

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

England & Wales · Charity number 1134222

## Details

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Other names	CHILTERN DOWNS METHODIST CIRCUIT
Status	Registered
Legal form	Previously excepted
Registered	2010-02-09
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Phone	01525716116
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Website	<a href="http://www.southbedsmethodist.org.uk">www.southbedsmethodist.org.uk</a>

## Activities

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**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:** To support the work of the 22 Methodist Churches which make up the South Bedfordshire Circuit in their worship, learning and caring, service and evangelism.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

## Geography

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- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Central Bedfordshire

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-08-31	£432,374	£497,026	-	-
2023-08-31	£900,196	£356,081	£2,682,948	7
2022-08-31	£415,678	£438,011	-	-
2021-08-31	£396,633	£491,620	-	-
2020-08-31	£400,540	£421,283	-	-

## Trustees

Name	Role	Appointed
ALAN TIMOTHY PHILIP SMITH		2011-11-09
ANN MEADER		2011-11-08
ANNE BETTY CROFT		2023-09-14
Albert Baker		2019-02-07
Alison Catherine Wilson		2019-02-07
Anne Gray		2017-01-28
BRIAN ROBERT ROE		2011-11-09
Barry William Collett		2025-02-09
CATHERINE SHEEHAN		2016-08-23
CHARLES STEPHEN HORSEFIELD BSC		2016-08-23
CHRISTINA MARY SALMON		2016-08-23
CLIVE DAVID SALMON		2012-02-22
Catherine Roots		2025-04-10
Christopher John Lowe		2024-06-18
Deborah Lynne Mitchelmore		2023-02-28
Dr Maria Simon		2026-02-23
Dr Roger James Owers		
Elizabeth Eveline Higgens		2021-09-16
Elizabeth Judith Plews		2025-02-18
Fiona Arscott Smith		2017-01-18
Geoffrey Best		2021-09-16
Gillian Winifred Henley		2016-08-23
Gloria Lathwell		2025-09-18
Glynis Patricia Thompson		2017-12-28
HELEN JANE MCFARLAND		
Helen Hodder		2017-01-18
Helen Sylvia Joels		2022-09-20

Name	Role	Appointed
ISHMAEL OPOKU-GYAMFI		2011-11-08
Ian McHenry		2025-02-17
JOANNE PROWSE		2011-11-09
Jan Rollings		2026-02-24
Janet Hornsby		2016-08-23
Janice Nelson		2016-08-23
Joanne Sherwood		2019-09-01
Joshua Antwi		2025-11-28
Joy Lear		2024-02-20
Julie Christine Copcutt		2025-02-02
Julie Smith		2022-02-08
Kaelanne Alfred		2020-09-19
Kenneth Martin Waller		2015-09-15
LAWRENCE PATTERSON		2011-11-09
Linda June Berry		2024-02-20
MARJORIE FLEMING		2011-09-07
MARTIN PETER WALLIS		2023-09-14
MICHAEL JOSEPH HARE		2011-09-07
Madit Rona Grant		2026-02-25
Marina Mele		2026-05-26
Michael Anokye		2025-04-02
Monica Hope Sibindi		2025-06-17
PETER BAKER		2011-11-02
Patricia King		2025-02-18
REV WALLACE EDWARDS		2011-09-07
ROSEMARY ANN HARE		2011-09-07
Rev Claudia Lupi		2022-09-01
Rev Margaret Anne Newman		2021-09-01

Name	Role	Appointed
Rev Patrick Gbanie Kandeh		2021-09-01
Rev SEUNG-WOOK JUNG		2017-12-28
Richard Philip Ball		2019-09-17
Ruth Brooks		2020-02-08
Sheila Green		2016-08-23
Sheila Millicent Pollard		2023-09-14
Stedroy Everette Liburd		2023-09-14
Stewart William Mitchelmore		2026-04-29
Susan Penn		2025-09-18
Terry Brian Sissons		2017-09-19
VALERIE JOY ALDERMAN		2011-09-07
Wendy Patricia Hulance		2025-05-11
Yen Li Lim		2025-03-02

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

England & Wales - Charity number 1134222

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# Accounts

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# **THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

(Charity Registration No. 1134222)

## **TRUSTEES’ ANNUAL REPORT & FINANCIAL STATEMENTS**

**For the Year ending 31 August 2024**

### **Contents**

- **Annual Report**
- **Appendix “A” - Reserves Policy**
- **Financial Statements** (separate document)

## 1. Objectives and activities

In setting our objectives and planning our activities The Circuit Meeting (under the leadership of the Circuit Leadership Team [CLT]), as Circuit Trustees, meets at least three times in each year, has carefully considered the Charity Commissioners’ published guidance on public benefit and conforms to the Charities Act 2022.

Our mission and calling is to respond to the Gospel of God’s love in Christ and to live out its discipleship in worship and mission. In furtherance of this, we will use the circuit’s resources to:

- Increase awareness of God’s presence and celebrate God’s love
- Help people to grow and learn as Christians through mutual support and care
- Be a good neighbour to people in need and challenge injustice
- Make more followers of Christ
- In all the above we will seek to work ecumenically wherever possible

## 2. Achievements and performance

The principal purpose of the Circuit is to act as a supporting body between Churches, District and the Connexion. The Circuit is responsible for the selection and allocation of Presbyteral resources along with any lay workers who may be required in administrative and pastoral roles. Although the Circuit does have contact with the public, most of the direct contact is by the Churches within the Circuit.

The Circuit sets out its objectives through a “Next Steps” plan. This Plan is reviewed throughout the year and progress against the set objectives and strategies is monitored and documented. Action is taken where objectives are not being met. The Next Steps Plan serves as a dynamic tool and thus enables the Circuit to set goals and challenges on an ongoing basis.

### **Activities of the Circuit and its Churches and Community Engagement in 2023/24**

#### **Circuit Leadership Team**

The Circuit Leadership Team continued working towards a mission strategy that takes into account the possible mergers of some churches:

- a. to relieve the pressure on some congregations struggling to maintain buildings and fill essential roles in the local church.
- b. to reduce the commitments to church meetings on Presbyters going forward, when there will be fewer ministers on the staff team.

The CLT recognised the need to train and enable lay church members to increase their confidence in faith sharing and outreach in local communities.

The Circuit is committed to the aspirational target of the Methodist Church in becoming a net zero carbon emissions church by 2030.

The sale of two church buildings has boosted the Circuit finances and the conversation is ongoing as to how these extra funds may best support the future ministry and mission of the Circuit’s churches.

### **Circuit Events**

Due to inclement weather the annual Open-air Circuit Service on Dunstable Downs took place indoors at The Square in July 2024.

High Street, Leagrave celebrated the 200th anniversary of the church building with various events throughout the year including an exhibition of photographs and memorabilia, a concert and special anniversary service and lunch.

A celebration service for Local Preachers and Worship leaders was held for long service awards.

Creating Safer Space Safeguarding Training (Foundation & Advanced) took place on various dates during the year. In-person training sessions were also held for church officers required to complete the Methodist EDI course who were unable to access the online modules.

Circuit Youth and Leaders attended 3Generate weekend at the NEC in October

### **Hightown**

Outreach activities in the Hightown Methodist Church in the 2023/24 connexional year included a regular monthly coffee morning and networking with the Hightown community including gatherings bringing together council representatives, business/shop owners and other professionals. There was a community carol service held in December leading to the lighting of the Hightown Christmas tree.

### **Trinity Leighton Buzzard**

The leadership of the monthly Messy Church is ably run by a paid lay worker with support from church members and continues to be an important aspect of Trinity’s outreach and mission.

Other activities include a bi-weekly Games Fellowship afternoon at the church to which anyone is invited to play board games and enjoy a cup of tea.

Trinity takes part in town-wide events in Leighton Buzzard including Fairtrade Fortnight offering hospitality and has a presence at the town’s May Fair providing activities for the children and the invitation to come to Early Church and Messy Church services.

### **Strathmore Avenue**

Breakfast Club - twice a month, once for the homeless and the community, and once for families with children. Lunch Club - once a quarter by prior arrangement.

### **Farley Hill**

Tea ‘n toast once a week during term time Saturday morning Breakfast with Food bank collection once a month Lunch club once a month for over 55’s Messy church once a quarter for young families Visits at times of festivals from the local primary school.

The Asian fellowship meets on church premises on Saturdays for a service in their own language with some integration with the established Sunday congregation.

## **Toddington**

Events and Activities in the last 12 months

- Coffee Mornings – held monthly either by Church members, local community groups or charities. The Christmas coffee morning was led by The Pudding Club and music was provided by The Music Makers (community group) and Ukelele Group.
- The Community Garden is run by the Church with a few local volunteers. Organic fruit and vegetables plus herbs are available for everyone in the community to pick. There are also seats for people to enjoy the garden on sunny days.
- We run 2 Pudding clubs. A monthly one for adults and weekly ones for children. These are split into younger and older groups and are term time only.
- Bible study group. This meets weekly and is attended by 10-12 people. One attendee is from outside the village. She also attends the Pudding Club and Creative Space and her children also come to many activities.
- Guild and Games meet monthly and provides company, games and a short time of reflection. This is attended by mainly elderly people from the local community with a few Church members.
- Creative Space meets once a month for crafting sessions. This is mainly younger women from the community with a few Church members.
- Holiday Clubs run once a week in the summer holidays. This is run by Tania with help from the Church and many teenagers who have been to them in past years. They love being helpers!
- Food Bank – regular giving once a month
- Christmas Shoe Boxes
- Support for Noah and refugees (clothing and suitcases) in Dunstable
- Christmas Lunch after a service during December was attended by 40 people (some from community)
- Achieved Eco – church Bronze status in 2023 and continue to work towards reducing our carbon footprint further

Our Mission Enabler, Tania has had a significant input to all of these groups and activities which is very important for our work in the village. Currently we are working with Tania to update our Mission Plan.

There are two new housing estates built and we are working with the community to provide information to new residents.

## **Newland Church (Luton)**

Friendship café twice a month in conjunction with the local GP surgery. Regular visits from children and staff from local Special School. A week-day pre-school meets on the premises.

## **Barton**

A ‘Tea-club’ is run by church members on the first and third Tuesday of each month attended by about 20 elderly ladies some of whom are affiliated to the church and some who are not. Home-made cakes and refreshments are served to the ladies. Dogs are welcome!

Ecumenical involvement with parish church for village Christmas Tree Festival and annual Covenant Service.

## **High St, Leagrave**

The church has a number of regular lettings for the community, including a nursery, scouts and other worshipping communities as well as occasional lettings.

### **St John’s**

Craft and Games Club continues after school on Mondays during term-time. Average attendance of primary age children is 25-30 + accompanying parents/carers. This group offers a welcoming and supportive Christian presence to the local community including families from other faiths and ethnic backgrounds.

Regular lettings include a pre-school five days a week and retreat days for local secondary school children.

A weekly coffee morning is held on Tuesdays during term-time which includes some parents from the Monday club, additional friends and the occasional passer-by.

The local infant schools visit St John’s for educational visits at Christmas and Easter and the minister is invited into school to take assemblies for these Christian festivals.

The premises are let once a week to a Seventh Day Adventist congregation and an Asian Christian Fellowship group for worship.

St John’s hosted the Good Friday Ecumenical Walk of Witness Service.

There is a monthly Munch Club, when a cooked meal is prepared and served by church members. About 25-30 people are in regular attendance some from church and some non-church. A number of the regulars are pensioners who live on their own and enjoy the company and hot dinner provided.

Harvest and Christmas gift donations support the local foodbank and Azalea charity in Luton.

### **The Square, Dunstable**

Supports work with refugees and asylum seekers in the local area, improving English classes, basic cooking skills and protection of vulnerable women.

Extensive use of the premises for a wide range of community groups. The church is actively involved in civic events throughout the year.

The minister in pastoral charge supports the work of the Pioneer Church Project in the new Houghton Regis housing development.

### **Harlington**

The Methodist Church has good ecumenical links with the Parish Church and Life Church. The members run clubs on the premises for children and young people in the village to engage with the Christian story in a fun and creative way.

The church takes part in village events and at Christmas meets in the neighbouring pub for ‘Beer and Carols’ as part of their outreach. Church led craft groups and ladies groups meet on the premises as a place of welcome and friendship.

### **Oakdale**

Has a Roma worshipping community, as well as hosting the Zimbabwean fellowship. It has installed planters with flowers growing outside to improve the environment on its busy street corner in Bury Park, which before attracted fly tipping and a lot of rubbish. It is looking to install a bench as well.

### **Eaton Bray**

Church members are considering their options of how they might continue to worship together even if the building has to close.

### **Aley Green**

The chapel provides a hub for the community as a place of welcome, worship, fellowship and the sale of homemade jam and other preserves to villagers and visitors.

### **Gravenhurst**

The chapel is the only place of worship in the village and is open daily for quiet prayer and reflection and has regular Sunday services.

### **The Olive Tree LEP**

Regular monthly Messy Church is well attended by mostly non-church families some from the local Asian community.

Bible Studies and prayer groups.

Regular lettings to uniformed organisations and toddler group.

Monthly soup lunches for Christian Aid.

### **Beech Hill**

Beech Hill celebrated its 90<sup>th</sup> anniversary in May 2024 with a special service, lunch and exhibition of memorabilia.

It hosts a weekly Warm Space, known as Welcome Space, every Tuesday afternoon, serving the community and members alike, helped by funding from a District Grant.

It is building links with a local primary school, Maidenhall School, hosting visits from 2 year groups during the year.

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Under the heading, *Collaborative arrangements with connected charities* (3.3 below) there is information on how we obtained our funds. In this paragraph, we show how they were spent. The money collected, or available for disbursement, was used exclusively for the following purposes

- the stipends and associated employment costs of our presbyteral staff
- the employment costs of our lay employees
- the cost of Quinquennial property inspections on our Circuit churches and manses
- by way of a set annual provision, the repairs, maintenance and refurbishment of our manses
- by way of set annual provision, the training needs of our staff and church member

Through our Circuit Model Trust Fund (CMTF) we make grants to support Circuit churches in their work in their local communities. Such grants may be for specific mission related projects or to assist with property projects. The Circuit may also make grants direct to external bodies, for example, to assist with ecumenical projects.

The policy of the Trustees on grant making is to ensure that all applications can demonstrate public benefit, pass a test of sustainability, show that there is a commitment from the applicant organisation (e.g. the Circuit

grant is only a part of the total funding) and show imagination and creativity as well as a perceived need for that which the grant is being applied.

Details of the grants made in this financial year are set out in the attached Financial Statements. It should be noted that it is the Circuit policy to provide for the full amount of any grant, in the year of commitment, even if the drawdown of such grant is over an extended period.

Churches that have received grants from the Circuit will show these in their own Trustees’ Annual Report (where this is required to be prepared) along with details of their achievements from the activities undertaken because of receiving the grant.

### **3. Financial Review**

The Financial Statements are included as part of this Report and give a full and detailed disclosure of the income and expenditure of the Circuit covering our Unrestricted Funds (including Designated Funds) and Restricted Funds. There were no significant events during the year, save for the sale of the Mount Pleasant church premises. Contracts were also signed and exchanged in June for the sale of the Luton Road church premises. However, as the completion is deferred for three months, the trustees felt it prudent not to account for the sale in the current financial year.

The Circuit has the following principal sources of funds which are used to administer the Circuit:

- Investment income and gains
- Assessments on Churches within the Circuit

The Trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because Churches continue to meet their Assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two. However, the trustees are conscious that the Circuit is dependent upon the Assessment on churches to maintain its current overall level of staffing. Therefore, we have systems in place to monitor the financial health of our churches and recognise that the overall financial resources of churches are finite.

#### **3.1 Investment Policy and Performance**

To comply with Methodist Standing Orders, monies for long-term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unlisted investments or held on deposit. The investment returns are close to tracking movements in the FTSE 100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit Trustees’ investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and TMCP because these organisations take onto consideration the social, environmental and ethical issues (both positively and negatively) that make investments suitable for the Methodist Church.

Short term deposits, not required for immediate cash flow, are lodged directly with CFB and attract good rates of interest.

There are no other benchmarks for the expected returns on investments at TMCP and CFB. The objective for the Circuit is a rate of return at least as good as market rate considering the trustees’ low appetite for risk.

### **3.2 Reserves Level and Policy**

This is set out as a separate document and appears at Appendix “A”

### **3.3 Collaborative arrangements with connected charities**

The Circuit’s main source of funding is the Assessments obtained from each Church within the Circuit. The Assessment is based on a formula which utilises the membership of each church and factored net income. The net income calculation is designed to take into account the relative costs of heating, lighting and insurance, together with a notional allowance for repairs and maintenance in order to place each church on a comparable baseline.

The Circuit holds no funds as custodian trustees. It does, however, receive on an ad hoc basis funds from Churches for Methodist Connexional Funds. These sums are collected as agent for The Connexion and are passed to the Connexion on a regular basis. In addition, the Circuit may receive grant monies from both the District, and/or the Connexion where an application has been made by the Circuit to fund an external organisation. Such funds received by the Circuit are not recognised in the Financial Statements because the funds are not within its control. No fee is earned in respect of the agency arrangement and the Circuit incurs no cost through this arrangement.

## **4. Future Plans**

The Circuit’s strategy for the future is contained within its “Next Steps” initiative. In essence this involves determining our evolving mission strategy and adapting it to meet changing circumstances within our churches.

No small part of this is ensuring that our stated mission strategy can be delivered within our available financial resources. In this connection, as a matter of policy, we strive to fund our day to day regular expenses from current income. We are generally averse to subsidising normal operating costs from reserves (usually generated from the sale of capital resources).

Given, our operating income is almost wholly provided by the churches within the Circuit, we monitor very closely the ongoing financial health of our churches. Recognising that since Covid individual church finances are under pressure, our “Next Steps” initiative is to restructure the Circuit so that it can successfully operate with a reduced complement of ministers. The plan is to reduce the number of full time equivalents to four by September 2026.

## **5. Trustees’ responsibilities**

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

- ✓ Select suitable accounting policies and applied them consistently;
- ✓ Observe the methods and principles in the Charities SORP (FRS102);
- ✓ State whether applicable UK Accounting Standards have been followed, subject to any material departures which are explained in the financial statements;
- ✓ Make judgements and estimates that are reasonable and prudent;
- ✓ Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

## **6. Structure, governance and management**

The Circuit is an unincorporated charitable association governed by the Methodist Church Act 1976, the Deed of Union and the Model Trusts of the Methodist Church and was registered with the Charity Commission on 9 February 2010 (previously registered as Chiltern Downs Methodist Circuit under the same number).

The primary purpose of the Circuit is to advance the mission of the Church in South Bedfordshire by:

- Providing opportunities for Churches to work together and support each other
- Offering to Churches resources of finance, personnel and expertise

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 or subsidiary or ancillary to the Methodist Church; any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

### **6.1 Organisational structure**

- Overall control rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of ministers in individual Circuits.
- Connexional decisions are passed to the Chair of the District and the appropriate Officers of the District for regional implementation.
- The District passes the control down to Circuit level for local implementation by the

Superintendent Minister(s), ministerial staff and Circuit Stewards via the medium of the Circuit Meeting.

- The membership of the Circuit Meeting is laid down in the Constitutional Practices and Discipline of the Methodist Church. In simple terms the Circuit Meeting is made up of representatives from the churches within the Circuit (a minimum of 3 from each church, elected by the Church Council -there may be more as determined by the size of membership of the church), Circuit Ministers, Circuit Stewards and other office holders undertaking Circuit roles. Together, the members of the Circuit Meeting are the Managing Trustees of the Circuit.

Certain matters, principally those relating to property issues, need to be referred to the District (and the Connexional office - through the Trustees for Methodist Church Purposes [TMCP], acting as Custodian Trustees), but most matters are determined by the Circuit Meeting itself.

The Circuit operates with a Circuit Leadership Team (made up of Circuit Stewards, Ministers and certain Lay Employees) which evolves policy and makes recommendations to the Circuit Meeting.

The South Bedfordshire Methodist Circuit comprises 19 churches located in Luton, Dunstable, Leighton Buzzard and the surrounding villages. They are listed below:

Aley Green	Barton	Beech Hill	Edlesborough
Farley Hill	Dunstable, The Square	Eaton Bray	High Town
Kensworth	Gravenhurst	Harlington	Olive Tree (St Margarets LEP)
Strathmore Avenue	Leagrave, High Street	Leighton Buzzard, Trinity	Toddington
Wigmore (Methodist URC LEP)	Oakdale	St John’s	

#### 6.1.1.1 Trustees

The Managing Trustees are the elected members to the Circuit Meeting. Owing to the number of individual churches in the Circuit and the fact that the majority of the Circuit Meeting members are those elected by individual churches, the make up of the Meeting is subject to frequent changes. The names of the trustees who served during the Connexional year 2023/24 are listed at 7.6 below. A current list of Trustees can be found on the Charity Commission website.

## 7. Reference and Administrative Details

- 7.1 Name of the charity**  
The South Bedfordshire Methodist Circuit
- 7.2 Charity registration number**  
1134222, registered in England and Wales
- 7.3 Principal Office**  
Office 3, Hightown Methodist Church,  
49 High Town Rd  
Luton  
Bedfordshire, LU2 0BW

**7.4 Superintendent Minister**

Rev Patrick Kandeh

**7.5 Circuit Bursar**

Mr David Hallworth ACIB  
7 Windsor Close  
Flitwick MK45 1PT

**7.6 Names of Trustees**

Alderman, Valerie	Hodder, Helen	Prowse , Jo
Alfred, Kaelanne	Hornsby, Janet	Quine, Colin
Anokye, Michael	Horsefield, Charles	Ralphs , John
Arscott-Smith, Fiona	Hulance, Andy	Roberts, Jackie
Baker, Peter	Illot, Terence	Roe, Brian
Baker , Albert	Joels, Helen	Rogers, Steve
		Salmon ,
Ball, Richard	Kandeh, Patrick	Christina
Berry, Linda	Lear, Joy	Salmon , Clive
Best , Geoff	Liburd, Sted	Sheehan, Cathy
		Sherwood ,
Bibbings , Nigel	Lowe, Chris	Joanne
Borgars , Marion	Lupi , Claudia	Sibindi, Monica
Brooks, Ruth	McFarland, Jane	Simon, Maria
Croft, Anne	McHenry , Ian	Sissons, Terry
Edwards, Wallace	Meadar, Ann	Smith, Alan
	Mitchelmore,	
Fleming , Marjie	Debbie	Smith, Julie
Grant, Madit	Nelson, Janice	Stanford, Tania
		Thompson,
Gray, Anne	Newman , Margaret	Glynnis
Green, Sheila	Onatola , Ayo	Waller, Kenneth
Hare, Michael	Opokugymfi, Ismael	Wallis, Martin
Hare, Rosemary	Owers, Roger	Wilson, Alison
Henley, Michael	Patterson, Lawrence	Yen, Li-Lim
Henley , Gillian	Payne , Ruth	Yung, Seun-Wook
Higgins, Liz	Pollard, Sheila	

**7.7 Bankers**

The Co-operative Bank plc  
 PO Box 250  
 Delf House  
 Skelmersdale WN8 67WT

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

**7.8 Investment Managers**

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

**7.9 Independent Examiner**

Theresa-Anne Warren  
 GP Financial Management Ltd.,  
 8 The Old Yard  
 Lodge Farm Business Centre  
 Wolverton Road  
 Castlethorpe  
 Milton Keynes MK19 7ES

**7.10 Quinquennial Inspectors**

Cube Building Consultancy Ltd  
 Suite 2, Franklin House  
 2 Steppingley Road  
 Flitwick MK45 1AJ

**Approvals**

The Trustees’ Report and the Financial Statements were approved by the Circuit Leadership Team and were presented to the Circuit Meeting on 18 February 2025

Patrick Kandeh (signed)	David Hallworth (signed)
Rev Patrick Kandeh Superintendent and Chair of Meeting February 2025	David J Hallworth ACIB Circuit Bursar February 2025

**The South Bedfordshire Circuit**

**Reserves Policy 2024/25**

This document includes all funds held by the Circuit Meeting as charity trustees.

