| | Vivienne Haylette |
| Saltley | |
| | Lorna Neale |
| | Sylvia Payne |
| Selly Oak | |
| | Richard Kirby |
| | Brian Noake |
| | John Richardson |
| | Maureen Foxall |
| | Karen Ashton |
| Shirley | |
| | Lois Beaumont |
| | Keith Lovell |
| | Bill Russell |
| | Pat Lowe |
| Solihull | |
| | Caroline Hinchliffe |
| | Sandra Ker |
| | Jenni Kitson |
| | Howard Staight |
| South Yardley | |
| | Liz Lyons |
| | Linda Loo |
| | Joe Glasford |
| Sparkhill | |
| | Jeanne Thompson |
| | Rhyllis Green |
| | Herman Norford |

| | |
|---|---|
| St Andrew's Chelmsley Wood | |
| St Andrews Stirchley | Margaret Murphy<br>Sue Ford |
| St Michaels | Ian Crockford<br>Pauline Astardjian |
| Trinity Monkspath | Clive Prentice<br>Ann Prentice |
| Villa Road | Jane Lee |
| Water Orton | Gill Day<br>Mike Cox<br>Roger Boult |