

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
FOR
BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Page
Report of the Trustees	1 to 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 21
Detailed Statement of Financial Activities	22 to 23

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Mission Statement

The Birmingham (West) and Oldbury Circuit is a part of the Birmingham District of the Methodist Church.

The Circuit continues to support ordained and lay ministry in local churches and their communities. Care and support is given to those of all communities and faiths as we follow Christ's command to love our neighbours.

The Circuit is responsible for 10 (formerly 11) churches providing religious activities for their members in Birmingham, Dudley and Sandwell. These activities are supervised by the circuit ministers, lay workers and appointed lay preachers and worship leaders, the majority of whom are volunteers.

Mission statement

The aim of this circuit is to enable the churches and Christians in the area covered by the circuit to:

1. Live the Christian faith in local communities in relevant ways
2. Stimulate and broaden their mission by:
 - (a) leading people into a loving relationship with Christ
 - (b) serving the community and working for social justice
3. Create a policy relevant to the local situation
4. Develop a sense of belonging to the wider church of Christ - ecumenically, connexionally and internationally
5. Support and encourage one another and share resources - people, property, finances and worship.

Review of the year

Rev Ilidio Christino de Oliveira Junior was welcomed from Brazil shortly after the beginning of the Methodist year, to be the minister of Quinton, Ridgacre and Court Oak. Rachel Adkins was appointed as Operations Manager in January 2022, a salaried member of staff. Helen Lynskey became the Finance Officer, paid on a self-employed basis from January 2022. Sandon Road Methodist Church was sold in June 2022. The other investment properties were prepared for sale during the year. Following the pandemic, we have enjoyed meeting in person again, though several churches now face challenges relating to membership numbers, buildings and difficulty in finding volunteers to fill key roles. The circuit leadership team continues to review the mission life of the circuit.

Public benefit

In setting our objectives and planning our activities, the trustees have given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives, in accordance with the Charities Act 2011.

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

FINANCIAL REVIEW

Financial position

During the year, the circuit recorded total income from all sources amounting to £470k (2021: £769k). The circuit disbursed £214k (2021: £171k), giving a net surplus of income over expenditure of £256k (2021: £566k). Total reserves at 31 August 2022 were £1,718k (2021: £1,462k). £1,087k represents Freehold Land & Buildings (2021: £1,267k). £34k (2021: £37k) represent restricted funds.

No fund was in deficit at 31 August 2022.

In line with Methodist guidelines, assets from closed churches pass to the circuit at the date of closure. A fair value is included within income and assets at the date of closure. Fair value is based on professional valuation and takes into account a compulsory 40% levy for the Methodist Connexional Priority Fund which will be deducted if and when those buildings are sold. Any difference between the balance sheet values and the eventual realisable value is accounted for at the date of sale. No churches closed during 2021-22. Sandon Road Methodist Church, which had closed during 2020-21, was sold during 2021-22. A realised gain on disposal of £298k is recorded in the Statement of Financial Activities. Akrill Memorial Church, which had closed during 2020-21, was sold after the end of the accounting period, but before the signing date of the accounts. Its fair value at the balance sheet date is included within Current Assets.

Investment policy and performance

To comply with Methodist Standing Orders, money for long term investment is lodged with TMCP "Trustees for Methodist Church Purposes" or with CFB "Central Finance Board" of the Methodist Church. TMCP is the legal owner and custodian trustee of all Methodist Model Trust property, including legacies, endowments and accumulated funds. CFB manages a common deposit fund and a series of pooled investment funds for Methodist entities in Great Britain. Interest rates from deposits with TMCP and CFB reflect deposit rates available elsewhere. The investment policy of the circuit is aligned with those of TMCP and CFB, who take into account the social, environmental and ethical considerations that make investments suitable for the Methodist Church.

Interest received during the year ended 31 August 2022 was £1,183 (2021: £235).

Reserves policy

"Free Reserves" represent the balance on the General Fund, the Circuit Model Trust Fund and the Bequests Fund: £597k (2021: £158k). Total reserves at 31 August 2022 were £1,718k (2021: £1,462k). £1,087k (2021: £1,267k) represent Freehold Land & Buildings. £34k (2021: £37k) represent restricted funds.