Our Reserves Policy relates to our general (unrestricted) funds which are available to be used for any or all of the purposes of the Circuit. It also notes the management of our restricted and endowment funds.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all of its money not simply that which is defined as reserves.

**Aim**

Our aim is twofold:

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

**Mission Policy**

Our financial resources help us to underpin the Circuit’s Mission by:-

- (a) The support of the ministry and mission of the local churches in the Circuit, including ministerial oversight, outreach opportunities and mission projects some or all of which may be unrelated to capital expenditure
- (b) The support of a ministry team of presbyters, a part-time Circuit bursar a part time Circuit administrator and a part time Circuit Workers the numerical mix of which is determined by our staffing strategy which is reviewed annually.
- (c) The maintenance of the eight Circuit manses, including two let externally at a market rent.
- (d) Supporting mission-oriented building projects, repairs and alterations.

**Financial Plans**

The Circuit’s Unrestricted Funds also includes the Circuit Model Trust Fund (CMTF). However, Connexional approval has to be sought to confirm any proposed use of these CMTF funds is in compliance with Standing Orders.

The Circuit Assessment is reviewed annually and provides substantially towards the overall Circuit costs. It is based on an agreed formula which seeks to ensure that each church pays a level of contribution which is proportionate to its peers. The Circuit Meeting is the final arbiter of the Assessment contribution from each church. Circuit Reserves may also be used to help meet these obligations; in particular to part fund lay personnel costs.

We make provision for our property maintenance programme by budgeting £32,000 (£4,000 per manse), as a contribution to a Provision Fund, to maintain our manses.

Subject to the constraints of our Reserves Policy (below) grants or loans from reserves are also available to support new and existing mission projects and may also be available for building repairs and projects provided the applicant church has a strong mission focus and can demonstrate financial viability. It is not always possible to predict when such grants might become necessary, as a church might suddenly need a short term loan to enable work to proceed expeditiously. Generally, we will contribute, up to 50% of project work. Such grants are subject to our Circuit Model Trust Fund policy (see below) and the availability of uncommitted funds held.

Local Church Council approved applications for Circuit funds will be made to the Circuit Leadership Team (CLT) for evaluation and support and then brought before the Circuit Meeting for approval or otherwise.

## **RESERVES POLICY**

### **Introduction**

The Circuit has a wide cross section of Funds some of which are unrestricted (including designated Funds) and others are restricted.

The “Funds at a Glance” attached to this document is an integral part of our Reserves Policy and should be read in conjunction with it. As a general principle, we now quote our closing Fund balances on an uncommitted basis. That is to say that at the close of each financial year any known and agreed future commitments are provided for in full. Therefore, at any given time the level of uncommitted resources can be clearly seen

### **Unrestricted Funds**

#### ***General and Designated Funds***

The General Fund at **£169,836** (excluding tangible assets, Designated Funds and loans to churches) represents about 5 months budgeted expenditure. Our policy is to hold about 3 months of gross expenditure as a reserve, and this is considered to be the absolute minimum and falls short of the Connexional recommendation of 6 months. However, it effectively caters for the default of all churches not paying their Assessment in the same quarter – the chances of this are considered highly unlikely.

If General reserves fall below our target, we will seek approval from the Circuit Meeting to make up any shortfall from either or a combination of:

1. an increase in Assessments the following year.
2. A portion of the sales proceeds of any properties sold or in the course of sale
3. A transfer of funds from the CMTF

If General Reserves are above the target 3 months cover of normal gross expenditure, the surplus will be either:

1. Transferred to the CMTF
2. Held as a surplus reserve and depleted to the target level the following year by setting a deficit budget. This would effectively reduce the formula calculated Assessment on churches.

Designated Funds are effectively sinking funds or provisions against future expenditure in key areas. Every year and for each of these funds, transfers are made from the General Fund. The transfer amount is reviewed each year as part of the budgeting process.

The Quinquennial Inspection Fund is a Designated Fund. Every five years we obtain a fixed price contract to cover inspections due in the following five years. The amount charged for each church/manse differs as do the number of inspections in any given year. However, each year, we apply a transfer from our General Fund equivalent to one fifth of the overall five year fixed cost. This means that it is possible that in some years this fund may be shown as “overdrawn”. In such cases we ensure that there is sufficient funding in our general Fund to cover the shortfall.

### ***Circuit Model Trust Fund (CMTF)***

Our policy is to use this resource in accordance with Methodist Standing Orders. However, under local discretion our policy is to allocate a percentage of these funds for “Mission & Outreach Projects” (or more generally new growth initiatives). The percentage so allocated is reviewed on an annual basis and may be amended in the light of overall calls on the CMTF during the preceding year and/or future initiatives being planned. **We allocate 70% to “Mission & Outreach Projects” and 30% to other potential calls on the funds.** The total uncommitted funds stood at **£230,579** as at 31 August 2024

### **Restricted Funds**

**Chapel Street Fund** is restricted for use on Luton Town centre projects. The final grant from this fund was made in 2023/24 and save for a nominal balance is effectively closed.

**Lye Trust** - is a permanent endowment legacy, the income on which is specifically for use as a Circuit Benevolent Fund. The interest of circa £1,500 p.a. is distributed (as and when required) for relief of the poor in the Circuit via the Benevolent Fund

**Benevolent Fund** –income sourced from the interest from the Lye Trust as above.

**Circuit Music Fund** – expendable endowment.

**Circuit Drama Fund** – restricted. Ex Luton Circuit Fund

**Circuit Education & Youth Fund** – restricted. Ex Luton Circuit Fund. (funded £500 p.a. from General Funds)

# **THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

(Charity Registration No. 1134222)

## **FINANCIAL STATEMENTS**

**For the Year ending 31 August 2024**

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

Notes	Unrestricted Funds			Restricted & Endowment Funds		Total 2023-24	Total 2022-23
	General	Circuit Model Trust	Designated	Restricted	Endowment		
	£	£	£	£	£		
<b>Income and Endowments</b>							
1	50		10,200	251		10,501	
2	17,144	2,684			1,954	21,782	13,982
3	14,660					14,660	14,010
4							
5	356,888					356,888	390,429
6							465,000
7				3,480		3,480	1,940
8							
9	<b>388,742</b>	<b>2,684</b>	<b>10,200</b>	<b>3,731</b>	<b>1,954</b>	<b>407,311</b>	<b>885,361</b>
10							
11	<b>388,742</b>	<b>2,684</b>	<b>10,200</b>	<b>3,731</b>	<b>1,954</b>	<b>407,311</b>	<b>885,361</b>
12	22,598	1,000		1,465		25,063	14,835
13	<b>411,340</b>	<b>3,684</b>	<b>10,200</b>	<b>5,196</b>	<b>1,954</b>	<b>432,374</b>	<b>900,196</b>
<b>Expenditure</b>							
<b>Expenditure on charitable activities</b>							
21		19,295		1,376		20,671	16,651
21a		60,000				60,000	15,500
21b		(31,295)		(500)		(31,795)	(76,205)
22	282,881					282,881	259,779
23	29,459		29,424	7,704		66,587	51,960
24	4,327				154	4,481	4,255
25	84,380	0				84,380	79,604
26	2,959		3,031	3,830		9,821	4,537
27	<b>404,006</b>	<b>48,000</b>	<b>32,455</b>	<b>12,410</b>	<b>154</b>	<b>497,026</b>	<b>356,081</b>
31	<b>7,334</b>	<b>(44,316)</b>	<b>(22,256)</b>	<b>(7,214)</b>	<b>1,799</b>	<b>(64,653)</b>	<b>544,115</b>
32					3,112	3,112	(1,784)
33		38,575				38,575	
34	<b>7,334</b>	<b>(5,742)</b>	<b>(22,256)</b>	<b>(7,214)</b>	<b>4,912</b>	<b>(22,966)</b>	<b>542,331</b>
35	(261,465)	212,890	53,830	4,199	(9,454)	0	
36							
37							
38	<b>(254,131)</b>	<b>207,148</b>	<b>31,574</b>	<b>(3,014)</b>	<b>(4,543)</b>	<b>(22,966)</b>	<b>542,331</b>
39	2,483,366	23,611	115,001	6,803	54,166	2,682,947	2,140,617
50	<b>2,229,235</b>	<b>230,759</b>	<b>146,576</b>	<b>3,788</b>	<b>49,623</b>	<b>2,659,981</b>	<b>2,682,947</b>

Balance Sheet as at 31 August 2024

		Unrestricted Funds			Restricted & Endowment Funds		Totals 2024	Totals 2023
		General	Circuit Model Trust	Designated	Restricted	Endowment		
		£	£	£	£	£	£	£
<b>Fixed Assets</b>								
Circuit Manses & Equipment	BS1	1,709,381					1,709,381	1,989,381
Investment properties	BS1	350,000					350,000	350,000
Investments	BS2					43,341	43,341	40,230
<b>Total fixed assets</b>		<b>2,059,381</b>				<b>43,341</b>	<b>2,102,722</b>	<b>2,379,611</b>
<b>Current Assets</b>								
Debtors	BS3	23,875					23,875	23,349
Loans by the Circuit	BS4							6,000
Trustees for Methodist Church Purposes	BS2		301,018	10,000		6,282	317,300	13,956
Central Finance Board Deposits	BS5	130,092	23,571	218,405	11,066		383,134	396,779
Cash at Bank and in hand	BS5	123,369	(20,500)	(81,527)	(6,203)		15,140	5,474
<b>Total current assets</b>		<b>277,336</b>	<b>304,089</b>	<b>146,879</b>	<b>4,863</b>	<b>6,282</b>	<b>739,449</b>	<b>445,559</b>
<b>Creditors (due in under 1 year)</b>								
Grant instalments due in 2023-24	BS6a	107,482		303	1,075		108,860	97,097
<b>Net current assets/liabilities</b>		<b>169,854</b>	<b>287,759</b>	<b>146,576</b>	<b>3,788</b>	<b>6,282</b>	<b>614,259</b>	<b>316,667</b>
<b>Total assets less current liabilities</b>		<b>2,229,235</b>	<b>287,759</b>	<b>146,576</b>	<b>3,788</b>	<b>49,623</b>	<b>2,716,981</b>	<b>2,696,277</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>								
Grant instalments due after 2023-24	BS7,9		57,000				57,000	13,330
<b>Net assets</b>		<b>2,229,235</b>	<b>230,759</b>	<b>146,576</b>	<b>3,788</b>	<b>49,623</b>	<b>2,659,981</b>	<b>2,682,947</b>
<b>Funds of the Circuit</b>								
General Fund (Unrestricted)	BS8.1	2,229,235						
Circuit Model Trust Fund (Unrestricted)	BS8.2		230,759					
Designated Funds (Unrestricted)	BS8.3			146,576				
<b>Total Unrestricted Funds</b>							<b>2,606,570</b>	<b>2,621,979</b>
Restricted Funds	BS9				3,788		3,788	6,803
Endowment Funds	BS9					49,623	49,623	54,166
<b>Total Funds</b>		<b>2,229,235</b>	<b>230,759</b>	<b>146,576</b>	<b>3,788</b>	<b>49,623</b>	<b>2,659,981</b>	<b>2,682,947</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
**STATEMENT OF CASH FLOWS**  
For the year ended 31 August 2024

	Total 2024		Totals 2023	
	£	£	£	£
<b>Cash flow from operating activities</b>				
Net cash from operating activities		237,860		(16,366)
<b>Cash flow from Investing activities</b>				
(Payments)to acquire fixed assests			(31,250)	
Payments to acquire investments				
Receipts from sales of Investments				
Interest & dividends received	21,782		13,982	
Rent from investment/let properties	39,723		28,845	
<b>Net cash flow from Investing activities</b>		61,505		11,577
Cash flow from financing activities				
<b>Net cash flow from financing activities</b>				
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>299,365</b>		<b>(4,789)</b>
Cash and equivalents at 1 September 2023		416,209		420,999
<b>Cash and equivalents at 31 August 2024</b>		<b>715,574</b>		<b>416,209</b>
Analysis of cash and cash equivalents				
Cash at bank and in hand		<b>715,574</b>		<b>416,209</b>

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

<b>Net Income/(expenditure) for the year</b>	(22,966)	542,331
Interest & dividends received	(21,782)	(13,982)
Rents received	(39,723)	(28,845)
Fixed Assets sold/(donated in)	280,000	(465,000)
Depreciation of tangible assets		
(Gains)/losses monetary investments	(3,112)	1,784
Decrease/(increase) in debtors	(526)	5,905
Decrease/(increase) in Loans	6,000	13,000
(Decrease)/increase in creditors	11,763	(10,853)
(Decrease)/increase in provisions	28,205	(60,705)
<b>Net cash flow from operating activities</b>	<b>237,860</b>	<b>(16,366)</b>

**1 & 2 Policies and Terms****Basis of accounting and accounting policies****i Accounting standard**

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 United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011

**ii Public benefit entity**

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

**iii Basis**

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

**iv Content**

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

**v This clause is intentionally blank****vi Going concern**

Based on the monetary assets and human resources available at 31 August 2024, the trustees believe that the Circuit is a going concern.

**vii Consolidation**

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

**viii                    Income recognition**

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming

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

The Circuit acts as agent in two matters:

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

the administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion

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

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

**ix                        Grants (Received)**

Grants received from external sources (including Connexional and/or District grants) are shown as income. Where an application to TMCP is made (and approved) to use monies held in the Circuit Model Trust Fund and/or Restricted/Endowment Funds for a specific Circuit project, the funds so approved are, where relevant, shown as transfers between funds. More details are provided in Note 9

**x                         Expenditure**

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit

**xi                        Grants (Given)**

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

**xii                    VAT**

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

**xiii                    Tangible fixed assets**

These are capitalised if they can be used for more than one year, and individually cost at least £250.

The freehold and/or long leasehold residential property is shown in the accounts at deemed cost representing each property's gross carrying value as at 1 September 2015, being that property's insurance reinstatement value resulting from a professional valuation undertaken by Trudgill & Co in 2011/12 and subsequently adjusted up to and including 31 August 2014 or, if acquired after that date, at its insurance reinstatement value at the date of acquisition. No depreciation is provided because the trustees consider the current residual value of the property in its present condition to be not less than its historical cost and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would be immaterial.

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At that time the property is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking into consideration the levy to be charged by the Connexion. Any expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, that is likely to enhance sale value is capitalised at the time the expenditure is incurred. Where the proceeds are intended to be spent on activities, the property is included in current assets at the lower of cost and realisable value. The Circuit has made use of the deemed cost option on transitioning to FRS102, as outlined above.

**xiv(a)                Monetary Investments**

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 15 below

**xiv(b)                Investment Property**

From time to time the Circuit may hold residential property (manses) which is surplus to its normal staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of 2 years, the property is classified as Investment Property (whether let out or not) and if let, it is so at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives. Any such cases are specified in Note BS1 below. Such properties are valued at fair open market value after reference to local professional estate agents and valuers.

**xv                    Receivables and Payables; Bank and Cash (Basic Financial Instruments)**

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

**xvi                    Loans as Basic Financial Instruments**

Where concessionary loans (*i.e.* free of interest) are made to [or received by] the Circuit to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid [or received], with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the Statement of Financial Activities. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Where loans require the calculation of a discounted cash flow valuation, this will be so marked.

**xvii                    Methodist Connexional Funds**

The Circuit acts as agent for Methodist Connexional Funds (Connexional Funds) in the collection from Churches and payment over of their contributions and ad hoc collections for various Funds controlled and administered by The Methodist Church – “Connexional Funds

**xviii                    Funds**

The trustees have adopted a policy for all unrestricted reserves which can be found in the main section of the Trustees Annual Report.

**xvix                    Endowment funds**

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

**xx                    Ministers' manse costs**

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

## **2 Glossary of terms**

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

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

**Circuit:** a group of Methodist Churches near each other, typically between 10 and 30

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

**CLT (Circuit Leadership Team):** A group (comprising mostly, but not exclusively) of Circuit trustees responsible for the day to day administration and policy formulation of the Circuit. Generally the CLT comprises of the Presbyters stationed within the Circuit, the Circuit Stewards and Circuit Bursar (who is not a trustee)

**CMTF:** Circuit Model Trust Fund

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

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

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

**DAF:** District Advance Fund

**FRS:** Financial Reporting Standard

**HMRC:** Her Majesty's Revenue and Customs

**LAY EMPLOYEES:** Non presbyteral staff employed on either a full or part time basis and on formal written contractual terms.

**MIMPS:** Methodist Ministers' Pension Scheme

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

**3.1 Comparative SOFA forming part of previous year's accounts**

	Unrestricted Funds			Restricted & Endowment Funds		Total 2022-23
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	£
<b>Income and Endowments</b>						
1 Donations and legacies						
2 Income from Monetary Investments	12,300	1			1,681	13,982
3 Income from Investment Property	14,010					14,010
4 Income from charitable activities						
5 Assessments on Churches	390,429					390,429
6 Capital Receipts	465,000					465,000
7 Grants			1,940			1,940
8 Other charitable activities						
<b>9 Total from charitable activities</b>	<b>881,739</b>	<b>1</b>	<b>1,940</b>		<b>1,681</b>	<b>885,361</b>
10 Other charitable income						
<b>11 Total charitable income</b>	<b>881,739</b>	<b>1</b>	<b>1,940</b>		<b>1,681</b>	<b>885,361</b>
12 Other income	14,835					14,835
<b>13 Total income and endowments</b>	<b>896,574</b>	<b>1</b>	<b>1,940</b>		<b>1,681</b>	<b>900,196</b>
<b>Expenditure</b>						
<b>Expenditure on charitable activities</b>						
21 Grants and donations		16,205		446		16,651
21a Future instalments of grant		15,000		500		15,500
21b Grant instalments provisions released		(16,205)	(60,000)			(76,205)
22 Salaries and associated costs	259,779					259,779
23 Property	29,002		19,056	3,902		51,960
24 Office expenses	4,096				159	4,255
25 District Assessment & Levy	79,604	0				79,604
26 Other outgoings	3,329		1,208			4,537
<b>27 Total charitable expenditure</b>	<b>375,810</b>	<b>15,000</b>	<b>(39,736)</b>	<b>4,848</b>	<b>159</b>	<b>356,081</b>
<b>31 Net Income before investment gains/losses</b>	<b>520,765</b>	<b>(15,000)</b>	<b>41,676</b>	<b>(4,848)</b>	<b>1,521</b>	<b>544,115</b>
32 Net gains/(losses) on Monetary Investments					(1,784)	(1,784)
33 Net gains/(losses) on Property Disposals/Revaluations						
<b>34 Net incoming/(outgoing) resources before transfers</b>	<b>520,765</b>	<b>(15,000)</b>	<b>41,676</b>	<b>(4,848)</b>	<b>(263)</b>	<b>542,331</b>
35 Transfers between funds	(5,719)	13,000	(7,550)	1,768	(1,499)	
36 Reclassification of funds						
37 Other gains/(losses)						
<b>38 Net movement in funds</b>	<b>515,046</b>	<b>(2,000)</b>	<b>34,126</b>	<b>(3,080)</b>	<b>(1,762)</b>	<b>542,331</b>
39 Total funds brought forward	1,968,321	25,611	80,875	9,883	55,927	2,140,617
<b>50 Total funds carried forward</b>	<b>2,483,366</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>

**3.2 Balance Sheet as at 31 August 2022**

	Unrestricted Funds			Restricted & Endowment Funds		Totals 2023
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	
<b>Fixed Assets</b>						
Circuit Manses & Equipment	1,989,381					1,989,381
Investment properties	350,000					350,000
Investments	0				40,229	40,230
<b>Total fixed assets</b>	<b>2,339,381</b>				<b>40,229</b>	<b>2,379,611</b>
<b>Current Assets</b>						
Debtors	23,349					23,349
Loans by the Circuit	6,000					6,000
Trustees for Methodist Church Purposes		19			13,937	13,956
Central Finance Board Deposits	149,668	74,922	164,575	7,615		396,779
Cash at Bank and in hand	61,887	(6,705)	(49,396)	(312)		5,474
<b>Total current assets</b>	<b>240,904</b>	<b>68,236</b>	<b>115,179</b>	<b>7,303</b>	<b>13,937</b>	<b>445,559</b>
<b>Creditors (due in under 1 year)</b>	<b>96,919</b>		<b>178</b>			<b>97,097</b>
Grant instalments due in 2020-21		31,295		500		31,795
<b>Net current assets/liabilities</b>	<b>143,985</b>	<b>36,941</b>	<b>115,001</b>	<b>6,803</b>	<b>13,937</b>	<b>316,667</b>
<b>Total assets less current liabilities</b>	<b>2,483,367</b>	<b>36,941</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,696,277</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>						
Grant instalments due after 2020-21		13,330				13,330
<b>Net assets</b>	<b>2,483,367</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>
<b>Funds of the Circuit</b>						
General Fund (Unrestricted)	2,483,367					
Circuit Model Trust Fund (Unrestricted)		23,611				
Designated Funds (Unrestricted)			115,001			
<b>Total Unrestricted Funds</b>						<b>2,621,979</b>
Restricted Funds				6,803		6,803
Endowment Funds					54,166	54,166
<b>Total Funds</b>	<b>2,483,367</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>

**Note 4 Income from Investment Property**

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

	General	CMTF	Desig	Restricted	Endow	Total	2023
Letting Income:							
18 Clarence Road	14,660					14,660	14,010
<b>Totals</b>	<b>14,660</b>					<b>14,660</b>	<b>14,010</b>

**Note 5 Assessments on Churches**

The Circuit comprises of 19 [Mount Pleasant closed during the year] (20) churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making it's Assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all it's net core costs from the Assessment.

An Assessment on Churches is annually determined by the Circuit using a formulaic method which takes into account the relative number of members in each church and its relative income (after deduction of certain actual and notional expenses).

Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is also treated as a debtor. Such cases are detailed in Notes BS3 and BS6

Church	General	CMTF	Desig	Restricted	Endow	Total	2023
Aley Green	11,548					11,548	12,548
Barton	7,100					7,100	8,104
Beech Hill	16,768					16,768	17,772
Eaton Bray	11,720					11,720	12,720
Edlesborough	6,092					6,092	7,092
Farley Hill	9,648					9,648	10,652
Gravenhurst	6,380					6,380	7,384
Harlington	19,176					19,176	20,180
High Town	21,072					21,072	21,812
Kensworth	6,852					6,852	7,852
Legrave High St	31,568					31,568	32,332
Mount Pleasant							7,761
Oakdale	16,164					16,164	16,968
St Johns	27,332					27,332	28,044
Olive Tree	13,968					13,968	26,112
Strathmore Ave	13,316					13,316	14,316
The Square	58,108					58,108	57,364
Toddington	15,944					15,944	16,948
Trinity	58,492					58,492	58,292
Newlands	5,640					5,640	6,176
<b>Total</b>	<b>356,888</b>					<b>356,888</b>	<b>390,429</b>



**Note 9 Grants & Donations**

Grants and donations as listed below were agreed and/or made during the year. Where a grant has been made from the Circuit Model Trust Fund, Restricted or Endowment Funds and the grant monies are for use within the Circuit they are treated as a transfer between Funds with the purpose detailed in Note 16. The tables below (one for each Fund type) detail the new grants agreed and paid over this year, this year's instalment of grants agreed in prior years and the future instalments of grants to be paid. More information can also be found in Notes BS6a, BS7, BS8 and BS9 below  
The support costs for grant-funding to third parties are insignificant and are not separately disclosed

Grantee/Donee	This Year New				General						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Connexional Funds											
<b>Totals</b>											

Grantee/Donee	This Year New				Circuit Model Trust						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Circuit Churches					15,000		(15,000)			(15,000)	(15,000)
Circuit Worker											
Toddington (Mission Enabler)					5,000	(2,500)		2,500	(2,500)		(2,500)
Stratmore Ave	3,000	(3,000)							(3,000)		(3,000)
Barton											
Olive Tree Youth Worker											
Houghton Regis Project Grant 1					24,625	(13,795)		10,830	(13,795)		(13,795)
Houghton Regis Project Grant 2	60,000			60,000				60,000			
<b>Totals</b>	<b>63,000</b>	<b>(3,000)</b>		<b>60,000</b>	<b>44,625</b>	<b>(16,295)</b>	<b>(15,000)</b>	<b>73,330</b>	<b>(19,295)</b>	<b>(15,000)</b>	<b>(34,295)</b>

Grantee/Donee	This Year New				Designated						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Training (Assessment Relief)											
Malzeard Road Garage Conversion											
Assess EQ released											
<b>Totals</b>											

Grantee/Donee	This Year New				Restricted						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Benevolent	230	(230)							(230)		(230)
Education & Youth	1,146	(1,146)			500		(500)		(1,146)	(500)	(1,646)
<b>Totals</b>	<b>1,376</b>	<b>(1,376)</b>			<b>500</b>		<b>(500)</b>		<b>(1,376)</b>	<b>(500)</b>	<b>(1,876)</b>

Grantee/Donee	This Year New				Endowment						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Ecumenical Community Worker											
Olive Tree Community Worker											
Youthcape Worker											
<b>Totals</b>											

**Note 10 Stipends and Salaries and Associated Costs**

**Stipends**

Stipends were paid to 6 Presbyters [5.75 fte] (2022-23 [5.75 fte]) and were as follows

	Full Time (5)	Part Time (1)		General	CMTF	Desig (Ministers)	Restricted	Endow	Total	2023
National Insurance Contributions	14,382	1,777		16,159					16,159	14,688
Pension Fund Contributions	39,059	5,859		44,918					44,918	41,651
Stipends	148,104	21,780		169,884					169,884	157,530
Sundry Expenses & PC Allowances	21			21					21	322
Telephone	3,648	574		4,221					4,221	4,047
Travelling	6,600	703		7,304					7,304	6,357
Computers in Ministry	1,164			1,164					1,164	1,056
Removal, Stationing & Relocation Costs										
	<b>212,978</b>	<b>30,693</b>		<b>243,671</b>					<b>243,671</b>	<b>225,651</b>

The Circuit employs lay staff involved in both Administration and Mission work. The costs of these staff are shown below in their separate categories.

Administration Staff	Part Time			General	CMTF	Desig	Restricted	Endow	Total	2023
	Bursar	Admin	PA							
Nat Ins	374	49		422					422	233
Salary & Allowances	11805	9,141		20,946					20,946	15,903
Travel		46		46					46	
Pension costs		896		896					896	
Ex Gratia for Stand In Volunteer										2,550
	<b>12,179</b>	<b>10,132</b>		<b>22,311</b>					<b>22,311</b>	<b>18,686</b>

Contracted Hours (pw) 15 15 n/a

Mission Staff	Part Time			General	CMTF	Desig	Restricted	Endow	Total	2023
		Circuit Workers x1								
Nat Ins		754		754					754	585
Pension Costs										
Salary		14,083		14,083					14,083	12,790
Sundry Expenses										
Telephone										
Travel		546		546					546	644
IT Allowances		480		480					480	480
		<b>15,863</b>		<b>15,863</b>					<b>15,863</b>	<b>14,498</b>

Contracted Hours (pw) 20

Apprenticeship Levy 1,037 1,037 943

**Stipends & Salaries Totals**

**282,881 282,881 259,779**

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the Living Wage, as directed by Methodist Conference.

**Pensions**

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

On the other hand lay employees are contractually employees and have the option of joining a pension scheme which the Circuit has arranged with The Pensions Trust. This is a defined benefit scheme and the Circuit contributes as employer to this scheme.

The Connexion accounts for both pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts.

**Note 10a Cost of Superintendent, Presbyters and Trustees**

The Superintendent of the Circuit, the other Presbyters and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer’s NIC and employer’s pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

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

Each Presbyter is entitled to a 3 month sabbatical every 5 years and the expenses incurred by the Presbyter are met by the Connexion with the Circuit continuing to pay the stipend. During the year there have been 0 sabbaticals. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay. Had additional cover been required the cost of this is estimated at £9,859 (being one quarter of a single standard stipend plus National Insurance, Pension and other normally incurred expenses

	£	2023 £
Stipends of Presbyters <b>[6 actual (5.75 fte)]</b>	169,884	157,530
Employer’s National Insurance contributions	16,159	14,688
Employer’s pension contributions to a defined benefit pension scheme	44,918	41,651
<b>Total cost</b>	<b>230,961</b>	<b>213,870</b>

**Payments to trustees**

The Circuit has a published Expenses Policy which can be found on its website [www.southbedsmethodist.org.uk/](http://www.southbedsmethodist.org.uk/) It is generally not Circuit policy to reimburse non-Presbyteral members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Presbyters of the Circuit undertake the primary executive roles within the Circuit. Apart from the **[6]** Presbyters, Circuit Bursar, Administrator and Circuit Lay Worker no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling, entertaining and administration costs were reimbursed in relation to specific projects.

Travel and entertaining expenses have been reimbursed to 0 (2022-23: nil) non-Presbyteral trustees (members of the CLT) who, in aggregate, have received the cost of travel incurred in attending meetings of the CLT and/or other related commitments and this amounted to £Nil (2022-23: £nil). The travel costs of Presbyters who attended CLT and Circuit meetings is included within their overall travel expenses (detailed in Note 6) and is not separately determined.

**Note 11 Property Expenses**

The Circuit is Managing Trustee for 7 manses (2022-23 -7 ) and 1 (2022-23 - 1) investment properties. 5 manses are occupied by ministers stationed in the Circuit. The investment property (18 Clarence Road) was let for all of the year on an Assured Shorthold Tenancy. The property at 44a Bolingbroke Road is let on an Assured Shorthold Tenancy. With the exception of the let properties, the Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

The cost of ongoing maintenance and improvements to all properties is funded through a Designated "Manses" Fund and a transfer of £4,000 p.a. per manse is made from the General Fund. The level of transfer is reviewed by the trustees each year.

**Expenditure on Manses & Investment (Inv) Properties**

Manse	Council Tax	Insurance	Maint Contracts	Water Supply	General	CMTF	Desig (Manses)	Restricted	Endow	Total	2023
					Sub Total		Repairs Maint Improve				
Unallocated											1,481
10 Danvers Drive	3,117	377		366	3,861		300			4,161	8,225
18 Clarence Road		527			527		1,755			2,282	3,282
18 Malzeard Road	2,636	553		1,482	4,671		9,371			14,042	6,107
44A Bolingbroke Road							2,244			2,244	721
46 Luton Road	2,661	404		456	3,521		6,648			10,170	6,083
5 Kingsley Road	2,202	449		170	2,821		1,827			4,648	4,586
6 Friars Walk	3,320	483		1,060	4,863		1,318			6,181	5,237
6 Linnet Way	2,759	514		662	3,936		369			4,305	4,836
<b>Totals</b>	<b>16,696</b>	<b>3,308</b>		<b>4,196</b>	<b>24,200</b>		<b>23,832</b>			<b>48,032</b>	<b>40,558</b>

**Letting Expenses**

	Agents	Other	Insurance	General	CMTF	Desig	Restricted	Endow	Total	2023
	18 Clarence Road	2,023			2,023					2,023
44a Bolingbroke Road	1,663		484	2,148					2,148	1,780
<b>Totals</b>	<b>3,686</b>		<b>484</b>	<b>4,171</b>					<b>4,171</b>	<b>3,714</b>

**Other Property Expenses**

	General	CMTF	Desig (Quinns)	Restricted	Endow	Total	2023
		Rent	Utilities	Others			
Circuit Office Rent	900					900	900
Quinquennial Reports			5,592			5,592	2,886
Closed Chapels			188		7,704	7,892	3,902
Unoccupied Manses							
Manse Rental (Temp)							
Selling Fees							
<b>Totals</b>	<b>900</b>		<b>5,780</b>		<b>7,704</b>	<b>14,384</b>	<b>7,688</b>

**Property Totals**

<b>29,459</b>	<b>29,424</b>	<b>7,704</b>	<b>66,587</b>	<b>51,960</b>
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**Note 12 Office & Administration costs**

	General	CMTF	Desig	Restricted	Endow	Total	2023
District & Conference Minutes	849					849	570
Entertaining							
Ink & Toner	474					474	229
Bank Charges							
Independent Examiner's Fee	1,500					1,500	1,500
Office Telephone & Broadband							604
Other Admin Costs	17					17	39
Stationery, Copying, Postage	52					52	52
Travelling Expenses - Circuit Stewards							
Website	243					243	243
TMCP Admin/Investment Management Fees					154	154	159
Depreciation on Office Equipment							
Insurance (General)	186					186	186
Payroll	480					480	480
Accounting Software Subscription	180					180	135
Plan Making Software Subscription	346					346	58
<b>Totals</b>	<b>4,327</b>				<b>154</b>	<b>4,481</b>	<b>4,255</b>

**Note 13 District Assessment & Levy**

The District Assessment is calculated relative to the proportion of church members and staffing (Presbyters and Mission staff only) of all Circuits in the Beds, Herts & Essex District. 50% of the overall cost is calculated using relative membership proportions and 50% using relative staffing proportions.

The Levy is calculated on a sliding scale percentage of the Circuit's CMTF account balance as at 31 August the previous accounting year.

	General	CMTF	Desig	Restricted	Endow	Total	2023
District Expenses	16,570					16,570	15,990
Methodist Church Fund (MCF)	67,810					67,810	63,614
Levy on CMTF Funds		0				0	
	<b>84,380</b>	<b>0</b>				<b>84,380</b>	<b>79,604</b>

**Note 14 Other Outgoings**

	General	CMTF	Desig	Restricted	Endow	Total	2023
<b>Preaching &amp; Worship:</b>							
Local Preachers & Lay Pastoral Expenses							
Plan & Directory							
Preaching Fees & Travel	1,496					1,496	1,671
Resources	938					938	1,191
Zoom Licences							
<b>Other Expenses:</b>							
Training Courses/Events			3,031	3,830		6,861	1,227
Mission Events	525					525	448
Miscellaneous							
<b>Totals</b>	<b>2,959</b>		<b>3,031</b>	<b>3,830</b>		<b>9,821</b>	<b>4,537</b>

**Note 15 Investment Management**

During the year the Circuit paid TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund, Restricted and Endowment Funds) management charges based on 0.2% of the value of the individual funds at the beginning of the year. [None of the individual amounts is considered material but are listed in Note 12 for information.]

Realised and Unrealised gains in the invested funds are listed below. More information can be found in Note BS9.

	General	CMTF	Desig	Restricted	Endow	Total	2023
Chapel St Trust 18819							
Lye Bequest for Poor Trust 3488					2,918	(1,673)	
Lye Bequest Trust 5719					195	(112)	
Circuit Music Fund Trust 16407							
Benev (Local)							
Drama (Local)							
Educn & Youth (Local)							
Circuit Model Trust Fund							
<b>Totals</b>					<b>3,112</b>	<b>(1,784)</b>	

**Note 15a Property Disposals/Revaluations**

The net gains or losses are detailed below.

Details	Carrying	Sale	Reval	Gain (Loss)	2023
Mount Pleasant Church	280,000	490,958		210,958	
Mount Pleasant Church CPF Levy		(172,383)		(172,383)	
	<b>280,000</b>	<b>318,575</b>		<b>38,575</b>	

**Note 16 Transfers between Funds**

The transfer between funds shown on the SOFA represents:

1. Expenditure and/or grants that had been agreed out of one fund but paid out of another fund
2. Investment income (net of charges) from Restricted/Endowment Funds which under the terms of the Funds may be used within Unrestricted Funds
3. Sums that were transferred from one fund to another under the direction of the trustees.

	General	CMTF	Desig	Restricted	Endow	Check
Manse Fund	(32,000)	(34,500)	66,500			
Ministers' Fund	(3,400)		3,400			
Training Fund						
Quinquennial Fund	(3,800)		3,800			
Investment Income	386				(386)	
Internal Grants (Ecumenical Community Worker)						
Property Sales (net proceeds from Gen to CMTF)	(280,000)	280,000				
Education & Youth Fund	(500)			500		
Benevolent Investment Income				1,348	(1,348)	
Assessment Equalisation Fund	19,870		(19,870)			
Loan Repayments	(6,000)	6,000				
CMTF Grants and Loans	21,259	(23,610)		2,351		
Chapel Street	7,720				(7,720)	
Circuit Worker	15,000	(15,000)				
<b>Totals</b>	<b>(261,465)</b>	<b>212,890</b>	<b>53,830</b>	<b>4,199</b>	<b>(9,454)</b>	

**Note 17 Reclassification of Funds**

Any fund whose classification has changed (e.g. Restricted to Unrestricted or vice versa) at the direction of the Circuit trustees or Custodian trustees is listed below.

Circuit property is always carried in the General Fund but upon sale the net proceeds are processed through the Circuit Model Trust Fund. This requires an adjustment and any such sales during the year are reflected below at the gross sale price

Details	General	CMTF	Desig	Restricted	Endow	Total	2023
[Insert details of fund to be reclassified]							
[Insert details of fund to be reclassified - contra]							
<b>Totals</b>							

**Note 18 Other Gains or Losses**

Are tabulated below

Details	General	CMTF	Desig	Restricted	Endow	Total	2023
<b>Totals</b>							

**Note BS1 Manses & Other Property**

Buildings comprise of 7 (7 - 2023) manses located in Luton, Dunstable, Toddington and Leighton Buzzard and 1 church (1) at Luton Road, Dunstable.

Investment Properties are 1 manse ( 2023 - 1 at 18 Clarence Road) at 18 Clarence Road.

Duringn the year the church at Mount Pleasant was sold at a figure in excess of book value. The realised gain is accounted for elsewhere in these accounts.

Luton Road church was professionally valued by Jackson-Stops for the purposes of establishing its capital value as reported within these financial statements. During the year contracts were signed and exchanged for the sale of Luton Road church at a gross price of £355,000. Completion is scheduled for 27/9/24 and the resultant gain on book value will be accounted for in 2024/25.

Office equipment consists of Desktop/Laptop/Printers

**1.1 Cost or valuation**

	Investment Properties	Land	Buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equip't	Assets under Construction	Total
	£	£	£	£	£		£
Balance brought forward	350,000		1,989,381		5,707		1,995,088
Additions in the year							
Revaluations (see Note 15a)							
Less: Disposals in the year			(280,000)				(280,000)
Transfers between categories							
<b>Balance carried forward</b>	<b>350,000</b>		<b>1,709,381</b>		<b>5,707</b>		<b>1,715,088</b>

**1.2 Accumulated depreciation and impairment provisions**

	Basis	Land	Buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equip't	Assets under Construction	Total
	Rate						
		N/A	N/A	SL	SL		
					3 YEARS		
Balance brought forward					5,707		5,707
Depreciation charge for year							
Impairment provisions							
Revaluations							
Disposals							
Transfers							
<b>Balance carried forward</b>					<b>5,707</b>		<b>5,707</b>

**1.3 Net book value**

Brought forward	350,000		1,989,381				1,989,381
<b>Carried forward</b>	<b>350,000</b>		<b>1,709,381</b>				<b>1,709,381</b>

**Schedule Of Manses, Investment Property & Churches Closed for Worship**

Property	Type	Value
10 Danvers Drive	manse	232,017
6 Linnet Way	manse	232,000
18 Malzeard Road	manse	276,424
44A Bolingbroke Road	manse	182,336
46 Luton Road	manse	178,215
5 Kingsley Road	manse	204,999
18 Clarence Road	investment	
6 Friars Walk	manse	218,390
Luton Road	church	185,000
Mount Pleasant	church	
		<b>1,709,381</b>

**Note BS2 Investment Assets (and Trustees for Methodist Church Purposes (TMCP))**

The funds that support the Circuit Model Trust Fund and the Circuit's other funds (as listed below) are held by TMCP in Trustees Interest and/or Managed Equity Funds on which interest and dividends are credited to the accounts each month/quarter. These are regarded as medium and long term investments.

TMCP is the legal owner and custodian trustee of all Methodist model trust property, including legacies, endowments and accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the managing trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

	Price (£)
2C100 - CFB Managed Mixed Fund	5.41700
2C120 - CFB Managed Equity Fund	
2C122 CFB Managed Fixed Int Fund	
2C110 - Trustees Interest Fund	n/a

	CMTF Trust 10279	Designated Mt. Pleasant	Chapel St Trust 18819	Lye Bequest Trust 3488	Lye Bequest Trust 5719	Music Fund Trust 16407	Total	Grand Total	2023
	£	£	£	£	£	£	£	£	
2C100 - No Units				7,500	501			8,001	8,001
2C120 - No Units									
2C122 - No Units									
2C100				40,628	2,714		43,341	43,341	40,229
2C120									
2C122				40,628	2,714		43,341	43,341	40,229
2C110	301,018	10,000	1	4,945		1,336	6,282	317,300	13,956
	<b>301,018</b>	<b>10,000</b>	<b>1</b>	<b>45,573</b>	<b>2,714</b>	<b>1,336</b>	<b>49,623</b>	<b>360,641</b>	<b>54,185</b>

**BS3 Debtors & Prepayments**

With the exception of items marked thus (\*) all sums shown as Debtors at 1 September 2023 were received during the following year. All sums paid in advance at 1 September 2023 were for activities that have been held during 2023-24. Similarly, it is expected that payments in advance at 1 September 2024 will be expensed in 2024-25.

	General	CMTF	Desig	Restricted	Endow	Total	2023
<b>Trade Debtors</b>							
Council Tax Refunds							
Luton Road Methodist (balance)							
Other Debtors	*						31
St John's Loan Repayment							
Stipends Reimbursement/Grant							
Tenancy Deposits							
<b>Prepayments</b>							
Stipends, Pension, NI	19,436					19,436	19,226
Methodist Insurance	4,325					4,325	3,979
Other Prepayments	113					113	113
Professional Fees							
<b>Totals</b>	<b>23,875</b>					<b>23,875</b>	<b>23,349</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2024

**BS4 Loans to Churches**

Loans to churches within the Circuit may be granted by the trustees for a variety of purposes. All loans funds are sourced from the CMTF and are interest free. The asset, however, is carried in the General Fund and repayments are transferred back to the CMTF. The agreed repayment date (if set) is shown in the table below.

Church	Date Granted	Amount	Period	Balance Brought Forward	Additions	Repaid this year	Balance Carried Forward
		£		£	£	£	£
St Margarets	Sep-2018	30,000	5 years	6,000		6,000	
St Johns	Feb-2020	30,000	2 years				
<b>Totals</b>				<b>6,000</b>		<b>6,000</b>	

**BS5 Central Finance Board (CFB) and Bank balances**

Monetary balances held at the Central Finance Board of the Methodist Church and at Co-operative Bank plc are all available on demand without loss of interest. The split of these balances across General, Designated and Restricted Funds is arbitrary but wherever possible balances are not shown as negative.

	General	CMTF	Desig	Restricted	Endow	Total	2023
Central Finance Board	130,092	23,571	218,405	11,066		383,134	396,779
Co-operative Bank	123,324	(20,500)	(81,527)	(6,203)		15,094	5,428
Cash in hand	46					46	46
Sub Total	123,369	(20,500)	(81,527)	(6,203)		15,140	5,474
<b>Totals</b>	<b>253,461</b>	<b>3,071</b>	<b>136,879</b>	<b>4,863</b>		<b>398,274</b>	<b>402,254</b>

**BS6 Creditors, Accruals and Income in Advance**

It is expected that all sums accrued at 31 August 2024 will be paid during the year to 31 August 2025

	General	CMTF	Desig	Restricted	Endow	Total	2023
<b>Income in Advance</b>							
Assessments in advance	97,269					97,269	89,222
Letting Income	1,197					1,197	945
District Grant - HRDCD	2,919					2,919	2,919
<b>Creditors and Accruals</b>							
Ministers' & Staff expenses	1,641					1,641	704
Insurance	4,325					4,325	
Other Expenses							2,100
Office Rent							900
Others	131		303	950		1,384	49
Preaching Fees & Expenses							258
Stipends, Pension, NI							
Taxation and Social Security							
Other Prepayments							
Agency Collections held over				125		125	
<b>Totals</b>	<b>107,482</b>		<b>303</b>	<b>1,075</b>		<b>108,860</b>	<b>97,097</b>

**BS6a Grants payable in next financial year**

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2024

See Note BS7  
[and Note 9 for individual detail]

General	CMTF	Desig	Restricted	Endow	Total	2023
	16,330				16,330	31,795
	<b>16,330</b>				<b>16,330</b>	<b>31,795</b>

**Maturity Analysis of Financial Instruments**

	Accrued at 1 Sept 23	Paid in year	Accrual made in year	Accrued at 31 Aug 24
Assessments in advance	89,222	(89,222)	97,269	97,269
Ministers' & Staff expenses	704	(704)	1,641	1,641
Contractors				
Other Expenses	3,307	(3,307)		
Letting Income	945	(945)	1,197	1,197
Others			4,456	4,456
District Grants	2,919	(2,919)	2,919	2,919
Stipends, Pension, NI				
Taxation and Social Security				
Other Prepayments				
<b>Totals</b>	<b>97,097</b>	<b>(97,097)</b>	<b>107,482</b>	<b>107,482</b>

**BS7 Commitments**

Some grants are payable in annual instalments. Since the Circuit recognises the moral responsibility to meet future instalments of grant, all future instalments are shown as liabilities on the balance sheet.

The following analyses, which should be read in conjunction with Note 9, are provided:

The total of anticipated grants stated below is comfortably within the balance of each of the respective Funds as shown in notes BS8 and BS9. It is the policy of the Circuit not to allow the future commitments of grant to exceed

**[Comparative commitments are not required]**

	General	CMTF	Desig	Restricted	Endow	Total
End of year commitments to pay one-off grants or the first instalment in a future year		60,000				60,000
Anticipated second or subsequent instalments where the first instalment was paid in 2023-24 or earlier		13,330				13,330
<b>Total anticipated commitment 31 Aug 2024</b>		<b>73,330</b>				<b>73,330</b>

**Grants payable by year**

	General	CMTF	Desig	Restricted	Endow	Total
Next Year (2024-25)		16,330				16,330
2025-26		12,000				12,000
2026-27		12,000				12,000
2027-28		12,000				12,000
2028-29		12,000				12,000
Later		9,000				9,000
<b>Total later than 1 year</b>		<b>57,000</b>				<b>57,000</b>
<b>Total anticipated future commitment</b>		<b>73,330</b>				<b>73,330</b>

**BS8 Unrestricted Funds**

**BS8.1 General Fund**

Balance	31-Aug-24	2023
	2,229,235	2,483,367

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 95% of this fund is held as a freehold or leasehold property, being manses for ministers, investment properties and, from time to time, redundant chapels in the Circuit. Details of the grants and donations made from the General Fund during the year can be found in Note 9.

The Circuit Meeting is aware that grant applications must demonstrate public benefit and this is true for all funds.