The General Fund derives its income principally from church contributions (also known as assessments). This finances the day-to-day running costs of the circuit. The trustees believe that the balance on the General Fund should, under normal circumstances, be in the region of £80k- £100k, to cover four to six months of circuit running costs.

The Beginagen 2 Fund holds money given specifically for that project within a ring-fenced fund. The donor's wishes are that the money be used for community projects. Projects are currently being considered and the money will remain ring-fenced until a purpose is found for the fund.

BIRMINGHAM (WEST) & OLDBURY METHODIST CIRCUIT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

FINANCIAL REVIEW

Going concern

The trustees of the circuit have every reason to believe that the circuit is a going concern. The churches continue to meet their assessments. Assessment income received from the churches is not sufficient to cover the circuit costs, based on three ministers. Covid-19 has had financial implications for the circuit and all the churches within the circuit. However, the sale of Sandon Road Methodist Church in June 2022, together with the sale of Akrill Memorial Methodist Church in November 2022, means that the circuit has considerable funds held within the Circuit Model Trust Fund. It is recognised that assessment income from the churches is not sufficient to cover the annual costs of the General Fund. Transfers from the Circuit Model Trust Fund into the General Fund will be available and necessary for the foreseeable future. Reserves policies are reviewed annually. There are no subsidiary undertakings.

FUTURE EVENTS

After the end of the financial year, the following developments are reported:

- Tipton Road Methodist Church ceased to meet in October 2022, and its building will be prepared for sale
- Rachel Adkins' hours were increased from 15 to 21 per week from October 2022
- The sale of Akrill Memorial Methodist Church was completed in November 2022
- 35 Newlands Drive and 113/115 The Uplands are in the process of being sold.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The circuit is governed by the Methodist Church Act 1976 and the Deed of Union 1932.

Governance

The district operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders.

Organisational structure

Individual Methodist churches are grouped within circuits, which are in turn grouped within districts. All districts, circuits and churches are part of the Methodist "Connexion" (see **related parties** below). Overall regulatory authority rests with the Methodist Conference, which meets once a year. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) within circuits. Connexional decisions are passed to the districts for implementation. The District Synod meets twice a year.

Management

The circuit is governed by the trustees consisting of the circuit officers and representatives of each of the churches. The trustees hold at least three meetings each year. The responsibilities of the Circuit Meeting are laid down in Methodist Standing Orders. The circuit meeting is supported by the leadership team which consist of the ministers, lay worker, circuit stewards and secretary, which meets before each circuit meeting to fix the agenda and make recommendations. Other committees report to the circuit meeting on finance, property and any other matters which the circuit meeting so decides.

The circuit supports 3 full time presbyters to exercise pastoral oversight of the churches that make up the circuit. There is a salaried Operations Manager and a self-employed Finance Officer. The circuit also provides voluntary support and leadership in the form of local preachers, a lay minister, circuit stewards and trustees. Other office holders support the churches with help and advice on property, finance, worship and work with young people. We continue to serve the changing communities where the churches are located.

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

Methodist Church in Britain ("the Connexion")

Birmingham Methodist Circuit

The churches within the circuit during 2021-22 were:

Causeway Green Methodist Church

City Road Methodist Church

Court Oak Methodist Church

Ladywood Methodist Church

Quinton Methodist Church

Ridgacre Methodist Church

Rounds Green Methodist Church

St Johns Methodist Church

Tipton Road Methodist Church

Warley Woods Methodist Church

West Smethwick Methodist Church

Details of transactions with related parties are shown in the notes to the accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1133064

Principal address

9 Leahouse Gardens

Oldbury

B68 8PX

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

Trustees

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

CIRCUIT MINISTERS AND OFFICERS

Trustees who served between 1 September 2021 and signing date of accounts to 31 August 2022:

Circuit staff

Rev M Chisvo
Rev N Suray
Rev I Christino de Oliveira Jr
Rev B Taylor
Rev Prof. F Young - resigned 31 August 2022