**BS8.2 Circuit Model Trust Fund**

Balance	31-Aug-24	2023
	230,759	23,611

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit. Its main source of income is legacies and formulaically determined contributions from the sale of manses and church buildings in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds. Methodist Standing Orders 930, 931 and 917(2) are applicable.

**BS8.3 Designated Funds**

	31-Aug-24	2023
Balance	146,576	115,001

These funds are to serve specific purposes but are not restricted by any document or deed to that purpose alone. Movements in these funds are set out in Note BS10 below and the details of the specific funds are as follows:

- Manses** - Receives an annual transfer from the General Fund based on the number of functional and investment manses and against this is charged routine maintenance, repairs and, as the need arises, refurbishments
- Ministers** - Receives an annual transfer calculated on the number of ministers and is used as a provision to meet the removal costs of new presbyters joining the Circuit
- Training** - Receives an annual transfer from the General Fund and acts as a provision to meet the costs of relevant training courses. A formal application process is in place and the fund is also open to applications from members of churches within the Circuit as well as Circuit staff
- Quinquennial** - The Circuit is responsible for arranging an inspection of all its own properties, as well as those of its churches, every five years. Such inspections are carried out by a Qualified Surveyor. The costs of all inspections are met by the Circuit and generally known as the Surveyor(s) is under contract. The frequency and cost of individual inspections is not uniform therefore the five year cost is assessed at the start of the cycle and one fifth of the known/estimated cost is transferred from the General Fund each year. It is therefore possible for this fund to show a negative balance
- Assessment Equalisation** - Funded from a portion of the sale proceeds of closed churches and used to subsidise the consequential additional Assessment costs on the remaining churches over a period of 3 years
- Lay Salaries** - Funded from prior year savings on budget v actual overall employment costs (ministers and lay workers) and used to part fund lay salaries over future years

**BS9 Restricted and Endowment Funds**

	31-Aug-24	2023
Restricted Funds Balance	3,788	6,803
Endowment Funds Balance	49,623	54,166

The restricted and endowment funds exist to support the causes listed below. All the funds' assets (except those restricted funds which are managed locally) are managed by TMCP and the net income (after charges) is paid direct to the administrators of the fund. Each fund listed below is categorised according to the following key:

- (EE)** - {Expendable Endowment} Capital available with restrictions.
- (PE)** - {Permanent Endowment} Capital unavailable
- (RL)** - {Locally Restricted} Capital and interest available

- Benevolent Fund (RL)** - Receives interest from the "Lye" funds below and is restricted to provide support for the poor and needy of the Circuit
- Drama Fund (RL)** - No regular funding but the capital is available for drama related projects within the Circuit
- Education & Youth Fund (RL)** - Currently funded by an annual transfer of £500 from the General Fund. The capital may be used for any educational or youth purpose within the Circuit. A formal policy exists and there is a set application procedure
- Chapel Street Fund (EE)** - The interest from this fund is available for general Circuit purposes without restriction. The capital is available to support "Inner City Mission within the Luton area"
- Lye Bequest (PE)** - There are two funds both set up to provide support for the poor and needy of the Circuit. Only the interest from these funds is available and this is transferred to the local fund detailed above. Grants are made on a confidential basis and there is a written policy in place to ensure fairness of allocation and distribution

Movements during the year were as follows:

	Restricted	Endow	Total
Market value at 1 September 2023	6,803	54,166	60,969
Income received during the year net of charges	5,196	1,954	7,150
Grants paid during the year	(1,376)		(1,376)
Net unrealised gain on the value of investments		3,112	3,112
Investments sold			
Other Expenditure	(11,534)	(154)	(11,689)
Future insallment of grants			
Provisions released	500		500
Transfers to/from other Funds	4,199	(9,454)	(5,255)
<b>Market value at 31 Aug 2024</b>	<b>3,788</b>	<b>49,622</b>	<b>53,411</b>
This is made up as follows:			
2C100 - CFB Managed Mixed Fund		43,341	43,341
2C120 - CFB Managed Equity Fund			
2C122 - CFB Managed Fixed Int Fund			
2C110 - Trustees Interest Fund		6,282	6,282
Debtors/Creditors	(1,075)		(1,075)
Bank, CFB and cash balances	4,863		4,863
Provisions for future Grants (agreed)			
<b>Total</b>	<b>3,788</b>	<b>49,623</b>	<b>53,413</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2024

**BS10 Summary of fund movements**

Fund	Balance at 01/09/2023	Income	Expenditure	Transfers	Grant Provisions [Net]	Gains / Losses	Balance at 31/08/2024
	£	£	£	£		£	£
General	2,483,366	411,340	(404,006)	(261,465)			2,229,235
Circuit Model Trust	23,611	3,684	(19,295)	212,890	(28,705)	38,575	230,759
<b>Total unrestricted and undesignated</b>	<b>2,506,978</b>	<b>415,024</b>	<b>(423,302)</b>	<b>(48,575)</b>	<b>(28,705)</b>	<b>38,575</b>	<b>2,459,994</b>
Manses	75,236		(23,832)	66,500			117,904
Ministers	7,051			3,400			10,451
Training	12,152	200	(3,031)				9,321
Quinquennial Inspections	692		(5,592)	3,800			(1,100)
Assessment Equalisation	19,870			(19,870)			
Ex Mount Pleasant (for any Circuit purpose)- [held by TMCP]		10,000					10,000
<b>Total designated</b>	<b>115,001</b>	<b>10,200</b>	<b>(32,455)</b>	<b>53,830</b>			<b>146,576</b>
<b>Total unrestricted</b>	<b>2,621,979</b>	<b>425,224</b>	<b>(455,757)</b>	<b>5,255</b>	<b>(28,705)</b>	<b>38,575</b>	<b>2,606,570</b>
Benev (Local)	6,607		(230)	1,348			7,725
Drama (Local)	818						818
Educn & Youth (Local)	3,126	3,480	(4,976)	500	500		2,630
Luton Road	(2,978)	486	(4,893)				(7,385)
Mount Pleasant	(770)	1,230	(2,812)	2,351			(0)
<b>Total Restricted</b>	<b>6,803</b>	<b>5,196</b>	<b>(12,910)</b>	<b>4,199</b>	<b>500</b>		<b>3,788</b>
Chapel St Trust 18819	7,721	408	(22)	(8,106)			1
Lye Bequest for Poor Trust 3488	42,655	1,401	(122)	(1,279)		2,918	45,573
Lye Bequest Trust 5719	2,519	76	(7)	(69)		195	2,714
Circuit Music Fund Trust 16407	1,271	69	(4)				1,336
<b>Total Endowment</b>	<b>54,166</b>	<b>1,954</b>	<b>(154)</b>	<b>(9,454)</b>		<b>3,112</b>	<b>49,623</b>
<b>Total Restricted and Endowment</b>	<b>60,968</b>	<b>7,150</b>	<b>(13,064)</b>	<b>(5,255)</b>	<b>500</b>	<b>3,112</b>	<b>53,412</b>
<b>Total of all funds</b>	<b>2,682,947</b>	<b>432,374</b>	<b>(468,821)</b>	<b>0</b>	<b>(28,205)</b>	<b>41,687</b>	<b>2,659,981</b>

**BS11 Analysis of net assets between funds**

Fund balances at 31 August 2024 are represented by:

	General	CMTF	Desig	Restricted	Endow	Total	2023
Tangible fixed assets	1,709,381					1,709,381	1,989,381
Fixed asset investments	350,000					350,000	350,000
Investments					43,341	43,341	40,230
Current assets	277,336	304,089	146,879	4,863	6,282	739,449	347,071
Current liabilities	(107,482)	(16,330)	(303)	(1,075)		(125,190)	(13,830)
Creditors due after one year		(57,000)				(57,000)	(16,295)
	<b>2,229,235</b>	<b>230,759</b>	<b>146,576</b>	<b>3,788</b>	<b>49,623</b>	<b>2,659,981</b>	<b>2,696,557</b>

**BS12 Related Parties**

None of the Circuit trustees made donations direct to the Circuit during the year or in the preceding year. All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees in their Churches.

Related parties include the Methodist Connexion, the BEH District and Churches within the Circuit, other Methodist Districts in Great Britain, CFB and TMCP, except as reported in Note 10a. All of these entities have their own trustees or directors.

None of the figures tabulated below appear elsewhere in these accounts

Names of related parties	Party	Receipts	Payments	Adjustments	Balance due (from)/to the Circuit at 31-Aug-24
		£	£	£	£
Fund for Property		1,000	(1,000)		
Mission in Britain		864	(864)		
Presbyters & Deacons		500	(500)		
Fund for Training					
Necessitous Local Preachers		50	(50)		
Methodist Church Fund					
LWPT					
World Mission		553	(553)		
JMA		543	(543)		
BEH District	HRCDC Charity Ann Grant	7,000	(7,000)		
		<b>10,510</b>	<b>(10,510)</b>		

**BS13 Agency Collections and Payments**

The Circuit acted as agent in either the collection or facilitation of the monies tabulated below. None of these collections were for related parties as defined in Note BS12 above and do not appear elsewhere in these accounts.

Name of entity	Brief details	Receipts	Payments	Adjustments	Balance due (from)/to the Circuit at 31-Aug-24
		£	£	£	£
Circuit Churches Members	A Rocha	125			125
		<b>125</b>			<b>125</b>

**BS14 Volunteer Contributions**

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. In the Circuit the principal contribution is by serving on committees of the Circuit that deal with mission, manse, finance, policy, grants, training, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this Circuit to value the non-monetary contributions to the Circuit in monetary terms.

**BS15 Capital commitments and contingent liabilities**

Nil (2022-23 Nil)

**BS16 Lease commitments**

The Circuit has contracts or obligations for the following:

Office accommodation which is an informal arrangement with a church within the Circuit and a contribution of £900 was made during the year (2022-23- £900) to cover heating and lighting costs

In addition there are short term obligations as follows:

Telephones at the Circuit manses

The total annual cost of these is not considered material.

**BS17 Independent examiner**

No accrual has been made for the fee of the independent examiner.

The independent examiner provided no additional services during the year

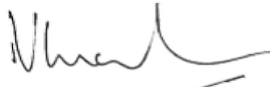
Name of Circuit :

**South Bedfordshire No 34/04**

**Declarations and Scrutiny**

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

Signature of treasurer



Date 17 October 2024

Name and address of treasurer: David James Hallworth ACIB

7 Windsor Close, Flitwick, Bedford MK45 1PT

**Presentation to the Circuit meeting**

I confirm that the annual report and accounts for the year ended 31 August 2024 were presented to the Circuit meeting held on: 20 February 2024

Signature of the Chair of the meeting: Rev Patrick Kandeh



Name of the Chair of the meeting: Rev Patrick Kandeh

Date 20 February 2024

**Independent Examiner's Report follows on the next page**

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

## Independent Examiner's Report to the Trustees of The South Bedfordshire Methodist Circuit

Charity Number 1134222

Year Ended 31 August 2024

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2024 which are set out on pages 1 to 30.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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 (other than that disclosed below) which gives me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity 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.

We draw your attention to Note BS1 on page 21 of the accounts, which refers to the disposal of the Luton Road Church where contracts were exchanged prior to the year end and completion took place subsequent to the year end. Whilst as at the year-end date there were some uncertainties in regard to the completion timetable, these were overcome and the sale proceeded. The Charity SORP (FRS 102) provides that in these circumstances the effect of the disposal (equating to an approximate net gain of £43k after the onward CPF levy payment) should be accounted for in the results of the year ended 31 August 2024. The trustees are instead reporting this gain in the results of the subsequent financial year ended 31 August 2025.

I have no other 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.

Theresa-Anne Warren FCA  
*Chartered Accountant*

GP Financial Management Ltd  
8 The Old Yard  
Lodge Farm Business  
Castlethorpe  
Milton Keynes  
MK19 7ES

Date:.....

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

## Independent Examiner's Report to the Trustees of The South Bedfordshire Methodist Circuit

Charity Number 1134222

Year Ended 31 August 2024

---

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Theresa-Anne Warren FCA  
*Chartered Accountant*

GP Financial Management Ltd  
8 The Old Yard  
Lodge Farm Business  
Castlethorpe  
Milton Keynes  
MK19 7ES

Date:.....

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

England & Wales - Charity number 1134222

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# Accounts

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# **THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

(Charity Registration No. 1134222)

## **TRUSTEES’ ANNUAL REPORT & FINANCIAL STATEMENTS**

**For the Year ending 31 August 2023**

### **Contents**

- **Annual Report**
- **Appendix “A” - Reserves Policy**
- **Summary Finance Report**
- **Financial Statements** (separate document)

## 1. Objectives and activities

In setting our objectives and planning our activities The Circuit Meeting (under the leadership of the Circuit Leadership Team [CLT]), as Circuit Trustees, meets at least three times in each year, has carefully considered the Charity Commissioners’ published guidance on public benefit and conforms to the Charities Act 2022.

Our mission and calling is to respond to the Gospel of God’s love in Christ and to live out its discipleship in worship and mission. In furtherance of this, we will use the circuit’s resources to:

- Increase awareness of God’s presence and celebrate God’s love
- Help people to grow and learn as Christians through mutual support and care
- Be a good neighbour to people in need and challenge injustice
- Make more followers of Christ
- In all the above we will seek to work ecumenically wherever possible

## 2. Achievements and performance

The principal purpose of the Circuit is to act as a supporting body between Churches, District and the Connexion. The Circuit is responsible for the selection and allocation of Presbyteral resources along with any lay workers who may be required in administrative and pastoral roles. Although the Circuit does have contact with the public, most of the direct contact is by the Churches within the Circuit.

The Circuit sets out its objectives through a “Next Steps” plan. This Plan is reviewed throughout the year and progress against the set objectives and strategies is monitored and documented. Action is taken where objectives are not being met. The Next Steps Plan serves as a dynamic tool and thus enables the Circuit to set goals and challenges on an ongoing basis.

### **Activities of the Circuit and its Churches and Community Engagement in 2022/23**

#### **Circuit Events**

The annual Open-air Circuit Service took place in July 2023 on Dunstable Downs. About once a quarter an EDI Circuit Service is held both face-to-face and on zoom to be as inclusive as possible.

A Circuit service at The Square was held for a visit by the President of the Methodist Conference.

Local Preachers’ celebration for long service awards.

The Circuit team welcomed a new Baptist Minister for the Olive Tree Local Ecumenical Partnership.

#### **Circuit Leadership Team**

The Circuit Leadership Team has been working towards a staffing strategy that takes into account the needs of the Circuit Churches in terms of ordained ministerial allocation, in conjunction with a reduced Circuit budget going forward.

### **Hightown Methodist Church**

Outreach activities in the Hightown Methodist Church in the 2022/23 Connexion year included a regular monthly coffee morning and networking with the Hightown community which led to a church meets the community gathering bringing together various professional from the Luton council and shop owners in the Hightown community. There was a community coral service held in December leading to the lighting of the Hightown Christmas tree.

### **Trinity Leighton Buzzard**

The monthly Messy Church is an important part of Trinity’s outreach and mission. Our paid Messy Church leader moved away in September 2022, and a team of volunteers at Trinity kept it going for a few months. nThis put a heavy burden on a few individuals, we therefore took the decision to appoint a new paid leader starting in February 2023 to ensure the continuity of this outreach.

In September 2022 we started a bi-weekly Games Fellowship afternoon at the church to which anyone is invited to play board games and enjoy a cup of tea.

As part of Fairtrade fortnight celebrations in the town In March Trinity hosted a Coffee morning on behalf of the local Fairtrade group which was very well attended, promoting fair trade at Trinity, across Leighton Buzzard and wider.

Following a gap of three years, Trinity once again had a stall at the Leighton Buzzard May Fair with activities for the children, providing a great opportunity to talk to families and invite them to our Early Church and Messy Church services.

To celebrate the coronation of King Charles III in May Trinity held a Coronation Tea which was attended and enjoyed by members and friends alike.

The church got together in June 2023 to consider its future at “Talking about Trinity”. This was an important event at which we examined our worship and work for God in Leighton Buzzard, our priorities and resources. Based on these conversations we are making changes to our worship, are examining our building and how we promote our presence to the population in Leighton Buzzard. This includes formation of a new committee = Community Action Group - to support Trinity’s engagement in public issues and those facing the wider community. After a concerted effort over three years Trinity was awarded the Silver Eco-Church award in June 2023.

In June we hosted a Volunteering Fair giving local charities an opportunity promotes their work to the public, and to get together and exchange news and ideas.

### **Strathmore Avenue Methodist Church**

Breakfast Club - twice a month, once for the homeless and the community, and once for families with children. Lunch Club - once a quarter by prior arrangement.

### **Farley Hill**

Tea ‘n toast once a week during term time Saturday morning Breakfast with Food bank collection once a month Lunch club once a month for over 55’s Messy church once a quarter for young families Visits at times of festivals from the local primary school

### **Toddington Methodist Church**

- Coffee Mornings – held monthly either by Church members, local community groups or charities. The Christmas coffee morning was led by The Pudding Club and music was provided by The Music Makers (community group) and Ukelele Group.
- The Community Garden is run by the Church with a few local volunteers. Organic fruit and vegetables plus herbs are available for everyone in the community to pick. There are also seats for people to enjoy the garden on sunny days.
- We run 2 Pudding clubs. A monthly one for adults and weekly ones for children. These are split into younger and older groups and are term time only.
- Bible study group. This meets weekly and is attended by 10-12 people. One attendee is from outside the village. She also attends the Pudding Club and Creative Space and her children also come to many activities.
- Guild and Games meet monthly and provides company, games and a short time of reflection. This is attended by mainly elderly people from the local community with a few Church members.
- Creative Space meets once a month for crafting sessions. This is mainly younger women from the community with a few Church members.
- Holiday Clubs run once a week in the summer holidays. This is run by Tania with help from the Church and many teenagers who have been to them in past years. They love being helpers!
- Food Bank – regular giving once a month
- Christmas Shoe Boxes
- Support for Noah and refugees (clothing and suitcases) in Dunstable
- Christmas Lunch after a service during December was attended by 40 people (some from community)
- Achieved Eco – church Bronze status in 2023 and continue to work towards reducing our carbon footprint further

Our Mission Enabler, Tania has had a significant input to all of these groups and activities which is very important for our work in the village. Currently we are working with Tania to update our Mission Plan.

There are two new housing estates built and we are working with the community to provide information to new residents.

### **Wigmore (Methodist/URC LEP)**

Friendship café twice a month in conjunction with the local GP surgery.

### **Mount Pleasant Methodist Church**

Ceased to meet in 2022 and a final celebration service was held.

### **Barton Methodist Church**

A ‘Tea-club’ is run by church members on the first Tuesday of each month attended by about 20 elderly ladies some of whom are affiliated to the church and some who are not. Home-made cakes and refreshments are served to the ladies. Dogs are welcome!

The Bright Hour meets on the third Tuesday of each month attended by a similar clientele as the Tea Club. This is an ecumenical group led by Methodist Church members with visiting speakers, followed by refreshments. Dogs are also welcome at this event.

### **St John’s Methodist Church**

Craft and Games Club continues after school on Mondays during term-time. Average attendance of primary age children is 25-30 + accompanying parents/carers. This group offers a welcoming and supportive Christian presence to the local community including families from other faiths and ethnic backgrounds.

A weekly coffee morning is held on Tuesdays during term-time which includes some parents from the Monday club, additional friends and the occasional passer-by.

As a church we have supported a church family with a successful charity event for the Luton & Dunstable hospital maternity services which raised over £9,000.

The local infant schools visit St John’s for educational visits at Christmas and Easter and the minister is invited into school to take assemblies for these Christian festivals.

The premises are let once a week to a Seventh Day Adventist congregation and an Asian Christian Fellowship group for worship.

The Boys Brigade meet weekly during term-time and invite parents and church representatives to award ceremonies and special events held in church.

There is a monthly Munch Club, when a cooked meal is prepared and served by church members. About 25-30 people are in regular attendance some from church and some non-church. A number of the regulars are pensioners who live on their own and enjoy the company and hot dinner provided.

### **High St, Leagrave**

The church has a number of regular lettings for the community, including a nursery, scouts and other worshipping communities as well as occasional lettings.

### **The Square Methodist Church, Dunstable**

Supports work with refugees and asylum seekers in the local area, improving English classes, basic cooking skills and protection of vulnerable women.

Extensive use of the premises for a wide range of community groups. The church is actively involved in civic events throughout the year.

### **Harlington Methodist Church**

The Methodist Church has good ecumenical links with the Parish Church and Life Church. The members run clubs on the premises for children and young people in the village to engage with the Christian story in a fun and creative way.

The church takes part in village events and at Christmas meets in the neighbouring pub for ‘Beer and Carols’ as part of their outreach. Church led craft groups and ladies groups meet on the premises as a place of welcome and friendship.

### **Oakdale**

Has a Roma worshipping community, as well as hosting the Zimbabwean fellowship. It has installed planters with flowers growing outside to improve the environment on its busy street corner in Bury Park, which before attracted fly tipping and a lot of rubbish. It is looking to install a bench as well.

### **Eaton Bray Methodist Church**

Is exploring the idea of project to transform their historic premises into a retreat/worship centre as a District resource.

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Under the heading, *Collaborative arrangements with connected charities* (3.3 below) there is information on how we obtained our funds. In this paragraph, we show how they were spent. The money collected, or available for disbursement, was used exclusively for the following purposes

- the stipends and associated employment costs of our presbyteral staff
- the employment costs of our lay employees
- the cost of Quinquennial property inspections on our Circuit churches and manses
- by way of a set annual provision, the repairs, maintenance and refurbishment of our manses
- by way of set annual provision, the training needs of our staff and church member

Through our Circuit Model Trust Fund (CMTF) we make grants to support Circuit churches in their work in their local communities. Such grants may be for specific mission related projects or to assist with property projects. The Circuit may also make grants direct to external bodies, for example, to assist with ecumenical projects.

The policy of the Trustees on grant making is to ensure that all applications can demonstrate public benefit, pass a test of sustainability, show that there is a commitment from the applicant organisation (e.g. the Circuit grant is only a part of the total funding) and show imagination and creativity as well as a perceived need for that which the grant is being applied.

Details of the grants made in this financial year are set out in the attached Financial Statements. It should be noted that it is the Circuit policy to provide for the full amount of any grant, in the year of commitment, even if the drawdown of such grant is over an extended period.

Churches that have received grants from the Circuit will show these in their own Trustees’ Annual Report (where this is required to be prepared) along with details of their achievements from the activities undertaken because of receiving the grant.

### **3. Financial Review**

The Financial Statements are included as part of this Report and give a full and detailed disclosure of the income and expenditure of the Circuit covering our Unrestricted Funds (including Designated Funds) and Restricted Funds. There were no significant events during the year.

The Circuit has the following principal sources of funds which are used to administer the Circuit:

- Investment income and gains
- Assessments on Churches within the Circuit

The Trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because Churches continue to meet their Assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two. However, the trustees are conscious that the Circuit is dependent upon the Assessment on churches to maintain its current overall level of staffing. Therefore, we have systems in place to monitor the financial health of our churches and recognise that the overall financial resources of churches are finite.

#### **3.1 Investment Policy and Performance**

To comply with Methodist Standing Orders, monies for long-term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unlisted investments or held on deposit. The investment returns are close to tracking movements in the FTSE 100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit Trustees’ investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and TMCP because these organisations take onto consideration the social, environmental and ethical issues (both positively and negatively) that make investments suitable for the Methodist Church.

Short term deposits, not required for immediate cash flow, are lodged directly with CFB and attract good rates of interest.