Other trustees

Dr M Hall
Mr J Larwood
Mr E Hall
Mrs A Davis
Mr J Barton
Mr J Cowan
Mr F Marius
Mr W Whiting - appointed 1 September 2022 and died on 29 January 2023
Mrs J Tolley
Mr J Hadley
Mrs B Cooper
Mr R Atkiss
Mrs V Gadd - resigned 31 August 2022
Mrs C Hallam
Mr D Hallam
Miss C Scott
Miss M Scott
Miss J Thompson
Mr L Parkes
Mr C Haynes
Mr A BurrIDGE
Mrs F Houten
Mrs R Bissell
Mrs A Mansell
Mrs D Knott
Mrs I Nott
Mr P Knott
Mrs H Butler
Miss V Leoque
Mr G Taylor
Ms K Dell
Mrs J Mosedale

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

Miss E Homer
Mrs I Clarke
Ms M Holding
Mrs D Black
Mrs O Wilson - appointed 1 September 2022
Mr L Hamilton - appointed 1 September 2022

Independent Examiner

James Cruse
ACA, FCCA, BSc (Econ) Hons
J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on 7 March 2023 and signed on its behalf by:


P. Cruse

Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

Independent examiner's report to the trustees of Birmingham (West) & Oldbury Methodist Circuit

I report to the charity trustees on my examination of the accounts of Birmingham (West) & Oldbury Methodist Circuit (the Trust) for the year ended 31 August 2022.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACA, FCCA, BSc (Econ) Hons which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



James Cruse
ACA, FCCA, BSc (Econ) Hons
J W Hinks LLP
Chartered Accountants
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

7 March 2023

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Assessments from churches		151,520	-	151,520	175,025
Donations		-	10,005	10,005	34,763
Other		3,438	-	3,438	5,594
Investment income	2	7,375	-	7,375	21,851
Assets from closed churches		297,917	-	297,917	531,788
Total		460,250	10,005	470,255	769,021
EXPENDITURE ON					
Charitable activities					
Support costs	4	179,889	552	180,441	152,738
Contribution to Methodist funds		33,548	-	33,548	13,565
Grants and donations		100	-	100	5,000
Total		213,537	552	214,089	171,303
Net gains/(losses) on investments		-	-	-	(31,300)
NET INCOME		246,713	9,453	256,166	566,418
Transfers between funds	13	12,449	(12,449)	-	-
Net movement in funds		259,162	(2,996)	256,166	566,418
RECONCILIATION OF FUNDS					
Total funds brought forward		1,424,898	37,036	1,461,934	895,516
TOTAL FUNDS CARRIED FORWARD		1,684,060	34,040	1,718,100	1,461,934

The notes form part of these financial statements

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**BALANCE SHEET
31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	8	586,990	-	586,990	586,990
Investment property	9	<u>350,000</u>	-	<u>350,000</u>	<u>680,000</u>
		936,990	-	936,990	1,266,990
CURRENT ASSETS					
Debtors	10	15,745	-	15,745	67,885
Investments	11	150,000	-	150,000	-
Cash at bank		<u>585,843</u>	<u>34,040</u>	<u>619,883</u>	<u>132,281</u>
		751,588	34,040	785,628	200,166
CREDITORS					
Amounts falling due within one year	12	<u>(4,518)</u>	-	<u>(4,518)</u>	<u>(5,222)</u>
NET CURRENT ASSETS		<u>747,070</u>	<u>34,040</u>	<u>781,110</u>	<u>194,944</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,684,060</u>	<u>34,040</u>	<u>1,718,100</u>	<u>1,461,934</u>
NET ASSETS		<u>1,684,060</u>	<u>34,040</u>	<u>1,718,100</u>	<u>1,461,934</u>
FUNDS	13				
Unrestricted funds				1,684,060	1,424,898
Restricted funds				<u>34,040</u>	<u>37,036</u>
TOTAL FUNDS				<u>1,718,100</u>	<u>1,461,934</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 7 March 2023 and were signed on its behalf by:

Py Chigro

Trustee

The notes form part of these financial statements

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>306,419</u>	<u>506,668</u>
Net cash provided by operating activities		<u>306,419</u>	<u>506,668</u>
Cash flows from investing activities			
Purchase of investment property		-	(480,000)
Sale of investment property		180,000	-
Interest received		<u>1,183</u>	<u>235</u>
Net cash provided by/(used in) investing activities		<u>181,183</u>	<u>(479,765)</u>
Change in cash and cash equivalents in the reporting period		487,602	26,903
Cash and cash equivalents at the beginning of the reporting period		<u>132,281</u>	<u>105,378</u>
Cash and cash equivalents at the end of the reporting period		<u>619,883</u>	<u>132,281</u>