There are no other benchmarks for the expected returns on investments at TMCP and CFB. The objective for the Circuit is a rate of return at least as good as market rate considering the trustees’ low appetite for risk.

#### **3.2 Reserves Level and Policy**

This is set out as a separate document and appears at Appendix “A”

### **3.3 Collaborative arrangements with connected charities**

The Circuit’s main source of funding is the Assessments obtained from each Church within the Circuit. The Assessment is based on a formula which utilises the membership of each church and factored net income. The net income calculation is designed to take into account the relative costs of heating, lighting and insurance, together with a notional allowance for repairs and maintenance in order to place each church on a comparable baseline.

The Circuit holds no funds as custodian trustees. It does, however, receive on an ad hoc basis funds from Churches for Methodist Connexional Funds. These sums are collected as agent for The Connexion and are passed to the Connexion on a regular basis. In addition, the Circuit may receive grant monies from both the District, and/or the Connexion where an application has been made by the Circuit to fund an external organisation. Such funds received by the Circuit are not recognised in the Financial Statements because the funds are not within its control. No fee is earned in respect of the agency arrangement and the Circuit incurs no cost through this arrangement.

## **4. Future Plans**

The Circuit’s strategy for the future is contained within its “Next Steps” initiative. In essence this involves determining our evolving mission strategy and adapting it to meet changing circumstances within our churches.

No small part of this is ensuring that our stated mission strategy can be delivered within our available financial resources. In this connection, as a matter of policy, we strive to fund our day to day regular expenses from current income. We are generally averse to subsidising normal operating costs from reserves (usually generated from the sale of capital resources).

Given, our operating income is almost wholly provided by the churches within the Circuit, we monitor very closely the ongoing financial health of our churches. Recognising that since Covid individual church finances are under pressure, our “Next Steps” initiative is to restructure the Circuit so that it can successfully operate with a reduced compliment of ministers. The plan is to reduce the number of full time equivalents to four by September 2026.

## **5. Trustees’ responsibilities**

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

- ✓ Select suitable accounting policies and applied them consistently;
- ✓ Observe the methods and principles in the Charities SORP (FRS102);
- ✓ State whether applicable UK Accounting Standards have been followed, subject to any material departures which are explained in the financial statements;
- ✓ Make judgements and estimates that are reasonable and prudent;
- ✓ Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

## **6. Structure, governance and management**

The Circuit is an unincorporated charitable association governed by the Methodist Church Act 1976, the Deed of Union and the Model Trusts of the Methodist Church and was registered with the Charity Commission on 9 February 2010 (previously registered as Chiltern Downs Methodist Circuit under the same number

The primary purpose of the Circuit is to advance the mission of the Church in South Bedfordshire by:

- Providing opportunities for Churches to work together and support each other
- Offering to Churches resources of finance, personnel and expertise

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 or subsidiary or ancillary to the Methodist Church; any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

### **6.1 Organisational structure**

- Overall control rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of ministers in individual Circuits.
- Connexional decisions are passed to the Chair of the District and the appropriate Officers of the District for regional implementation.
- The District passes the control down to Circuit level for local implementation by the Superintendent Minister(s), ministerial staff and Circuit Stewards via the medium of the Circuit Meeting.
- The membership of the Circuit Meeting is laid down in the Constitutional Practices and Discipline of the Methodist Church. In simple terms the Circuit Meeting is made up of representatives from the churches within the Circuit (a minimum of 3 from each church, elected by the Church Council -there may be more as determined by the size of membership of the church), Circuit Ministers, Circuit Stewards and other office holders undertaking Circuit roles. Together, the members of the Circuit Meeting are the Managing Trustees of the Circuit.

Certain matters, principally those relating to property issues, need to be referred to the District (and the Connexional office - through the Trustees for Methodist Church Purposes [TMCP], acting as Custodian Trustees), but most matters are determined by the Circuit Meeting itself. The

Circuit operates with a Circuit Leadership Team (made up of Circuit Stewards, Ministers and certain Lay Employees) which evolves policy and makes recommendations to the Circuit Meeting.

The South Bedfordshire Methodist Circuit comprises 19 churches located in Luton, Dunstable, Leighton Buzzard and the surrounding villages. They are listed below:

Aley Green	Barton	Beech Hill	Edlesborough
Farley Hill	Dunstable, The Square	Eaton Bray	High Town
Kensworth	Gravenhurst	Harlington	Olive Tree (St Margarets LEP)
Strathmore Avenue	Leagrave, High Street	Leighton Buzzard, Trinity	Toddington
Wigmore (Methodist URC LEP)	Oakdale	St John’s	

#### 6.1.1.1 Trustees

The Managing Trustees are the elected members to the Circuit Meeting. Owing to the number of individual churches in the Circuit and the fact that the majority of the Circuit Meeting members are those elected by individual churches, the make up of the Meeting is subject to frequent changes. The names of the trustees who served during the Connexional year 2022/23 are listed at 6.6 below. A current list of Trustees can be found on the Charity Commission website.

## 7. Reference and Administrative Details

- 7.1 Name of the charity**  
The South Bedfordshire Methodist Circuit
- 7.2 Charity registration number**  
1134222, registered in England and Wales
- 7.3 Principal Office**  
Office 3, Hightown Methodist Church,  
49 High Town Rd  
Luton  
Bedfordshire  
LU2 0BW
- 7.4 Superintendent Minister**  
Rev Patrick Kandeh
- 7.5 Circuit Bursar**  
Mr David Hallworth ACIB  
7 Windsor Close  
Flitwick MK45 1PT

**7.6 Names of Trustees**

Valerie	Alderman	Pearl	Mathieson
Fiona	Arcscott Smith	Jane	McFarland
Albert	Baker	Ann	Meader
Peter	Baker	Raja	Muthusami
Richard	Ball	Janice	Nelson
David	Bell	John	Nelson
Jeanne	Bell	Margaret	Newman
Nigel	Bibbings	Ishmael	Opoku- Gyamfi
Marion	Borgars	Roger	Owers
Gloria	Bradley-Marriot	Lawrence	Patterson
Andrew	Burchell	Ruth	Payne
Ann	Cassidy	Sue	Penn
Betty	Croft	Christine	Pepworth
Pauline	Doody	Sheila	Pollard
Ivor	Edwards	Jo	Prowse
Wallace	Edwards	Colin	Quine
Marjorie	Fleming	Jackie	Roberts
Anne	Gray	Brian	Roe
Sheila	Green	Steve	Rogers
Michael	Hare	Christina	Salmon
Rosemary	Hare	Clive	Salmon
Gillian	Henley	David	Sear
Michael	Henley	Cathy	Sheehan
Helen	Hodder	Joanne	Sherwood
Janet	Hornsby	Brenda	Shields
Charles	Horsefield	Terry	Sissons
Enid	Horton	Alan	Smith
Melda	Husband	Sue	Stokes
Terence	Ilott	Glynnis	Thompson
Gill	Jardine	Ken	Waller
Seung- Wook	Jung	Martin	Wallis
Patrick	Kandeh	Norman	Willis
Sheila	Kay	Alison	Wilson
Sheila	Marsden		

**7.7 Bankers**

The Co-operative Bank plc  
 PO Box 250  
 Delf House  
 Skelmersdale WN8 67WT

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

**7.8 Investment Managers**

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

**7.9 Independent Examiner**

Theresa-Anne Warren  
 GP Financial Management Ltd.,  
 8 The Old Yard  
 Lodge Farm Business Centre  
 Wolverton Road  
 Castlethorpe  
 Milton Keynes MK19 7ES

**7.10 Quinquennial Inspectors**

Cube Building Consultancy Ltd  
 Suite 2, Franklin House  
 2 Steppingley Road  
 Flitwick MK45 1AJ

**Approvals**

The Trustees’ Report and the Financial Statements were approved by the Circuit Leadership Team and were presented to the Circuit Meeting on 20 February 2024

Patrick Kandeh (signed)	David Hallworth (signed)
<p>Rev Patrick Kandeh                      Superintendent and Chair of Meeting                      June 2024</p>	<p>David J Hallworth ACIB                      Circuit Bursar                      June 2024</p>

## **The South Bedfordshire Circuit**

### **Reserves Policy 2023/24**

This document includes all funds held by the Circuit Meeting as charity trustees.

Our Reserves Policy relates to our general (unrestricted) funds which are available to be used for any or all of the purposes of the Circuit. It also notes the management of our restricted and endowment funds.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all of its money not simply that which is defined as reserves.

#### **Aim**

Our aim is twofold:

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

#### **Mission Policy**

Our financial resources help us to underpin the Circuit’s Mission by:-

- (a) The support of the ministry and mission of the local churches in the Circuit, including ministerial oversight, outreach opportunities and mission projects some or all of which may be unrelated to capital expenditure
- (b) The support of a ministry team of presbyters, a part-time Circuit bursar a part time Circuit administrator and a part time Circuit Workers the numerical mix of which is determined by our staffing strategy which is reviewed annually.
- (c) The maintenance of the eight Circuit manses, including two let externally at a market rent.
- (d) Supporting mission-oriented building projects, repairs and alterations.

#### **Financial Plans**

The Circuit’s Unrestricted Funds also includes the Circuit Model Trust Fund (CMTF). However, Connexional approval has to be sought to confirm any proposed use of these CMTF funds is in compliance with Standing Orders.

The Circuit Assessment is reviewed annually and provides substantially towards the overall Circuit costs. It is based on an agreed formula which seeks to ensure that each church pays a level of contribution which is proportionate to its peers. The Circuit Meeting is the final arbiter of the Assessment contribution from each church. Circuit Reserves may also be used to help meet these obligations; in particular to part fund lay personnel costs.

We make provision for our property maintenance programme by budgeting £28,000 (£3,500 per manse), as a contribution to a Provision Fund, to maintain our manses.

Subject to the constraints of our Reserves Policy (below) grants or loans from reserves are also available to support new and existing mission projects and may also be available for building repairs and projects provided the applicant church has a strong mission focus and can demonstrate financial viability. It is not always possible to predict when such grants might become necessary, as a church might suddenly need a short term loan to enable work to proceed expeditiously. Generally, we will contribute, up to 50% of project work. Such grants are subject to our Circuit Model Trust Fund policy (see below) and the availability of uncommitted funds held.

Local Church Council approved applications for Circuit funds will be made to the Circuit Leadership Team (CLT) for evaluation and support and then brought before the Circuit Meeting for approval or otherwise.

## **RESERVES POLICY**

### **Introduction**

The Circuit has a wide cross section of Funds some of which are unrestricted (including designated Funds) and others are restricted.

The “Funds at a Glance” attached to this document is an integral part of our Reserves Policy and should be read in conjunction with it. As a general principle, we now quote our closing Fund balances on an uncommitted basis. That is to say that at the close of each financial year any known and agreed future commitments are provided for in full. Therefore, at any given time the level of uncommitted resources can be clearly seen

### **Unrestricted Funds**

#### ***General and Designated Funds***

The General Fund at **£143,985** (excluding tangible assets, Designated Funds and loans to churches) represents about 3.9 months budgeted expenditure (net of income for CMTF grants). Our policy is to hold about 3 months of gross expenditure as a reserve, and this is considered to be the absolute minimum and falls short of the Connexional recommendation of 6 months. However, it effectively caters for the default of all churches not paying their Assessment in the same quarter – the chances of this are considered highly unlikely.

If General reserves fall below our target, we will seek approval from the Circuit Meeting to make up any shortfall from either or a combination of:

1. an increase in Assessments the following year.
2. A portion of the sales proceeds of any properties sold or in the course of sale
3. A transfer of funds from the CMTF

If General Reserves are above the target 3 months cover of normal gross expenditure, the surplus will be either:

1. Transferred to the CMTF
2. Held as a surplus reserve and depleted to the target level the following year by setting a deficit budget. This would effectively reduce the formula calculated Assessment on churches.

Designated Funds are effectively sinking funds or provisions against future expenditure in key areas. Every year and for to each of these funds.

#### ***Circuit Model Trust Fund (CMTF)***

Our policy is to use this resource in accordance with Methodist Standing Orders. However, under local discretion our policy is to allocate a percentage of these funds for “Mission & Outreach Projects” (or more generally new growth initiatives). The percentage so allocated is reviewed on an annual basis and may be amended in the light of overall calls on the CMTF during the preceding year and/or future initiatives being planned. **We allocate 70% to “Mission & Outreach Projects” and 30% to other potential calls on the funds.** The total uncommitted funds stood at **£23,611** as at 31 August 2023

**Restricted Funds**

**Chapel Street Fund** is restricted for use on Luton Town centre projects – the interest from the fund is available for general unrestricted use. We are using this fund to cover the costs to the Circuit of Ecumenical Church related Community Worker.

**Lye Trust** - is a permanent endowment legacy, the income on which is specifically for use as a Circuit Benevolent Fund. The interest of circa £1,000 p.a. is distributed (as and when required) for relief of the poor in the Circuit via the Benevolent Fund

**Benevolent Fund** –income sourced from the interest from the Lye Trust as above.

**Circuit Music Fund** – expendable endowment.

**Circuit Drama Fund** – restricted. Ex Luton Circuit Fund

**Circuit Education & Youth Fund** – restricted. Ex Luton Circuit Fund. (funded £500 p.a. from General Funds)

**SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

**ANNUAL SUMMARY FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

**SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

**ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

**Introduction**

This has been a somewhat turbulent year in terms of our performance against budget with an end result of **£28,335 favourable**.

I normally set the budget in January and for the sake of consistency do. Not usually alter it in the light of subsequent events. It is partly for this reason that the end result is significantly better than predicted.

As it happens, given the agreed ministerial extensions for Nigel Bibbings and Joanne Sherwood agreed in September 2023 (the next financial year) and the consequential financial implications, this budget surplus will be useful in covering some of those unplanned future costs. I will be presenting detailed proposals in early 2024.

**Budget 2022/23**

This was set with a gross expenditure of just over £405k with £381k being raised from churches by way of the Assessment. Setting the level each church paid for the year was challenging and required a re-work of our historic formula. Whilst not welcomed by all, an absolute minimum Assessment of £7.5k per church was set with a further £76k being apportioned relative to the reserves strength (in terms of months expenditure cover) of each church. This enabled us, in part, to call more on churches with higher time based reserves than those with lower.

Challenging as this was, once again, the required Assessment was raised in full

**Actual v Budget Performance (General Fund only)**

The original budget figures excluded:

1. Additional Assessment charge on The Olive Tree re Joanne Sherwood’s -.25 fte cover. This was also excluded from the expenditure figures.
2. The unplanned continued employment of a part time Circuit Worker. Estimated cost £15k and part funded by £12k from the prior year budget surplus

An analysis is attached. However, the budget figures on this have been restated to take into account the above.

Overall, we ended up £28k favourable to budget. A number of factors contributed to this and are set out in the notes below. The numbering corresponds to the legend in the attached table.

1. Investment Income (£12k favourable) – there was a considerable rise in interest rates and this reflected in the interest income earned on our Central Finance Board (CFB) account
2. Rental Income (Gross £5k favourable) – a lettings void of 2 months is always budgeted. There was no change of tenant in either rental property

3. Assessments (£2.5k adverse) – The closure of Mount Pleasant resulted in no Assessment from it for the last quarter.
4. Admin & Finance Salaries (£4.6K favourable) – During the year the Circuit Administrator resigned.
5. Stipends/NI/Pensions (£4.2k favourable) – A significant increase in employer contributions to the Ministers’ Pension Scheme was planned. However, post budget preparation this was rescinded.
6. Ministers’ Travel (£3.5k favourable) – I have kept the budget figure at pre-Covid levels. However, the trend is lesser mileage.
7. Circuit Workers (£2.5k adverse) – see narrative above. Planned and expected.
8. Manse Expenses (£1.8k favourable) cancelation of British gas service contracts and a move to self funding serving and repairs. In future this will be covered by an increase annual transfer to the Manses R&M fund.
9. Preaching/Worship/Misc (£1k favourable) – Nothing particularly significant here. £500 accounted for by a budget of £1k for the Dunstable Downs event against an actual spend of £450

#### **Circuit Model Trust Fund**

We made a commitment to use £15k to fund a 0.5fte Circuit Worker in 2023/24.

#### **Manses Fund (Designated)**

From General Funds we budget to set aside £3.5k per manse p.a. to cover maintenance and repairs. This amounts to £28k for 8 Manses.

This year there were no particularly significant items. £31k of the £34.5k of the cost of the Malzeard Road garage conversion was capitalised.

This sum still needs to be returned to the Manse Fund from part of the sale proceeds of Mount Pleasant.

#### **Conclusion**

Circuit finances remain in a stable position, and our Liquid General Reserves cover about 3.9 months of gross expenditure.

2023/24 will be a further challenge and whilst once again the necessary Assessment has been agreed, the inflationary pressure on the cost of living will again impact on the ability of members to maintain their current level of giving to churches.

It is my intention to suggest our Reserves Policy for General Reserves is to maintain 3 months gross expenditure.

Also attached to this report is:

- **Statement of Financial Activities (SOFA) in abbreviated form**
- **Balance Sheet – Funds at a Glance**

David J Hallworth  
Circuit Bursar  
19 October 2023

THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT  
FUNDS AT A GLANCE (BALANCE SHEET) AS AT 31 AUGUST 2023

	Unrestricted Funds										Restricted & Endowment Funds										Totals 2023	Totals 2022		
	General	Circuit Model Trust	Designated Funds							Total Unrestricted	Restricted Funds						Endowment Funds							
			Manse	Ministers	Training	Quirs	Assm't EQ	Lay Salaries	Total Designated		Benev (Local)	Drama (Local)	Educn & Youth (Local)	Luton Road Church	Mount Pleasant Church	Total Restricted	Chapel St Trust 18819	Lye Bequest for Poor Trust 3488	Lye Bequest Trust 5719	Circuit Music Fund Trust 16407			Total Endowment	
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Fixed Assets</b>																								
Circuit Manses & Equipment	1,989,381									1,989,381														1,989,381
Investment properties	350,000									350,000														350,000
Investments																								
<b>Total fixed assets</b>	<b>2,339,381</b>									<b>2,339,381</b>														<b>2,379,610</b>
<b>Current Assets</b>																								
Debtors	23,349									23,349														23,349
Loans by the Circuit	6,000									6,000														6,000
Trustees for Methodist Church Purposes		19								19														19
Central Finance Board Deposits	149,668	74,922	120,716	7,051	13,360	3,578	19,870			164,575	389,164	5,339	818	4,071	(2,613)						7,721	4,945	1,271	13,937
Cash at Bank and in hand	61,887	(6,705)	(45,318)		(1,191)	(2,886)				(49,396)	5,786	1,268		(446)	(364)	(770)								
<b>Total current assets</b>	<b>240,904</b>	<b>68,236</b>	<b>75,397</b>	<b>7,051</b>	<b>12,169</b>	<b>692</b>	<b>19,870</b>			<b>115,179</b>	<b>424,319</b>	<b>6,607</b>	<b>818</b>	<b>3,626</b>	<b>(2,978)</b>	<b>(770)</b>	<b>7,615</b>				<b>7,721</b>	<b>4,945</b>	<b>1,271</b>	<b>13,937</b>
<b>Creditors (due in under 1 year)</b>	<b>96,919</b>		<b>162</b>		<b>16</b>					<b>178</b>	<b>97,097</b>													
Grant instalments due in 2023-24		31,295									31,295													
<b>Net current assets/liabilities</b>	<b>143,985</b>	<b>36,941</b>	<b>75,236</b>	<b>7,051</b>	<b>12,152</b>	<b>692</b>	<b>19,870</b>			<b>115,001</b>	<b>295,928</b>	<b>6,607</b>	<b>818</b>	<b>3,126</b>	<b>(2,978)</b>	<b>(770)</b>	<b>6,803</b>	<b>7,721</b>	<b>4,945</b>	<b>1,271</b>	<b>13,937</b>	<b>316,667</b>	<b>285,097</b>	
<b>Total assets less current liabilities</b>	<b>2,483,366</b>	<b>36,941</b>	<b>75,236</b>	<b>7,051</b>	<b>12,152</b>	<b>692</b>	<b>19,870</b>			<b>115,001</b>	<b>2,635,309</b>	<b>6,607</b>	<b>818</b>	<b>3,126</b>	<b>(2,978)</b>	<b>(770)</b>	<b>6,803</b>	<b>7,721</b>	<b>42,655</b>	<b>2,519</b>	<b>1,271</b>	<b>54,166</b>	<b>2,696,277</b>	<b>2,170,242</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>																								
Grant instalments due after 2023-24		13,330									13,330													
<b>Net assets</b>	<b>2,483,366</b>	<b>23,611</b>	<b>75,236</b>	<b>7,051</b>	<b>12,152</b>	<b>692</b>	<b>19,870</b>			<b>115,001</b>	<b>2,621,979</b>	<b>6,607</b>	<b>818</b>	<b>3,126</b>	<b>(2,978)</b>	<b>(770)</b>	<b>6,803</b>	<b>7,721</b>	<b>42,655</b>	<b>2,519</b>	<b>1,271</b>	<b>54,166</b>	<b>2,682,947</b>	<b>2,140,617</b>
<b>Funds of the Circuit</b>																								
General Fund (Unrestricted)	2,483,367										2,483,367													
Circuit Model Trust Fund (Unrestricted)		23,611									23,611													
Designated Funds (Unrestricted)			75,236	7,051	12,152	692	19,870				115,001													
<b>Total Unrestricted Funds</b>																								
Restricted Funds												6,607	818	3,126	(2,978)	(770)	6,803							
Endowment Funds																								
<b>Total Funds</b>	<b>2,483,366</b>	<b>23,611</b>	<b>75,236</b>	<b>7,051</b>	<b>12,152</b>	<b>692</b>	<b>19,870</b>			<b>115,001</b>	<b>2,621,979</b>	<b>6,607</b>	<b>818</b>	<b>3,126</b>	<b>(2,978)</b>	<b>(770)</b>	<b>6,803</b>	<b>7,721</b>	<b>42,655</b>	<b>2,519</b>	<b>1,271</b>	<b>54,166</b>	<b>2,682,947</b>	<b>2,140,617</b>
<b>Liquid Funds</b>	<b>143,985</b>	<b>23,611</b>	<b>75,236</b>	<b>7,051</b>	<b>12,152</b>	<b>692</b>	<b>19,870</b>			<b>115,001</b>	<b>282,598</b>	<b>6,607</b>	<b>818</b>	<b>3,126</b>	<b>(2,978)</b>	<b>(770)</b>	<b>6,803</b>	<b>7,721</b>	<b>4,945</b>	<b>0</b>	<b>1,271</b>	<b>13,937</b>	<b>303,337</b>	<b>255,472</b>

Statement of Financial Activities a Glance for the year ended 31 August 2023

Notes	Unrestricted Funds									Restricted & Endowment Funds										Grand Total 2022-23	Total 2021-22					
	General	Circuit Model Trust	Designated Funds							Total Designated	Restricted Funds						Endowment Funds									
			Manse	Ministers	Training	Quins	Assm't EQ	Lay Salaries	Benev (Local)		B'raim (Local)	Educn & Youth (Local)	Luton Road Church	Mount Pleasant Church	Total Restricted	Chapel St Trust 18819	Lye Bequest for Poor Trust 3488	Lye Bequest Trust 5719	Circuit Music Fund Trust 16407			Total Endowment				
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£				
<b>Income and Endowments</b>																										
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# **THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

(Charity Registration No. 1134222)