The notes form part of these financial statements

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	256,166	566,418
Adjustments for:		
Depreciation charges	-	528
Losses on investments	-	31,300
Interest received	(1,183)	(235)
Decrease/(increase) in debtors	52,140	(52,454)
Decrease in creditors	(704)	(38,889)
Net cash provided by operations	<u>306,419</u>	<u>506,668</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank	<u>132,281</u>	<u>487,602</u>	<u>619,883</u>
	<u>132,281</u>	<u>487,602</u>	<u>619,883</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>-</u>	<u>150,000</u>	<u>150,000</u>
	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Total	<u>132,281</u>	<u>637,602</u>	<u>769,883</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

INCOME RECOGNITION

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

RESOURCES EXPENDED

Expenditure 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.

GOVERNANCE COSTS

These are costs associated with the general running of the charity and its strategic management, rather than the costs of its charitable activities and day to day management.

TANGIBLE FIXED ASSETS

Fixed assets and investment properties are recognised at cost or fair valuation.

DEPRECIATION

Depreciation was charged on freehold property up until 31 August 2020 at 2% straight line method. Depreciation is no longer charged on freehold property as the trustees consider the current residual fair value of the properties in their present conditions to be no less than the value as which they are stated in the Balance Sheet. In the absence of any evidence of impairment, any potential depreciation charges on the properties would be immaterial.

The three manses (freehold properties), where the three circuit ministers reside, are: 9 Leahouse Gardens, Oldbury; 208 Spies Lane, Halesowen; and 2 Wall Close, Smethwick.

INVESTMENT PROPERTY

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Investment properties at the balance sheet date comprise Akrill Memorial Methodist Church, 35 Newlands Drive and 113/115 The Uplands. 115 The Uplands had been tenanted during 2021-22. All properties were unoccupied at the balance sheet date, pending sale. The value in the accounts reflects the trustees' estimate of the proceeds of sale, based on the most recent valuation, net of selling costs and the Methodist CPF Levy applicable to certain Methodist property sales.

1. ACCOUNTING POLICIES - continued

INVESTMENT PROPERTY

Investment properties sold after the balance sheet date but before the signing date of the accounts are shown in current assets.

Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for specified purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for specified purposes.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The Methodist Church operates a defined benefit pension scheme for its ministers. A defined contribution scheme is operated for lay employees. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

VAT

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

GOING CONCERN

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, including the impact of COVID-19. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate monetary assets and human resources available to continue in operation as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

CONSOLIDATION

Birmingham West & Oldbury Methodist Circuit oversees the work of ministers and lay workers in the churches within the circuit but does not have financial control over those churches. For this reason, the financial statements of the churches within the circuit are not consolidated into these financial statements.

DEBTORS

Debtors are recorded at transaction price.

CREDITORS

Creditors are recorded at transaction price.

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

2. INVESTMENT INCOME

	2022	2021
	£	£
Property income	6,192	21,616
Deposit account interest	1,183	235
	<u>7,375</u>	<u>21,851</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Assessments from churches	151,520	175,025
Donations	10,005	34,763
Other	3,438	5,594
	<u>164,963</u>	<u>215,382</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Support costs	-	180,441	180,441
Contribution to Methodist funds	33,548	-	33,548
Grants and donations	100	-	100
	<u>33,648</u>	<u>180,441</u>	<u>214,089</u>

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

5. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Support costs	<u>178,311</u>	<u>2,130</u>	<u>180,441</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

7. STAFF COSTS

	2022 £	2021 £
Wages and salaries	91,737	82,296
Social security costs	7,984	8,053
Other pension costs	<u>20,371</u>	<u>20,598</u>
	<u>120,092</u>	<u>110,947</u>

Staff costs include stipends paid to ministers and salaries paid to lay workers.

The average monthly number of employees during the year was as follows:

	2022	2021
Ministers	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

8. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 September 2021 and 31 August 2022	<u>652,210</u>
DEPRECIATION	
At 1 September 2021 and 31 August 2022	<u>65,220</u>
NET BOOK VALUE	
At 31 August 2022	<u>586,990</u>
At 31 August 2021	<u>586,990</u>

As at 31 August 2022 the Circuit owned 3 manses (2021: 3).

9. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2021	680,000
Disposals	(180,000)
Transfer to current assets	(150,000)
At 31 August 2022	<u>350,000</u>
NET BOOK VALUE	
At 31 August 2022	<u>350,000</u>
At 31 August 2021	<u>680,000</u>
Fair value at 31 August 2022 is represented by:	
Valuation in 2021	<u>£ 350,000</u>

Sandon Road Methodist Church was sold in June 2022. The realised gain on disposal of £297,917 is shown in the Statement of Financial Activities.

Akrill Memorial Methodist Church was transferred to Investment Property Current Assets because it was sold after the balance sheet date but before the signing of the accounts. The market value is not less than the fair value. The realised gain on disposal will be recorded in the Statement of Financial Activities for the year ended 31 August 2023.

The remaining properties are 35 Newlands Drive (£200,000) and 113/115 The Uplands (£150,000). The fair value is based on valuations in 2021.

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other debtors	<u>15,745</u>	<u>67,885</u>

11. CURRENT ASSET INVESTMENTS

	2022	2021
	£	£
Investment property - transfer from fixed assets	<u>150,000</u>	<u>-</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	<u>4,518</u>	<u>5,222</u>

13. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	107,163	(51,385)	70,000	125,778
Circuit model trust fund	14,256	298,031	122,449	434,736
Property fund	1,266,990	-	(180,000)	1,086,990
Bequests fund	<u>36,489</u>	<u>67</u>	<u>-</u>	<u>36,556</u>
	1,424,898	246,713	12,449	1,684,060
Restricted funds				
Akrill fund	12,449	-	(12,449)	-
Beginagen 2 fund	<u>24,587</u>	<u>9,453</u>	<u>-</u>	<u>34,040</u>
	37,036	9,453	(12,449)	34,040
TOTAL FUNDS	<u>1,461,934</u>	<u>256,166</u>	<u>-</u>	<u>1,718,100</u>

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	161,617	(213,002)	(51,385)
Circuit model trust fund	298,462	(431)	298,031
Bequests fund	171	(104)	67
	460,250	(213,537)	246,713
Restricted funds			
Beginagen 2 fund	10,005	(552)	9,453
TOTAL FUNDS	470,255	(214,089)	256,166

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	(101)	107,264	-	107,163
Circuit model trust fund	14,602	(346)	-	14,256
Property fund	818,818	448,172	-	1,266,990
Bequests fund	36,439	50	-	36,489
	869,758	555,140	-	1,424,898
Restricted funds				
Akrill fund	12,432	17	-	12,449
Beginagen 1 fund	13,326	(502)	(12,824)	-
Beginagen 2 fund	-	11,763	12,824	24,587
	25,758	11,278	-	37,036
TOTAL FUNDS	895,516	566,418	-	1,461,934

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	277,046	(169,782)	-	107,264
Circuit model trust fund	48	(394)	-	(346)
Property fund	480,000	(528)	(31,300)	448,172
Bequests fund	<u>123</u>	<u>(73)</u>	<u>-</u>	<u>50</u>
	757,217	(170,777)	(31,300)	555,140
Restricted funds				
Akrill fund	42	(25)	-	17
Beginagen 1 fund	(1)	(501)	-	(502)
Beginagen 2 fund	<u>11,763</u>	<u>-</u>	<u>-</u>	<u>11,763</u>
	<u>11,804</u>	<u>(526)</u>	<u>-</u>	<u>11,278</u>
TOTAL FUNDS	<u>769,021</u>	<u>(171,303)</u>	<u>(31,300)</u>	<u>566,418</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	(101)	55,879	70,000	125,778
Circuit model trust fund	14,602	297,685	122,449	434,736
Property fund	818,818	448,172	(180,000)	1,086,990
Bequests fund	<u>36,439</u>	<u>117</u>	<u>-</u>	<u>36,556</u>
	869,758	801,853	12,449	1,684,060
Restricted funds				
Akrill fund	12,432	17	(12,449)	-
Beginagen 1 fund	13,326	(502)	(12,824)	-
Beginagen 2 fund	<u>-</u>	<u>21,216</u>	<u>12,824</u>	<u>34,040</u>
	<u>25,758</u>	<u>20,731</u>	<u>(12,449)</u>	<u>34,040</u>
TOTAL FUNDS	<u>895,516</u>	<u>822,584</u>	<u>-</u>	<u>1,718,100</u>