## **FINANCIAL STATEMENTS**

**For the Year ending 31 August 2023**

## Statement of Financial Activities (SOFA) for the year ended 31 August 2022

Notes	Unrestricted Funds			Restricted & Endowment Funds		Total 2022-23	Total 2021-22
	General	Circuit Model Trust	Designated	Restricted	Endowment		
	£	£	£	£	£		
<b>Income and Endowments</b>							
1							
2	12,300	1			1,681	13,982	2,690
3	14,010					14,010	13,800
4							
5	390,429					390,429	382,320
6	465,000					465,000	
7			1,940			1,940	2,768
8							
9	<b>881,739</b>	<b>1</b>	<b>1,940</b>		<b>1,681</b>	<b>885,361</b>	<b>401,578</b>
10							
11	<b>881,739</b>	<b>1</b>	<b>1,940</b>		<b>1,681</b>	<b>885,361</b>	<b>401,578</b>
12	14,835					14,835	14,100
13	<b>896,574</b>	<b>1</b>	<b>1,940</b>		<b>1,681</b>	<b>900,196</b>	<b>415,678</b>
<b>Expenditure</b>							
<b>Expenditure on charitable activities</b>							
21		16,205		446		16,651	20,395
21a		15,000		500		15,500	7,500
21b		(16,205)	(60,000)			(76,205)	(17,795)
22	259,779					259,779	252,638
23	29,002		19,056	3,902		51,960	78,681
24	4,096				159	4,255	4,753
25	79,604	0				79,604	78,016
26	3,329		1,208			4,537	3,529
27	<b>375,810</b>	<b>15,000</b>	<b>(39,736)</b>	<b>4,848</b>	<b>159</b>	<b>356,081</b>	<b>427,716</b>
31	<b>520,765</b>	<b>(15,000)</b>	<b>41,676</b>	<b>(4,848)</b>	<b>1,521</b>	<b>544,115</b>	<b>(12,038)</b>
32					(1,784)	(1,784)	(2,816)
33							
34	<b>520,765</b>	<b>(15,000)</b>	<b>41,676</b>	<b>(4,848)</b>	<b>(263)</b>	<b>542,331</b>	<b>(14,855)</b>
35	(5,719)	13,000	(7,550)	1,768	(1,499)		(0)
36							
37							
38	<b>515,046</b>	<b>(2,000)</b>	<b>34,126</b>	<b>(3,080)</b>	<b>(1,762)</b>	<b>542,331</b>	<b>(14,855)</b>
39	1,968,321	25,611	80,875	9,883	55,927	2,140,617	2,155,472
50	<b>2,483,367</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>	<b>2,140,617</b>

Balance Sheet as at 31 August 2023

		Unrestricted Funds			Restricted & Endowment Funds		Totals 2023	Totals 2022
		General	Circuit Model Trust	Designated	Restricted	Endowment		
		£	£	£	£	£	£	£
<b>Fixed Assets</b>								
Circuit Manses & Equipment	BS1	1,989,381					1,989,381	1,493,131
Investment properties	BS1	350,000					350,000	350,000
Investments	BS2	0				40,229	40,230	42,014
<b>Total fixed assets</b>		<b>2,339,381</b>				<b>40,229</b>	<b>2,379,611</b>	<b>1,885,145</b>
<b>Current Assets</b>								
Debtors	BS3	23,349					23,349	29,254
Loans by the Circuit	BS4	6,000					6,000	19,000
Trustees for Methodist Church Purposes	BS2		19			13,937	13,956	13,933
Central Finance Board Deposits	BS5	149,668	74,922	164,575	7,615		396,779	395,404
Cash at Bank and in hand	BS5	61,887	(6,705)	(49,396)	(312)		5,474	11,661
<b>Total current assets</b>		<b>240,904</b>	<b>68,236</b>	<b>115,179</b>	<b>7,303</b>	<b>13,937</b>	<b>445,559</b>	<b>469,252</b>
<b>Creditors (due in under 1 year)</b>								
Grant instalments due in 2022-23	BS6a	96,919		178			97,097	107,950
<b>Net current assets/liabilities</b>		<b>143,985</b>	<b>36,941</b>	<b>115,001</b>	<b>6,803</b>	<b>13,937</b>	<b>316,667</b>	<b>285,097</b>
<b>Total assets less current liabilities</b>		<b>2,483,367</b>	<b>36,941</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,696,277</b>	<b>2,170,242</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>								
Grant instalments due after 2022-23	BS7,9		13,330				13,330	29,625
<b>Net assets</b>		<b>2,483,367</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>	<b>2,140,617</b>
<b>Funds of the Circuit</b>								
General Fund (Unrestricted)	BS8.1	2,483,367						
Circuit Model Trust Fund (Unrestricted)	BS8.2		23,611					
Designated Funds (Unrestricted)	BS8.3			115,001				
<b>Total Unrestricted Funds</b>							<b>2,621,979</b>	<b>2,074,807</b>
Restricted Funds	BS9				6,803		6,803	9,883
Endowment Funds	BS9					54,166	54,166	55,927
<b>Total Funds</b>		<b>2,483,367</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>	<b>2,140,617</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
**STATEMENT OF CASH FLOWS**  
For the year ended 31 August 2023

	Total 2023		Totals 2022	
	£	£	£	£
<b>Cash flow from operating activities</b>				
Net cash from operating activities		(16,366)		(45,246)
<b>Cash flow from Investing activities</b>				
(Payments)to acquire fixed assests		(31,250)		
Payments to acquire investments				
Receipts from sales of Investments				
Interest & dividends received		13,982		2,690
Rent from investment/let properties		28,845		27,900
<b>Net cash flow from Investing activities</b>		11,577		30,590
Cash flow from financing activities				
<b>Net cash flow from financing activities</b>				
<b>Net increase/(decrease) in cash and cash equivalents</b>		(4,789)		(14,656)
Cash and equivalents at 1 September 2022		420,999		435,654
<b>Cash and equivalents at 31 August 2023</b>		<b>416,209</b>		<b>420,999</b>
Analysis of cash and cash equivalents				
Cash at bank and in hand		416,209		420,999

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

<b>Net Income/(expenditure) for the year</b>	542,331	(14,855)
Interest & dividends received	(13,982)	(2,690)
Rents received	(28,845)	(27,900)
Fixed Assets donated in	(465,000)	
Depreciation of tangible assets		
(Gains)/losses monetary investments	1,784	2,816
Decrease/(increase) in debtors	5,905	(7,624)
Decrease/(increase) in Loans	13,000	11,000
(Decrease)/increase in creditors	(10,853)	4,301
(Decrease)/increase in provisions	(60,705)	(10,295)
<b>Net cash flow from operating activities</b>	<b>(16,366)</b>	<b>(45,246)</b>

**1 & 2 Policies and Terms**

**Basis of accounting and accounting policies**

**i Accounting standard**

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 United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011

**ii Public benefit entity**

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

**iii Basis**

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

**iv Content**

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

**v This clause is intentionally blank**

**vi Going concern**

Based on the monetary assets and human resources available at 31 August 2023, the trustees believe that the Circuit is a going concern.

**vii Consolidation**

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

**viii                    Income recognition**

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming

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

The Circuit acts as agent in two matters:

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

the administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion

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

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

**ix                        Grants (Received)**

Grants received from external sources (including Connexional and/or District grants) are shown as income. Where an application to TMCP is made (and approved) to use monies held in the Circuit Model Trust Fund and/or Restricted/Endowment Funds for a specific Circuit project, the funds so approved are, where relevant, shown as transfers between funds. More details are provided in Note 9

**x                         Expenditure**

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit

**xi                        Grants (Given)**

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

**xii                    VAT**

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

**xiii                    Tangible fixed assets**

These are capitalised if they can be used for more than one year, and individually cost at least £250.

The freehold and/or long leasehold residential property is shown in the accounts at deemed cost representing each property's gross carrying value as at 1 September 2015, being that property's insurance reinstatement value resulting from a professional valuation undertaken by Trudgill & Co in 2011/12 and subsequently adjusted up to and including 31 August 2014 or, if acquired after that date, at its insurance reinstatement value at the date of acquisition. No depreciation is provided because the trustees consider the current residual value of the property in its present condition to be not less than its historical cost and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would be immaterial.

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At that time the property is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking into consideration the levy to be charged by the Connexion. Any expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, that is likely to enhance sale value is capitalised at the time the expenditure is incurred. Where the proceeds are intended to be spent on activities, the property is included in current assets at the lower of cost and realisable value. The Circuit has made use of the deemed cost option on transitioning to FRS102, as outlined above.

**xiv(a)                Monetary Investments**

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 15 below

**xiv(b)                Investment Property**

From time to time the Circuit may hold residential property (manses) which is surplus to its normal staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of 2 years, the property is classified as Investment Property (whether let out or not) and if let, it is so at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives. Any such cases are specified in Note BS1 below. Such properties are valued at fair open market value after reference to local professional estate agents and valuers.

**xv                    Receivables and Payables; Bank and Cash (Basic Financial Instruments)**

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

**xvi                    Loans as Basic Financial Instruments**

Where concessionary loans (*i.e.* free of interest) are made to [or received by] the Circuit to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid [or received], with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the Statement of Financial Activities. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Where loans require the calculation of a discounted cash flow valuation, this will be so marked.

**xvii                    Methodist Connexional Funds**

The Circuit acts as agent for Methodist Connexional Funds (Connexional Funds) in the collection from Churches and payment over of their contributions and ad hoc collections for various Funds controlled and administered by The Methodist Church – “Connexional Funds

**xviii                    Funds**

The trustees have adopted a policy for all unrestricted reserves which can be found in the main section of the Trustees Annual Report.

**xvix                    Endowment funds**

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

**xx                    Ministers' manse costs**

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

## **2**                    **Glossary of terms**

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

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

**Circuit:** a group of Methodist Churches near each other, typically between 10 and 30

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

**CLT (Circuit Leadership Team):** A group (comprising mostly, but not exclusively) of Circuit trustees responsible for the day to day administration and policy formulation of the Circuit. Generally the CLT comprises of the Presbyters stationed within the Circuit, the Circuit Stewards and Circuit Bursar (who is not a trustee)

**CMTF:** Circuit Model Trust Fund

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

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

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

**DAF:** District Advance Fund

**FRS:** Financial Reporting Standard

**HMRC:** Her Majesty's Revenue and Customs

**LAY EMPLOYEES:** Non presbyteral staff employed on either a full or part time basis and on formal written contractual terms.

**MMPS:** Methodist Ministers' Pension Scheme

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

**3.1 Comparative SOFA forming part of previous year's accounts**

	Unrestricted Funds			Restricted & Endowment Funds		Total 2021-22
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	£
<b>Income and Endowments</b>						
1 Donations and legacies						
2 Income from Monetary Investments	1,536	0			1,153	2,690
3 Income from Investment Property	13,800					13,800
4 Income from charitable activities						
5 Assessments on Churches	382,320					382,320
6 Capital Receipts						
7 Grants				2,768		2,768
8 Other charitable activities						
<b>9 Total from charitable activities</b>	<b>397,656</b>	<b>0</b>		<b>2,768</b>	<b>1,153</b>	<b>401,578</b>
10 Other charitable income						
<b>11 Total charitable income</b>	<b>397,656</b>	<b>0</b>		<b>2,768</b>	<b>1,153</b>	<b>401,578</b>
12 Other income	14,100					14,100
<b>13 Total income and endowments</b>	<b>411,756</b>	<b>0</b>		<b>2,768</b>	<b>1,153</b>	<b>415,678</b>
<b>Expenditure</b>						
<b>Expenditure on charitable activities</b>						
21 Grants and donations		19,795		600		20,395
21a Future instalments of grant		7,500				7,500
21b Grant instalments provisions released		(17,795)				(17,795)
22 Salaries and associated costs	247,518		5,120			252,638
23 Property	29,586		46,481	2,613		78,681
24 Office expenses	4,585	0			167	4,753
25 District Assessment & Levy	78,016					78,016
26 Other outgoings	3,208		321			3,529
<b>27 Total charitable expenditure</b>	<b>362,913</b>	<b>9,500</b>	<b>51,922</b>	<b>3,213</b>	<b>167</b>	<b>427,716</b>
<b>31 Net Income before investment gains/losses</b>	<b>48,844</b>	<b>(9,500)</b>	<b>(51,922)</b>	<b>(446)</b>	<b>986</b>	<b>(12,038)</b>
32 Net gains/(losses) on Monetary Investments					(2,816)	(2,816)
33 Net gains/(losses) on Property Disposals/Revaluations						
<b>34 Net incoming/(outgoing) resources before transfers</b>	<b>48,844</b>	<b>(19,795)</b>	<b>(51,922)</b>	<b>(446)</b>	<b>(1,830)</b>	<b>(14,855)</b>
35 Transfers between funds	(48,692)	11,000	37,199	1,465	(972)	(0)
36 Reclassification of funds						
37 Other gains/(losses)						
<b>38 Net movement in funds</b>	<b>152</b>	<b>(8,795)</b>	<b>(14,723)</b>	<b>1,019</b>	<b>(2,802)</b>	<b>(14,855)</b>
39 Total funds brought forward	1,968,169	24,112	95,598	8,864	58,730	2,155,472
<b>50 Total funds carried forward</b>	<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>

**3.2 Balance Sheet as at 31 August 2022**

	Unrestricted Funds			Restricted & Endowment Funds		Totals 2022
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	
<b>Fixed Assets</b>						
Circuit Manses & Equipment	1,493,131					1,493,131
Investment properties	350,000					350,000
Investments	0				42,013	42,014
<b>Total fixed assets</b>	<b>1,843,131</b>				<b>42,013</b>	<b>1,885,145</b>
<b>Current Assets</b>						
Debtors	26,486			2,768		29,254
Loans by the Circuit	19,000					19,000
Trustees for Methodist Church Purposes		19			13,914	13,933
Central Finance Board Deposits	175,992	71,422	140,875	7,115		395,404
Cash at Bank and in hand	11,661					11,661
<b>Total current assets</b>	<b>233,139</b>	<b>71,441</b>	<b>140,875</b>	<b>9,883</b>	<b>13,914</b>	<b>469,252</b>
<b>Creditors (due in under 1 year)</b>	<b>107,950</b>					<b>107,950</b>
Grant instalments due in 2020-21		16,205	60,000			76,205
<b>Net current assets/liabilities</b>	<b>125,189</b>	<b>55,236</b>	<b>80,875</b>	<b>9,883</b>	<b>13,914</b>	<b>285,097</b>
<b>Total assets less current liabilities</b>	<b>1,968,321</b>	<b>55,236</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,170,242</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>						
Grant instalments due after 2020-21		29,625				29,625
<b>Net assets</b>	<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>
<b>Funds of the Circuit</b>						
General Fund (Unrestricted)	1,968,321					
Circuit Model Trust Fund (Unrestricted)		25,611				
Designated Funds (Unrestricted)			80,875			
<b>Total Unrestricted Funds</b>						<b>2,074,807</b>
Restricted Funds				9,883		9,883
Endowment Funds					55,927	55,927
<b>Total Funds</b>	<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>

**Note 4 Income from Investment Property**

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

	General	CMTF	Desig	Restricted	Endow	Total	2022
Letting Income:							
18 Clarence Road	14,010					14,010	13,800
<b>Totals</b>	<b>14,010</b>					<b>14,010</b>	<b>13,800</b>

**Note 5 Assessments on Churches**

The Circuit comprises of 20 [Luton Road closed during the year] (21) churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making it's Assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all it's net core costs from the Assessment.

An Assessment on Churches is annually determined by the Circuit using a formulaic method which takes into account the relative number of members in each church and its relative income (after deduction of certain actual and notional expenses).

Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is also treated as a debtor. Such cases are detailed in Notes BS3 and BS6

Church	General	CMTF	Desig	Restricted	Endow	Total	2022
Aley Green	12,548					12,548	11,948
Barton	8,104					8,104	7,716
Beech Hill	17,772					17,772	16,924
Eaton Bray	12,720					12,720	12,112
Edlesborough	7,092					7,092	6,752
Farley Hill	10,652					10,652	10,144
Gravenhurst	7,384					7,384	7,028
Harlington	20,180					20,180	19,216
High Town	21,812					21,812	21,340
Kensworth	7,852					7,852	7,476
Leagrave High St	32,332					32,332	31,872
Mount Pleasant	7,761					7,761	9,856
Oakdale	16,968					16,968	16,780
St Johns	28,044					28,044	27,780
St Margarets	26,112					26,112	25,568
Strathmore Ave	14,316					14,316	13,632
The Square	57,364					57,364	56,060
Toddington	16,948					16,948	16,140
Trinity	58,292					58,292	57,844
Wigmore	6,176					6,176	6,132
<b>Total</b>	<b>390,429</b>					<b>390,429</b>	<b>382,320</b>



**Note 9 Grants & Donations**

Grants and donations as listed below were agreed and/or made during the year. Where a grant has been made from the Circuit Model Trust Fund, Restricted or Endowment Funds and the grant monies are for use within the Circuit they are treated as a transfer between Funds with the purpose detailed in Note 16. The tables below (one for each Fund type) detail the new grants agreed and paid over this year, this year's instalment of grants agreed in prior years and the future instalments of grants to be paid. More information can also be found in Notes BS6a, BS7, BS8 and BS9 below  
The support costs for grant-funding to third parties are insignificant and are not separately disclosed

Grantee/Donor	This Year New				General						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Connexional Funds											
<b>Totals</b>											

Grantee/Donor	This Year New				Circuit Model Trust						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Circuit Churches											
Circuit Worker	15,000			15,000				15,000			
Toddington (Mission Enabler)					7,500	(2,500)		5,000	(2,500)		(2,500)
Farley Hill											
Barton											
Olive Tree Youth Worker											
Houghton Regis Project					38,330	(13,705)		24,625	(13,705)		(13,705)
Covid Assess Relief											
<b>Totals</b>	<b>15,000</b>			<b>15,000</b>	<b>45,830</b>	<b>(16,205)</b>		<b>44,625</b>	<b>(16,205)</b>		<b>(16,205)</b>

Grantee/Donor	This Year New				Designated						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Training (Assessment Relief)											
Malzeard Road Garage Conversion					60,000		(60,000)			(60,000)	(60,000)
Assess EQ released											
<b>Totals</b>					<b>60,000</b>		<b>(60,000)</b>			<b>(60,000)</b>	<b>(60,000)</b>

Grantee/Donor	This Year New				Restricted						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Benevolent											
Education & Youth	946	(446)		500				500	(446)		(446)
<b>Totals</b>	<b>946</b>	<b>(446)</b>		<b>500</b>				<b>500</b>	<b>(446)</b>		<b>(446)</b>

Grantee/Donor	This Year New				Endowment						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Ecumenical Community Worker											
Olive Tree Community Worker											
Youthcape Worker											
<b>Totals</b>											

**Note 10 Stipends and Salaries and Associated Costs**

**Stipends**

Stipends were paid to 6 Presbyters [5.75 fte] (2021-216 [5.49 fte]) and were as follows

	Full Time (5)	Part Time (1)		General	CMTF	Desig (Ministers)	Restricted	Endow	Total	2022
National Insurance Contributions	13,095	1,593		14,688					14,688	14,021
Pension Fund Contributions	36,218	5,433		41,651					41,651	39,943
Stipends	137,333	20,197		157,530					157,530	151,070
Sundry Expenses & PC Allowances	322			322					322	44
Telephone	3,407	640		4,047					4,047	3,655
Travelling	5,919	437		6,357					6,357	4,753
Computers in Ministry	880	176		1,056					1,056	1,026
Removal, Stationing & Relocation Costs										5,120
	<b>197,174</b>	<b>28,477</b>		<b>225,651</b>					<b>225,651</b>	<b>219,632</b>

The Circuit employs lay staff involved in both Administration and Mission work. The costs of these staff are shown below in their separate categories.

Administration Staff	Part Time			General	CMTF	Desig	Restricted	Endow	Total	2022
	Bursar	Admin	PA							
Nat Ins	233			233					233	199
Salary & Allowances	10,760	5,143		15,903					15,903	20,758
Travel										
Other Expenses										
Ex Gratia for Stand In Volunteer		2,550		2,550					2,550	
	<b>10,993</b>	<b>7,693</b>		<b>18,686</b>					<b>18,686</b>	<b>20,957</b>

Contracted Hours (pw) 15 20 n/a

Mission Staff			Part Time Circuit Workers x1	General	CMTF	Desig	Restricted	Endow	Total	2022
Pension Conts										16
Salary			12,790	12,790					12,790	9,286
Sundry Expenses										
Telephone										
Travel			644	644					644	806
IT Allowances			480	480					480	960
			<b>14,498</b>	<b>14,498</b>					<b>14,498</b>	<b>11,068</b>

Contracted Hours (pw) 20

Apprenticeship Levy 943 943 982

**Stipends & Salaries Totals**

**259,779 259,779 252,638**

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the Living Wage, as directed by Methodist Conference.

**Pensions**

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

On the other hand lay employees are contractually employees and have the option of joining a pension scheme which the Circuit has arranged with The Pensions Trust. This is a defined benefit scheme and the Circuit contributes as employer to this scheme.

The Connexion accounts for both pension schemes 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.

**Note 10a Cost of Superintendent, Presbyters and Trustees**

The Superintendent of the Circuit, the other Presbyters and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

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

Each Presbyter is entitled to a 3 month sabbatical every 5 years and the expenses incurred by the Presbyter are met by the Connexion with the Circuit continuing to pay the stipend. During the year there have been 0 sabbaticals. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay. Had additional cover been required the cost of this is estimated at £9,859 (being one quarter of a single standard stipend plus National Insurance, Pension and other normally incurred expenses

	£	2022 £
Stipends of Presbyters [6 actual (5.75 fte)]	157,530	151,070
Employer's National Insurance contributions	14,688	14,021
Employer's pension contributions to a defined benefit pension scheme	41,651	39,943
<b>Total cost</b>	<b>213,870</b>	<b>205,034</b>

**Payments to trustees**

The Circuit has a published Expenses Policy which can be found on its website [www.southbedsmethodist.org.uk/](http://www.southbedsmethodist.org.uk/) It is generally not Circuit policy to reimburse non Presbyteral members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Presbyters of the Circuit undertake the primary executive roles within the Circuit. Apart from the [6] Presbyters, Circuit Bursar, Administrator and Circuit Lay Worker no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling, entertaining and administration costs were reimbursed in relation to specific projects.

Travel and entertaining expenses have been reimbursed to 0 (2021-22: nil) non-Presbyteral trustees (members of the CLT) who, in aggregate, have received the cost of travel incurred in attending meetings of the CLT and/or other related commitments and this amounted to £Nil (2021-22: £nil). The travel costs of Presbyters who attended CLT and Circuit meetings is included within their overall travel expenses (detailed in Note 6) and is not separately determined.

**Note 11 Property Expenses**

The Circuit is Managing Trustee for 7 manses (2021-22 -7 ) and 1 (2021-2- 1) investment properties. 5 manses are occupied by ministers stationed in the Circuit. The investment property (18 Clarence Road) was let for all of the year on an Assured Shorthold Tenancy. The property at 44a Bolingbroke Road is let on an Assured Shorthold Tenancy. With the exception of the let properties, the Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

The cost of ongoing maintenance and improvements to all properties is funded through a Designated "Manses" Fund and a transfer of £3,500 p.a. per manse is made from the General Fund. The level of transfer is reviewed by the trustees each year.

**Expenditure on Manses & Investment (Inv) Properties**

Manse	Council Tax	Insurance	Maint Contracts	Water Supply	General	CMTF	Desig (Manses)	Restricted	Endow	Total	2022
					Sub Total		Repairs Maint Improve				
Unallocated			1,481		1,481					1,481	4,135
10 Danvers Drive	2,968	347		451	3,766		4,459			8,225	6,769
18 Clarence Road		485			485		2,797			3,282	1,022
18 Malzeard Road	2,515	487		542	3,544		2,563			6,107	9,777
44A Bolingbroke Road		445			445		276			721	615
46 Luton Road	2,581	372		747	3,699		2,384			6,083	6,626
5 Kingsley Road	2,052	413		162	2,627		1,959			4,586	2,933
6 Friars Walk	3,206	445		591	4,241		995			5,237	30,180
6 Linnet Way	2,671	473		956	4,100		736			4,836	5,030
<b>Totals</b>	<b>15,992</b>	<b>3,466</b>	<b>1,481</b>	<b>3,449</b>	<b>24,388</b>		<b>16,170</b>			<b>40,558</b>	<b>67,088</b>

**Letting Expenses**

	Agents	Other	Insurance		General	CMTF	Desig	Restricted	Endow	Total	2022
18 Clarence Road	1,933				1,933					1,933	2,081
44a Bolingbroke Road	1,780				1,780					1,780	1,692
<b>Totals</b>	<b>3,714</b>				<b>3,714</b>					<b>3,714</b>	<b>3,773</b>

**Other Property Expenses**

					General	CMTF	Desig (Quinns)	Restricted	Endow	Total	2022
	Rent	Utilities	Others								
Circuit Office Rent	900				900					900	500
Quinquennial Reports							2,886			2,886	4,572
Closed Chapels								3,902		3,902	2,613
Unoccupied Manses											135
Manse Rental (Temp)											
Selling Fees											
<b>Totals</b>	<b>900</b>				<b>900</b>		<b>2,886</b>	<b>3,902</b>		<b>7,688</b>	<b>7,820</b>

**Property Totals**

<b>29,002</b>	<b>19,056</b>	<b>3,902</b>	<b>51,960</b>	<b>78,681</b>
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**Note 12 Office & Administration costs**

	General	CMTF	Desig	Restricted	Endow	Total	2022
District & Conference Minutes	570					570	466
Entertaining							
Ink & Toner	229					229	436
Bank Charges							
Independent Examiner's Fee	1,500					1,500	450
Office Telephone & Broadband	604					604	907
Other Admin Costs	39					39	1,759
Stationery, Copying, Postage	52					52	104
Travelling Expenses - Circuit Stewards							
Website	243					243	243
TMCP Admin/Investment Management Fees					159	159	167
Depreciation on Office Equipment							0
Insurance (General)	186					186	220
Payroll	480					480	
Accounting Software Subscription	135					135	
Plan Making Software Subscription	58					58	
<b>Totals</b>	<b>4,096</b>				<b>159</b>	<b>4,255</b>	<b>4,753</b>

**Note 13 District Assessment & Levy**

The District Assessment is calculated relative to the proportion of church members and staffing (Presbyters and Mission staff only) of all Circuits in the Beds, Herts & Essex District. 50% of the overall cost is calculated using relative membership proportions and 50% using relative staffing proportions.

The Levy is calculated on a sliding scale percentage of the Circuit's CMTF account balance as at 31 August the previous accounting year.

	General	CMTF	Desig	Restricted	Endow	Total	2022
District Expenses	15,990					15,990	15,812
Methodist Church Fund (MCF)	63,614					63,614	62,204
Levy on CMTF Funds		0				0	
	<b>79,604</b>	<b>0</b>				<b>79,604</b>	<b>78,016</b>

**Note 14 Other Outgoings**

	General	CMTF	Desig	Restricted	Endow	Total	2022
<b>Preaching &amp; Worship:</b>							
Local Preachers & Lay Pastoral Expenses							1,715
Plan & Directory							
Preaching Fees & Travel	1,671					1,671	
Resources	1,191					1,191	931
Zoom Licences							
<b>Other Expenses:</b>							
Training Courses/Events	19		1,208			1,227	320
Mission Events	448					448	522
Miscellaneous							40
<b>Totals</b>	<b>3,329</b>		<b>1,208</b>			<b>4,537</b>	<b>3,528</b>

**Note 15 Investment Management**

During the year the Circuit paid TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund, Restricted and Endowment Funds) management charges based on 0.2% of the value of the individual funds at the beginning of the year. [None of the individual amounts is considered material but are listed in Note 12 for information.]

Realised and Unrealised gains in the invested funds are listed below. More information can be found in Note BS9.

	General	CMTF	Desig	Restricted	Endow	Total	2022
Chapel St Trust 18819							
Lye Bequest for Poor Trust 3488					(1,673)	(1,673)	(2,640)
Lye Bequest Trust 5719					(112)	(112)	(176)
Circuit Music Fund Trust 16407							
Benev (Local)							
Drama (Local)							
Educn & Youth (Local)							
Circuit Model Trust Fund							
<b>Totals</b>					<b>(1,784)</b>	<b>(1,784)</b>	<b>(2,816)</b>

**Note 15a Property Disposals/Revaluations**

The net gains or losses are detailed below.

Details	Carrying	Sale	Reval	Gain (Loss)	2022

**Note 16 Transfers between Funds**

The transfer between funds shown on the SOFA represents:

1. Expenditure and/or grants that had been agreed out of one fund but paid out of another fund
2. Investment income (net of charges) from Restricted/Endowment Funds which under the terms of the Funds may be used within Unrestricted Funds
3. Sums that were transferred from one fund to another under the direction of the trustees.
4. £10k has been transferred from the Training Fund to the Assessment Equalisation Fund. This is in anticipation of the resultant balance of the Equalisation Fund being transferred to General Reserves in 2023/24

	General	CMTF	Desig	Restricted	Endow	Check
Manse Fund	3,250		(3,250)			
Ministers' Fund	(3,400)		3,400			
Training Fund	(500)		(9,500)			(10,000)
Quinquennial Fund	(3,800)		3,800			
Investment Income						
Internal Grants (Ecumenical Community Worker)						
Release of Internal provisions (High Town Organ)						
Education & Youth Fund	(500)			500		
Benevolent Investment Income				1,268	(1,268)	
Assessment Equalisation Fund			10,000			10,000
Loan Repayments	(13,000)	13,000				
CMTF Grants and Loans						
Chapel Street	231				(231)	
Circuit Worker	12,000		(12,000)			
<b>Totals</b>	<b>(5,719)</b>	<b>13,000</b>	<b>(7,550)</b>	<b>1,768</b>	<b>(1,499)</b>	

**Note 17 Reclassification of Funds**

Any fund whose classification has changed (e.g. Restricted to Unrestricted or vice versa) at the direction of the Circuit trustees or Custodian trustees is listed below.

Circuit property is always carried in the General Fund but upon sale the net proceeds are processed through the Circuit Model Trust Fund. This requires an adjustment and any such sales during the year are reflected below at the gross sale price

Details	General	CMTF	Desig	Restricted	Endow	Total	2022
[Insert details of fund to be reclassified]							
[Insert details of fund to be reclassified - contra]							
<b>Totals</b>							

**Note 18 Other Gains or Losses**

Are tabulated below

Details	General	CMTF	Desig	Restricted	Endow	Total	2022
<b>Totals</b>							

**Note BS1 Manses & Other Property**

Buildings comprise of 7 (7 - 2022) manses located in Luton, Dunstable, Toddington and Leighton Buzzard .

Investment Properties are 1 manse ( 2022 - 1 at 18 Clarence Road) at 18 Clarence Road.

During the year a garage conversion was completed at 18 Malzeard Road. Construction and professional fees amounted to £31,250 and these have been capitalised, hence the increase in value.

In addition the churches at Luton Road (£185,000) and Mount Pleasant (£280,000) were brought under Circuit ownership/control. This and the Malzeard Road capitalisation results in the "Additions" figure of £496,250

The two churches mentioned as being brought under Circuit ownership/control, were professionally valued by Jackson-Stops for the purposes of establishing their capital value as reported within these financial statements. Since the end of the year both churches have been marketed for sale and offers received in excess of their valuations. Whilst the respective sales are yet to complete, after due regard to Connexional Levies that will be payable on the sale proceeds, the trustees are currently confident that the valuations cited represent a minimum likely net return to the Circuit

Office equipment consists of Desktop/Laptop/Printers/Duplicators.

**1.1 Cost or valuation**

	Investment Properties	Land	Buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equip't	Assets under Construction	Total
	£	£	£	£	£		£
Balance brought forward	350,000		1,493,131		5,707		1,498,838
Additions in the year			496,250				496,250
Revaluations (see Note 15a)							
Less: Disposals in the year							
Transfers between categories							
<b>Balance carried forward</b>	<b>350,000</b>		<b>1,989,381</b>		<b>5,707</b>		<b>1,995,088</b>

**1.2 Accumulated depreciation and impairment provisions**

Basis  
Rate

N/A	N/A	SL	SL
			3 YEARS

Balance brought forward				5,707	5,707
Depreciation charge for year					
Impairment provisions					
Revaluations					
Disposals					
Transfers					
<b>Balance carried forward</b>				<b>5,707</b>	<b>5,707</b>

**1.3 Net book value**

Brought forward	350,000	1,493,131			1,493,131
<b>Carried forward</b>	<b>350,000</b>	<b>1,989,381</b>			<b>1,989,381</b>

**Schedule Of Manses, Investment Property & Churches Closed for Worship**

Property	Type	Value
10 Danvers Drive	manse	232,017
6 Linnet Way	manse	232,000
18 Malzeard Road	manse	276,424
44A Bolingbroke Road	manse	182,336
46 Luton Road	manse	178,215
5 Kingsley Road	manse	204,999
18 Clarence Road	investment	
6 Friars Walk	manse	218,390
Luton Road	church	185,000
Mount Pleasant	church	280,000
		<b>1,989,381</b>

**Note BS2 Investment Assets (and Trustees for Methodist Church Purposes (TMCP))**

The funds that support the Circuit Model Trust Fund and the Circuit's other funds (as listed below) are held by TMCP in Trustees Interest and/or Managed Equity Funds on which interest and dividends are credited to the accounts each month/quarter. These are regarded as medium and long term investments.

TMCP is the legal owner and custodian trustee of all Methodist model trust property, including legacies, endowments and accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the managing trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

	Price (£)
2C100 - CFB Managed Mixed Fund	5.02800
2C120 - CFB Managed Equity Fund	
2C122 CFB Managed Fixed Int Fund	
2C110 - Trustees Interest Fund	n/a

	CMTF Trust 10279	Chapel St Trust 18819	Lye Bequest Trust 3488	Lye Bequest Trust 5719	Music Fund Trust 16407	Total	Grand Total	2022
	£	£	£	£	£		£	
2C100 - No Units			7,500	501			8,001	8,001
2C120 - No Units								
2C122 - No Units								
2C100			37,710	2,519		40,229	40,229	42,013
2C120								
2C122								
			37,710	2,519		40,229	40,229	42,013
2C110	19	7,721	4,945		1,271	13,937	13,956	13,933
	19	7,721	42,655	2,519	1,271	54,166	54,185	55,947

**BS3 Debtors & Prepayments**

With the exception of items marked thus (\*) all sums shown as Debtors at 1 September 2022 were received during the following year. All sums paid in advance at 1 September 2022 were for activities that have been held during 2022-23. Similarly, it is expected that payments in advance at 1 September 2023 will be expensed in 2023-24

	General	CMTF	Desig	Restricted	Endow	Total	2022
<b>Trade Debtors</b>							
Council Tax Refunds							
Luton Road Methodist (balance)							2,768
Other Debtors *	31					31	
St John's Loan Repayment							4,800
Stipends Reimbursement/Grant							
Tenancy Deposits							
<b>Prepayments</b>							
Stipends, Pension, NI	19,226					19,226	17,890
Methodist Insurance	3,979					3,979	3,652
Other Prepayments	113					113	144
Professional Fees							
<b>Totals</b>	<b>23,349</b>					<b>23,349</b>	<b>29,254</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2023

**BS4 Loans to Churches**

Loans to churches within the Circuit may be granted by the trustees for a variety of purposes. All loans funds are sourced from the CMTF and are interest free. The asset, however, is carried in the General Fund and repayments are transferred back to the CMTF. The agreed repayment date (if set) is shown in the table below.

Church	Date Granted	Amount	Period	Balance	Additions	Repaid	Balance
				Brought Forward		this year	Carried Forward
				£	£	£	£
St Margarets	Sep-2018	30,000	5 years	12,000		6,000	6,000
St Johns	Feb-2020	30,000	2 years	7,000		7,000	
<b>Totals</b>				<b>19,000</b>		<b>13,000</b>	<b>6,000</b>

**BS5 Central Finance Board (CFB) and Bank balances**

Monetary balances held at the Central Finance Board of the Methodist Church and at Co-operative Bank plc are all available on demand without loss of interest. The split of these balances across General, Designated and Restricted Funds is arbitrary but wherever possible balances are not shown as negative.

	General	CMTF	Desig	Restricted	Endow	Total	2022
Central Finance Board	149,668	74,922	164,575	7,615		396,779	395,404
Co-operative Bank	61,841	(6,705)	(49,396)	(312)		5,428	11,615
Cash in hand	46					46	46
Sub Total	61,887	(6,705)	(49,396)	(312)		5,474	11,661
<b>Totals</b>	<b>211,555</b>	<b>68,217</b>	<b>115,179</b>	<b>7,303</b>		<b>402,254</b>	<b>407,065</b>

**BS6 Creditors, Accruals and Income in Advance**

It is expected that all sums accrued at 31 August 2023 will be paid during the year to 31 August 2024

	General	CMTF	Desig	Restricted	Endow	Total	2022
<b>Income in Advance</b>							
Assessments in advance	89,222					89,222	98,254
Letting Income	945					945	1,200
District Grant - HRDCD	2,919					2,919	2,915
<b>Creditors and Accruals</b>							
Ministers' & Staff expenses	543		162			704	783
Insurance							3,652
Other Expenses	2,100					2,100	992
Office Rent	900					900	
Others	49					49	
Preaching Fees & Expenses	241		16			258	154
Stipends, Pension, NI							
Taxation and Social Security							
Other Prepayments							
<b>Totals</b>	<b>96,919</b>		<b>178</b>			<b>97,097</b>	<b>107,950</b>

**BS6a Grants payable in next financial year**

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2023

See Note 9

General	CMTF	Desig	Restricted	Endow	Total	2022
	31,295		500		31,795	76,205
	<b>31,295</b>		<b>500</b>		<b>31,795</b>	<b>76,205</b>

**Maturity Analysis of Financial Instruments**

	Accrued at 1 Sept 22	Paid in year	Accrual made in year	Accrued at 31 Aug 23
Assessments in advance	98,254	(98,254)	89,222	89,222
Ministers' & Staff expenses	783	(783)	704	704
Contractors	3,872	(3,872)		
Other Expenses	886	(886)	3,307	3,307
Letting Income	1,200	(1,200)	945	945
Others	40	(40)		
District Grants	2,915	(2,915)	2,919	2,919
Stipends, Pension, NI				
Taxation and Social Security				
Other Prepayments				
<b>Totals</b>	<b>107,950</b>	<b>(107,950)</b>	<b>97,097</b>	<b>97,097</b>

**BS7 Commitments**

Some grants are payable in annual instalments. Since the Circuit recognises the moral responsibility to meet future instalments of grant, all future instalments are shown as liabilities on the balance sheet.

The following analyses, which should be read in conjunction with Note 9, are provided:

The total of anticipated grants stated below is comfortably within the balance of each of the respective Funds as shown in notes BS8 and BS9. It is the policy of the Circuit not to allow the future commitments of grant to exceed the balance of any fund from which the commitment is made.

**[Comparative commitments are not required]**

	General	CMTF	Desig	Restricted	Endow	Total
End of year commitments to pay one-off grants or the first instalment in a future year		15,000				15,000
Anticipated second or subsequent instalments where the first instalment was paid in 2021-22 or earlier		29,625		500		30,125
<b>Total anticipated commitment 31 Aug 2023</b>		<b>44,625</b>		<b>500</b>		<b>45,125</b>

**Grants payable by year**

	General	CMTF	Desig	Restricted	Endow	Total
2023-24		31,295		500		31,795
2024-25		13,330				13,330
2025-26						
2026-27						
2027-28						
<b>Total anticipated future commitment</b>		<b>44,625</b>		<b>500</b>		<b>45,125</b>

**BS8 Unrestricted Funds**

**BS8.1 General Fund**

	31-Aug-23	2022
Balance	2,483,367	1,968,321

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 95% of this fund is held as a freehold or leasehold property, being manses for ministers, investment properties and, from time to time, redundant chapels in the Circuit. Details of the grants and donations made from the General Fund during the year can be found in Note 9.

The Circuit Meeting is aware that grant applications must demonstrate public benefit and this is true for all funds.

**BS8.2 Circuit Model Trust Fund**

	31-Aug-23	2022
Balance	23,611	25,611

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit. Its main source of income is legacies and formulaically determined contributions from the sale of manses and church buildings in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds. Methodist Standing Orders 930, 931 and 917(2) are applicable.

**BS8.3 Designated Funds**

	31-Aug-23	2022
Balance	115,001	80,875

These funds are to serve specific purposes but are not restricted by any document or deed to that purpose alone. Movements in these funds are set out in Note BS10 below and the details of the specific funds are as follows:

- Manses** - Receives an annual transfer from the General Fund based on the number of functional and investment manses and against this is charged routine maintenance, repairs and, as the need arises, refurbishments
- Ministers** - Receives an annual transfer calculated on the number of ministers and is used as a provision to meet the removal costs of new presbyters joining the Circuit
- Training** - Receives an annual transfer from the General Fund and acts as a provision to meet the costs of relevant training courses. A formal application process is in place and the fund is also open to applications from members of churches within the Circuit as well as Circuit staff
- Quinquennial** - The Circuit is responsible for arranging an inspection of all its own properties, as well as those of its churches, every five years. Such inspections are carried out by a Qualified Surveyor. The costs of all inspections are met by the Circuit and generally known as the Surveyor(s) is under contract. The frequency and cost of individual inspections is not uniform therefore the five year cost is assessed at the start of the cycle and one fifth of the known/estimated cost is transferred from the General Fund each year. It is therefore possible for this fund to show a negative balance
- Assessment Equalisation** - Funded from a portion of the sale proceeds of closed churches and used to subsidise the consequential additional Assessment costs on the remaining churches over a period of 3 years
- Lay Salaries** - Funded from prior year savings on budget v actual overall employment costs (ministers and lay workers) and used to part fund lay salaries over future years

**BS9 Restricted and Endowment Funds**

	31-Aug-23	2022
Restricted Funds Balance	6,803	9,883
Endowment Funds Balance	54,166	55,927

The restricted and endowment funds exist to support the causes listed below. All the funds' assets (except those restricted funds which are managed locally) are managed by TMCP and the net income (after charges) is paid direct to the administrators of the fund. Each fund listed below is categorised according to the following key:

- (EE)** - {Expendable Endowment} Capital available with restrictions.
- (PE)** - {Permanent Endowment} Capital unavailable
- (RL)** - {Locally Restricted} Capital and interest available

- Benevolent Fund (RL)** - Receives interest from the "Lye" funds below and is restricted to provide support for the poor and needy of the Circuit
- Drama Fund (RL)** - No regular funding but the capital is available for drama related projects within the Circuit
- Education & Youth Fund (RL)** - Currently funded by an annual transfer of £500 from the General Fund. The capital may be used for any educational or youth purpose within the Circuit. A formal policy exists and there is a set application procedure
- Chapel Street Fund (EE)** - The interest from this fund is available for general Circuit purposes without restriction. The capital is available to support "Inner City Mission within the Luton area"
- Lye Bequest (PE)** - There are two funds both set up to provide support for the poor and needy of the Circuit. Only the interest from these funds is available and this is transferred to the local fund detailed above. Grants are made on a confidential basis and there is a written policy in place to ensure fairness of allocation and distribution

Movements during the year were as follows:

	Restricted	Endow	Total
Market value at 1 September 2022	9,883	55,929	65,811
Income received during the year net of charges		1,521	1,521
Grants paid during the year	(446)		(446)
Net unrealised gain on the value of investments		(1,784)	(1,784)
Investments sold			
Other Expenditure	(3,902)		(3,902)
Future insallment of grants	(500)		(500)
Provisions released			
Transfers to/from other Funds	1,768	(1,499)	269
<b>Market value at 31 Aug 2023</b>	<b>6,803</b>	<b>54,166</b>	<b>60,969</b>
This is made up as follows:			
2C100 - CFB Managed Mixed Fund		40,229	40,229
2C120 - CFB Managed Equity Fund			
2C122 - CFB Managed Fixed Int Fund			
2C110 - Trustees Interest Fund		13,937	13,937
Debtors			
Bank, CFB and cash balances	7,303		7,303
Provisions for future Grants (agreed)	(500)		(500)
<b>Total</b>	<b>6,803</b>	<b>54,166</b>	<b>60,969</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2023

**BS10 Summary of fund movements**

Fund	Balance at 01/09/2022	Income	Expenditure	Transfers	Grant Provisions [Net]	Gains / Losses	Balance at 31/08/2023
	£	£	£	£		£	£
General	1,968,321	896,574	(375,810)	(5,719)			2,483,367
Circuit Model Trust	25,611	1	(16,205)	13,000	1,205		23,611
<b>Total unrestricted and undesignated</b>	<b>1,993,932</b>	<b>896,575</b>	<b>(392,015)</b>	<b>7,281</b>	<b>1,205</b>		<b>2,506,978</b>
Manses	32,716	1,940	(16,170)	(3,250)	60,000		75,236
Ministers	3,651			3,400			7,051
Training	22,860		(1,208)	(9,500)			12,152
Quins	(222)		(2,886)	3,800			692
Assessment Equalisation	9,870			10,000			19,870
Lay Workers Salary	12,000			(12,000)			
<b>Total designated</b>	<b>80,875</b>	<b>1,940</b>	<b>(20,264)</b>	<b>(7,550)</b>	<b>60,000</b>		<b>115,001</b>
<b>Total unrestricted</b>	<b>2,074,807</b>	<b>898,515</b>	<b>(412,279)</b>	<b>(269)</b>	<b>61,205</b>		<b>2,621,979</b>
Benev (Local)	5,339			1,268			6,607
Drama (Local)	818						818
Educn & Youth (Local)	3,571		(446)	500	(500)		3,126
Luton Road	154		(3,132)				(2,978)
Mount Pleasant			(770)				(770)
<b>Total Restricted</b>	<b>9,883</b>		<b>(4,348)</b>	<b>1,768</b>	<b>(500)</b>		<b>6,803</b>
Chapel St Trust 18819	7,729	245	(22)	(231)			7,721
Lye Bequest for Poor Trust 3488	44,333	1,319	(126)	(1,198)		(1,673)	42,655
Lye Bequest Trust 5719	2,631	78	(8)	(70)		(112)	2,519
Circuit Music Fund Trust 16407	1,235	40	(4)				1,271
<b>Total Endowment</b>	<b>55,928</b>	<b>1,681</b>	<b>(159)</b>	<b>(1,499)</b>		<b>(1,784)</b>	<b>54,166</b>
<b>Total Restricted and Endowment</b>	<b>65,810</b>	<b>1,681</b>	<b>(4,507)</b>	<b>269</b>	<b>(500)</b>	<b>(1,784)</b>	<b>60,969</b>
<b>Total of all funds</b>	<b>2,140,617</b>	<b>900,196</b>	<b>(416,786)</b>	<b>0</b>	<b>60,705</b>	<b>(1,784)</b>	<b>2,682,948</b>

**BS11 Analysis of net assets between funds**

Fund balances at 31 August 2023 are represented by:

	General	CMTF	Desig	Restricted	Endow	Total	2022
Tangible fixed assets	1,989,381					1,989,381	1,493,131
Fixed asset investments	350,000					350,000	350,000
Investments	0				40,229	40,230	2,520
Current assets	240,904	68,236	115,179	7,303	13,937	445,559	32,956
Current liabilities	(96,919)	(31,295)	(178)	(500)		(128,892)	(16,295)
Creditors due after one year		(13,330)				(13,330)	(31,535)
	<b>2,483,367</b>	<b>23,611</b>	<b>115,001</b>	<b>6,803</b>	<b>54,166</b>	<b>2,682,947</b>	<b>1,830,776</b>



**BS15 Capital commitments and contingent liabilities**

Nil (2021/22 £60,0000)

**BS16 Lease commitments**

The Circuit has contracts or obligations for the following:

Office accommodation which is an informal arrangement with a church within the Circuit and a contribution of £900 was made during the year (2021/22- £600) to cover heating and lighting costs

In addition there are short term obligations as follows:

Telephones at the Circuit manses

The total annual cost of these is not considered material.