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	438,663	(382,784)	-	55,879
Circuit model trust fund	298,510	(825)	-	297,685
Property fund	480,000	(528)	(31,300)	448,172
Bequests fund	294	(177)	-	117
	<u>1,217,467</u>	<u>(384,314)</u>	<u>(31,300)</u>	<u>801,853</u>
Restricted funds				
Akrill fund	42	(25)	-	17
Beginagen 1 fund	(1)	(501)	-	(502)
Beginagen 2 fund	21,768	(552)	-	21,216
	<u>21,809</u>	<u>(1,078)</u>	<u>-</u>	<u>20,731</u>
TOTAL FUNDS	<u>1,239,276</u>	<u>(385,392)</u>	<u>(31,300)</u>	<u>822,584</u>

General fund

The general fund represents the surplus free funds of the charity that are not designated for particular purposes and therefore available for the aims and objectives of the charity.

Circuit model trust fund - designated

The circuit model trust fund represents designated funds set aside for the furtherance of the objectives of the charity.

Property fund - designated

The property fund represents designated funds set aside in respect of properties (fixed and investment) held by the charity.

Bequests fund - designated

The bequests fund represents a designated funds set aside for any future bequests.

Akrill fund - restricted

The Akrill fund represents a restricted fund set aside for the support of individuals in specific need. This fund was closed on 1 September 2021, the restriction lifted, and the balance transferred to the circuit model trust fund.

Beginagen 2 fund - restricted

The Beginagen 2 fund represents a restricted fund for community projects approved by the donor.

14. CONTINGENT LIABILITIES

No contingent liabilities were identified at 31 August 2022.

15. CAPITAL COMMITMENTS

At 31 August 2022 the Circuit had no capital commitments.

16. RELATED PARTY DISCLOSURES

The Circuit received assessment income from the Methodist churches in the circuit totalling £151,520 (2021: £175,025). The circuit paid to Birmingham Methodist District £33,548 (2021: £13,565) for contributions to Methodist church funds at district and connexional level. The churches in the district made contributions to connexional funds totalling £2,839 (2021: £1,260).

17. POST BALANCE SHEET EVENTS

Akrill Memorial Methodist Church, included within Investment Property Current Assets at the balance sheet date, was sold in November 2022. Net proceeds of £354k (incorporating the 40% CPF levy applicable to all sales of Methodist property) have been placed in the circuit model trust fund. The gain on disposal will be reflected in the accounts to 31 August 2023.

**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Investment income		
Property income	6,192	21,616
Deposit account interest	<u>1,183</u>	<u>235</u>
	7,375	21,851
Charitable activities		
Assessments from churches	151,520	175,025
Donations	10,005	34,763
Other	<u>3,438</u>	<u>5,594</u>
	164,963	215,382
Assets from closed churches		
Assets from closed churches	<u>297,917</u>	<u>531,788</u>
Total incoming resources	470,255	769,021
EXPENDITURE		
Charitable activities		
Contributions to Methodist funds	33,548	13,565
Grants and donations	<u>100</u>	<u>5,000</u>
	33,648	18,565
Support costs		
Other		
Wages	91,737	82,296
Social security	7,984	8,053
Pensions	20,371	20,598
Telephone and travel	7,126	7,829
Other property costs	24,029	7,094
Manse costs	14,805	14,445
Depreciation	-	528
Carried forward	166,052	140,843

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**BIRMINGHAM (WEST) & OLDBURY METHODIST
CIRCUIT**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022 £	2021 £
Other		
Brought forward	166,052	140,843
Other expenses	3,892	6,866
Administration	8,367	<u>2,989</u>
	178,311	150,698
 Governance costs		
Accountancy and legal fees	<u>2,130</u>	<u>2,040</u>
Total resources expended	<u>214,089</u>	<u>171,303</u>
 Net income before gains and losses	256,166	597,718
 Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>-</u>	<u>(31,300)</u>
 Net income	<u>256,166</u>	<u>566,418</u>

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