**BS17 Independent examiner**

No accrual has been made for the fee of the independent examiner as the figure is immaterial.

The independent examiner provided no additional services during the year

Name of Circuit :

**South Bedfordshire No 34/04**

**Declarations and Scrutiny**

I confirm that these accruals-based accounts for the year to 31 August 2023 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 30 November 2023

Name and address of treasurer: David James Hallworth ACIB

7 Windsor Close, Flitwick, Bedford MK45 1PT

**Presentation to the Circuit meeting**

I confirm that the annual report and accounts for the year ended 31 August 2023 were presented to the Circuit meeting held on: 20 February 2024

Signature of the Chair of the meeting: Rev Patrick Kandeh

Name of the Chair of the meeting: Rev Patrick Kandeh      Date 20 February 2024

**Independent Examiner's Report follows on the next page**

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

## Independent Examiner's Report to the Trustees of The South Bedfordshire Methodist Circuit

Charity Number 1134222

Year Ended 31 August 2023

---

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2023 which are set out on pages 1 to 30.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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 charity 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.



Theresa-Anne Warren FCA  
Chartered Accountant

GP Financial Management Ltd  
8 The Old Yard  
Lodge Farm Business  
Castlethorpe  
Milton Keynes  
MK19 7ES

Date: 4/6/2024

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

## Independent Examiner's Report to the Trustees of The South Bedfordshire Methodist Circuit

Charity Number 1134222

Year Ended 31 August 2023

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Theresa-Anne Warren FCA  
Chartered Accountant

GP Financial Management Ltd  
8 The Old Yard  
Lodge Farm Business  
Castlethorpe  
Milton Keynes  
MK19 7ES

Date: 4/6/2024

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

England & Wales - Charity number 1134222

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# Accounts

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# **THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

(Charity Registration No. 1134222)

## **TRUSTEES’ ANNUAL REPORT & FINANCIAL STATEMENTS**

**For the Year ending 31 August 2022**

### **Contents**

- **Annual Report**
- **Appendix “A” - Reserves Policy**
- **Summary Finance Report**
- **Financial Statements** (separate document)

## **1. Objectives and activities**

In setting our objectives and planning our activities The Circuit Meeting (under the leadership of the Circuit Leadership Team [CLT]), as Circuit Trustees, meets at least three times in each year, has carefully considered the Charity Commissioners’ published guidance on public benefit and conforms to the Charities Act 2011.

Our mission and calling is to respond to the Gospel of God’s love in Christ and to live out its discipleship in worship and mission. In furtherance of this, we will use the circuit’s resources to:

- Increase awareness of God’s presence and celebrate God’s love
- Help people to grow and learn as Christians through mutual support and care
- Be a good neighbour to people in need and challenge injustice
- Make more followers of Christ
- In all the above we will seek to work ecumenically wherever possible

## **2. Achievements and performance**

The principal purpose of the Circuit is to act as a supporting body between Churches, District and the Connexion. The Circuit is responsible for the selection and allocation of Presbyteral resources along with any lay workers who may be required in administrative and pastoral roles. Although the Circuit does have contact with the public, most of the direct contact is by the Churches within the Circuit.

The Circuit sets out its objectives through a “Next Steps” plan. This Plan is reviewed throughout the year and progress against the set objectives and strategies is monitored and documented. Action is taken where objectives are not being met. The Next Steps Plan serves as a dynamic tool and thus enables the Circuit to set goals and challenges on an ongoing basis. During the year, owing partly to Covid-19 and in common with many similar organisations, churches in the Circuit experienced difficulties in meeting physically. Although many found alternative means (Zoom/YouTube etc) this has continued to impact on finances and the sense of mutual fellowship which can only really be found by physical meeting.

### **Activities in 2021/22**

Across the circuit churches, safe spaces are provided for nursery, after school clubs, guides, and scouts meetings, weekly coffee mornings and community lunches, messy church etc.

In one of the churches in the Luton section of the circuit there is a coffee morning on every first Sunday of the month which is open to the community and especially rough sleepers and homeless people.

Some of the circuit churches are actively involved in food banks and have designated collection days. As places of welcome and hospitality, in addition to our normal worship and special services most of our circuit churches act as hosts to other church communities.

### **Events**

- a) Open-air Circuit Service on Dunstable Downs June 2022.
- b) Circuit ‘Next Steps’ gathering with District Evangelism Enabler, May 2022.
- c) Easter ‘Walks of Witness’ in various local communities with Churches Together, April 2022.
- d) St John’s – held an outdoor Summer Community Day, July 2022.

- e) Circuit commissioning service for EDI (Equality, Diversity and Inclusion) report (Sept 2021) and subsequent meetings to explore different aspects of EDI in the life of the Church and Circuit.

### ***Community Engagement***

- a) Working with local schools through leading assemblies and hosting children’s visits to Churches at Christmas and Easter
- b) Olive Tree Church Community Work – engagement with Muslim women and families in the local community, offering safe space for pre-school play, improving English classes, keep-fit, and craft group.
- c) St John’s runs a youth drop-in after school club which includes basketball, pool, football and table tennis led by paid Youth Worker and team of church volunteers.
- d) Some ministerial staff and church volunteers recommenced leading worship in care homes for the elderly in their locality, since Covid lockdowns ceased.
- e) High St, Leagrave has a number of regular lettings for the community, including a nursery, scouts and other worshipping communities as well as occasional lettings.
- f) Supporting work with refugees and asylum seekers in the local area, by fundraising, donating clothes, and knitting blanket squares.
- g) Offering space for community garden projects on church premises that promote good mental health for participants in the local area.
- h) Oakdale has a Roma worshipping community, as well as hosting the Zimbabwean fellowship. It has installed planters with flowers growing outside to improve the environment on its busy street corner in Bury Park, which before attracted fly tipping and a lot of rubbish. It is looking to install a bench as well.

### ***Looking forward to 2022/23***

The Circuit Leadership Team continues to discern its future structure and strategy to fulfil ‘Our Calling’ and be fit for purpose in the current age. In view of this, churches are being encouraged to merge, where practical, to become one church over multiple church sites with the potential for sharing resources, i.e. people skills, worship and outreach projects, thereby, reducing the administrative burden on ministerial staff and church volunteers.

Of equal importance is resurrecting and reinvesting resources and time in youth work within the circuit

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Under the heading, *Collaborative arrangements with connected charities* (3.3 below) there is information on how we obtained our funds. In this paragraph, we show how they were spent. The money collected, or available for disbursement, was used exclusively for the following purposes

- the stipends and associated employment costs of our presbyteral staff
- the employment costs of our lay employees
- the cost of Quinquennial property inspections on our Circuit churches and manses
- by way of a set annual provision, the repairs, maintenance and refurbishment of our manses
- by way of set annual provision, the training needs of our staff and church members

Through our Circuit Model Trust Fund (CMTF) we make grants to support Circuit churches in their work in their local communities. Such grants may be for specific mission related projects or to assist with property projects. The Circuit may also make grants direct to external bodies, for example, to assist with ecumenical projects.

The policy of the Trustees on grant making is to ensure that all applications can demonstrate public benefit, pass a test of sustainability, show that there is a commitment from the applicant organisation (e.g. the Circuit grant is only a part of the total funding) and show imagination and creativity as well as a perceived need for that which the grant is being applied.

Details of the grants made in this financial year are set out in the attached Financial Statements. It should be noted that it is the Circuit policy to provide for the full amount of any grant, in the year of commitment, even if the drawdown of such grant is over an extended period.

Churches that have received grants from the Circuit will show these in their own Trustees’ Annual Report (where this is required to be prepared) along with details of their achievements from the activities undertaken because of receiving the grant.

### **3. Financial Review**

The Financial Statements are included as part of this Report and give a full and detailed disclosure of the income and expenditure of the Circuit covering our Unrestricted Funds (including Designated Funds) and Restricted Funds. There were no significant events during the year.

The Circuit has the following principal sources of funds which are used to administer the Circuit:

- Investment income and gains
- Assessments on Churches within the Circuit

The Trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because Churches continue to meet their Assessments and the Circuit has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two. However, the trustees are conscious that the Circuit is dependent upon the Assessment on churches to maintain its current overall level of staffing. Therefore, we have systems in place to monitor the financial health of our churches and recognise that the overall financial resources of churches are finite.

#### **3.1 Investment Policy and Performance**

To comply with Methodist Standing Orders, monies for long-term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unlisted investments or held on deposit. The investment returns are close to tracking movements in the FTSE 100 index. The deposit income mirrors the deposit rates available elsewhere. The Circuit Trustees’ investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and TMCP because these organisations take onto consideration the social, environmental and ethical issues (both positively and negatively) that make investments suitable for the Methodist Church.

Short term deposits, not required for immediate cash flow, are lodged directly with CFB and attract good rates of interest.

There are no other benchmarks for the expected returns on investments at TMCP and CFB. The objective for the Circuit is a rate of return at least as good as market rate considering the trustees’ low appetite for risk.

### **3.2 Reserves Level and Policy**

This is set out as a separate document and appears at Appendix “A”

### **3.3 Collaborative arrangements with connected charities**

The Circuit’s main source of funding is the Assessments obtained from each Church within the Circuit. The Assessment is based on a formula which utilises the membership of each church and factored net income. The net income calculation is designed to take into account the relative costs of heating, lighting and insurance, together with a notional allowance for repairs and maintenance in order to place each church on a comparable baseline.

The Circuit holds no funds as custodian trustees. It does, however, receive on an ad hoc basis funds from Churches for Methodist Connexional Funds. These sums are collected as agent for The Connexion and are passed to the Connexion on a regular basis. In addition, the Circuit may receive grant monies from both the District, and/or the Connexion where an application has been made by the Circuit to fund an external organisation. Such funds received by the Circuit are not recognised in the Financial Statements because the funds are not within its control. No fee is earned in respect of the agency arrangement and the Circuit incurs no cost through this arrangement.

## **4. Trustees’ responsibilities**

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

- ✓ Select suitable accounting policies and applied them consistently;
- ✓ Observe the methods and principles in the Charities SORP (FRS102);
- ✓ State whether applicable UK Accounting Standards have been followed, subject to any material departures which are explained in the financial statements;
- ✓ Make judgements and estimates that are reasonable and prudent;
- ✓ Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

## 5. Structure, governance and management

The Circuit is an unincorporated charitable association governed by the Methodist Church Act 1976, the Deed of Union and the Model Trusts of the Methodist Church and was registered with the Charity Commission on 9 February 2010 (previously registered as Chiltern Downs Methodist Circuit under the same number)

The primary purpose of the Circuit is to advance the mission of the Church in South Bedfordshire by:

- Providing opportunities for Churches to work together and support each other
- Offering to Churches resources of finance, personnel and expertise

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 form the time being of any society or institution or subsidiary or ancillary to the Methodist Church; any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

### 5.1 Organisational structure

- Overall control rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of ministers in individual Circuits.
- Connexional decisions are passed to the Chair of the District and the appropriate Officers of the District for regional implementation.
- The District passes the control down to Circuit level for local implementation by the Superintendent Minister(s), ministerial staff and Circuit Stewards via the medium of the Circuit Meeting.
- The membership of the Circuit Meeting is laid down in the Constitutional Practices and Discipline of the Methodist Church. In simple terms the Circuit Meeting is made up of representatives from the churches within the Circuit (a minimum of 3 from each church, elected by the Church Council -there may be more as determined by the size of membership of the church), Circuit Ministers, Circuit Stewards and other office holders undertaking Circuit roles. Together, the members of the Circuit Meeting are the Managing Trustees of the Circuit.

Certain matters, principally those relating to property issues, need to be referred to the District (and the Connexional office - through the Trustees for Methodist Church Purposes [TMCP], acting as Custodian Trustees), but most matters are determined by the Circuit Meeting itself. The Circuit operates with a Circuit Leadership Team (made up of Circuit Stewards, Ministers and certain Lay Employees) which evolves policy and makes recommendations to the Circuit Meeting.

The South Bedfordshire Methodist Circuit comprises 20 churches located in Luton, Dunstable, Leighton Buzzard and the surrounding villages. They are listed below:

Aley Green	Barton	Beech Hill	Edlesborough
Farley Hill	Dunstable, The Square	Eaton Bray	High Town
Kensworth	Gravenhurst	Harlington	Mount Pleasant
Strathmore Avenue	Leagrave, High Street	Leighton Buzzard, Trinity	Olive Tree (St Margarets LEP)
	Oakdale	St John’s	Toddington
		Wigmore (Methodist URC LEP )	

#### 5.1.1.1 Trustees

The Managing Trustees are the elected members to the Circuit Meeting. Owing to the number of individual churches in the Circuit and the fact that the majority of the Circuit Meeting members are those elected by individual churches, the make up of the Meeting is subject to frequent changes. The names of the trustees who served during the Connexional year 2020/21 are listed at 6.6 below. A current list of Trustees can be found on the Charity Commission website.

## 6. Reference and Administrative Details

- 6.1 Name of the charity**  
The South Bedfordshire Methodist Circuit
- 6.2 Charity registration number**  
1134222, registered in England and Wales
- 6.3 Principal Office**  
Office 3, Hightown Methodist Church,  
49 High Town Rd  
Luton  
Bedfordshire  
LU2 0BW
- 6.4**
- 6.5 Superintendent Minister**  
Rev Patrick Kandeh
- 6.6 Circuit Bursar**  
Mr David Hallworth ACIB  
7 Windsor Close  
Flitwick MK45 1PT

**6.7 Names of Trustees**

Valerie	Alderman	Pearl	Mathieson
Fiona	Arcott Smith	Jane	McFarland
Albert	Baker	Ann	Meader
Peter	Baker	Raja	Muthusami
Richard	Ball	Janice	Nelson
David	Bell	John	Nelson
Jeanne	Bell	Margaret	Newman
Nigel	Bibbings	Ishmael	Opoku-Gyamfi
Marion	Borgars	Roger	Owers
Gloria	Bradley-Marriot	Lawrence	Patterson
Ann	Cassidy	Ruth	Payne
Pauline	Doody	Sue	Penn
Ivor	Edwards	Christine	Pepworth
Wallace	Edwards	Jo	Prowse
Marjorie	Fleming	Colin	Quine
Anne	Gray	Jackie	Roberts
Sheila	Green	Brian	Roe
Michael	Hare	Steve	Rogers
Rosemary	Hare	Christina	Salmon
Gillian	Henley	Clive	Salmon
Michael	Henley	David	Sear
Helen	Hodder	Cathy	Sheehan
Janet	Hornsby	Joanne	Sherwood
Charles	Horsefield	Brenda	Shields
Enid	Horton	Terry	Sissons
Melda	Husband	Alan	Smith
Terence	Ilott	Sue	Stokes
Gill	Jardine	Glynnis	Thompson
Seung-Wook	Jung	Ken	Waller
Patrick	Kandeh	Norman	Willis
Sheila	Kay	Alison	Wilson
Sheila	Marsden		

**6.8 Bankers**

The Co-operative Bank plc  
PO Box 250  
Delf House  
Skelmersdale WN8 67WT

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

**6.9 Investment Managers**

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

**6.10 Independent Examiner**

Theresa-Anne Warren  
GP Financial Management Ltd.,  
8 The Old Yard  
Lodge Farm Business Centre  
Wolverton Road  
Castlethorpe  
Milton Keynes MK19 7ES

**6.11 Quinquennial Inspectors**

Cube Building Consultancy Ltd  
Suite 2, Franklin House  
2 Steppingley Road  
Flitwick MK45 1AJ

**Approvals**

The Trustees’ Report and the Financial Statements were approved by the Circuit Leadership Team and will be presented to the Circuit Meeting on 27 June 2023

Patrick Kandeh (signed)	David Hallworth (signed)
Rev Patrick Kandeh Superintendent and Chair of Meeting March 2023	David J Hallworth ACIB Circuit Bursar March 2023

## The South Bedfordshire Circuit

### Reserves Policy

This document includes all funds held by the Circuit Meeting as charity trustees.

Our Reserves Policy relates to our general (unrestricted) funds which are available to be used for any or all of the purposes of the Circuit. It also notes the management of our restricted and endowment funds.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all of its money not simply that which is defined as reserves.

#### **Aim**

Our aim is twofold:

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

#### **Mission Policy**

Our financial resources help us to underpin the Circuit’s Mission by:-

- (a) The support of the ministry and mission of the local churches in the Circuit, including ministerial oversight, outreach opportunities and mission projects some or all of which may be unrelated to capital expenditure
- (b) The support of a ministry team of presbyters, a part-time Circuit bursar a part time Circuit administrator and a part time Circuit Workers the numerical mix of which is determined by our staffing strategy which is reviewed annually.
- (c) The maintenance of the eight Circuit manses, including two let externally at a market rent.
- (d) Supporting mission-oriented building projects, repairs and alterations.

#### **Financial Plans**

The Circuit’s Unrestricted Funds also includes the Circuit Model Trust Fund (CMTF). However, Connexional approval has to be sought to confirm any proposed use of these CMTF funds is in compliance with Standing Orders.

The Circuit Assessment is reviewed annually and provides substantially towards the overall Circuit costs. It is based on an agreed formula which seeks to ensure that each church pays a level of contribution which is proportionate to its peers. The Circuit Meeting is the final arbiter of the Assessment contribution from each church. Circuit Reserves may also be used to help meet these obligations; in particular to part fund lay personnel costs.

We make provision for our property maintenance programme by budgeting £28,000 (£3,500 per manse), as a contribution to a Provision Fund, to maintain our manses.

Subject to the constraints of our Reserves Policy (below) grants or loans from reserves are also available to support new and existing mission projects and may also be available for building repairs and projects provided the applicant church has a strong mission focus and can demonstrate financial viability. It is not always possible to predict when such grants might become necessary, as a church might suddenly need a short term loan to enable work to proceed expeditiously. Generally, we will contribute, up to 50% of project work. Such grants are subject to our Circuit Model Trust Fund policy (see below) and the availability of uncommitted funds held.

Local Church Council approved applications for Circuit funds will be made to the Circuit Leadership Team (CLT) for evaluation and support and then brought before the Circuit Meeting for approval or otherwise.

## **RESERVES POLICY**

### **Introduction**

The Circuit has a wide cross section of Funds some of which are unrestricted (including Designated Funds) and others are restricted.

The “Funds at a Glance” attached to this document is an integral part of our Reserves Policy and should be read in conjunction with it. As a general principle, we now quote our closing Fund balances on an uncommitted basis. That is to say that at the close of each financial year any known and agreed future commitments are provided for in full. Therefore, at any given time the level of uncommitted resources can be clearly seen

### **Unrestricted Funds**

#### ***General and Designated Funds***

The General Fund at **£125,189** (excluding tangible assets, Designated Funds and loans to churches) represents about 3 months budgeted expenditure (net of income for CMTF grants). This is considered to be the absolute minimum and falls short of the Connexional recommendation of 6 months. However, it effectively caters for the default of all churches not paying their Assessment in the same quarter – the chances of this are considered highly unlikely. Therefore, we aim to maintain our General Reserve at this monthly factor. If General reserves fall below our target, we will seek approval from the Circuit Meeting to make up any shortfall from an increase in Assessments the following year.

Designated Funds are effectively sinking funds or provisions against future expenditure in key areas. We budget each year for the annual figure to be credited to each of these funds

#### ***Circuit Model Trust Fund (CMTF)***

Our policy is to use this resource in accordance with Methodist Standing Orders. However, under local discretion our policy is to allocate a percentage of these funds for “Mission & Outreach Projects” (or more generally new growth initiatives). The percentage so allocated is reviewed on an annual basis and may be amended in the light of overall calls on the CMTF during the preceding year and/or future initiatives being planned. **We allocate 70% to “Mission & Outreach Projects” and 30% to other potential calls on the funds.** The total uncommitted funds stood at **£25,611** as at 31 August 2022

### **Restricted Funds**

**Chapel Street Fund** is restricted for use on Luton Town centre projects – the interest from the fund is available for general unrestricted use. We are using this fund to cover the costs to the Circuit of Ecumenical Church related Community Worker.

**Lye Trust** - is a permanent endowment legacy, the income on which is specifically for use as a Circuit Benevolent Fund. The interest of circa £1,000 p.a. is distributed (as and when required) for relief of the poor in the Circuit via the Benevolent Fund

**Benevolent Fund** –income sourced from the interest from the Lye Trust as above.

**Circuit Music Fund** – expendable endowment.

**Circuit Drama Fund** – restricted. Ex Luton Circuit Fund

**Circuit Education & Youth Fund** – restricted. Ex Luton Circuit Fund. (funded £500 p.a. from General Funds)

THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT  
FUNDS AT A GLANCE (BALANCE SHEET) AS AT 31 AUGUST 2022

	Unrestricted Funds										Restricted & Endowment Funds										Totals 2022	Totals 2021			
	General	Circuit Model Trust	Designated Funds							Total Unrestricted	Restricted Funds					Endowment Funds									
			Manses	Ministers	Training	Quins	Assm't EQ	Lay Salaries	Total Designated		Benev (Local)	Drama (Local)	Educn & Youth (Local)	Luton Road Church	Total Restricted	Chapel St Trust 18819	Lye Bequest for Poor Trust 3488	Lye Bequest Trust 5719	Circuit Music Fund Trust 16407	Total Endowment					
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£			
<b>Fixed Assets</b>																									
Circuit Manses & Equipment	1,493,131									1,493,131														1,493,131	1,493,131
Investment properties	350,000									350,000														350,000	350,000
Investments	0									0														42,014	44,830
<b>Total fixed assets</b>	<b>1,843,131</b>									<b>1,843,131</b>														<b>1,885,145</b>	<b>1,887,961</b>
<b>Current Assets</b>																									
Debtors	26,486									26,486														26,486	21,630
Loans by the Circuit	19,000									19,000														19,000	30,000
Trustees for Methodist Church Purposes	19									19														13,933	13,920
Central Finance Board Deposits	175,992	71,422	92,716	3,651	22,860	(222)	9,870	12,000	140,875	388,289	5,339	818	3,571	154	9,883	7,729	4,950		1,235		13,914	398,172	412,747		
Cash at Bank and in hand	11,661								11,661														11,661	8,988	
<b>Total current assets</b>	<b>233,139</b>	<b>71,441</b>	<b>92,716</b>	<b>3,651</b>	<b>22,860</b>	<b>(222)</b>	<b>9,870</b>	<b>12,000</b>	<b>140,875</b>	<b>445,456</b>	<b>5,339</b>	<b>818</b>	<b>3,571</b>	<b>154</b>	<b>9,883</b>	<b>7,729</b>	<b>4,950</b>		<b>1,235</b>		<b>13,914</b>	<b>469,252</b>	<b>487,284</b>		
<b>Creditors (due in under 1 year)</b>	<b>107,950</b>									<b>107,950</b>													<b>107,950</b>	<b>103,649</b>	
Grant instalments due in 2022-23		16,205	60,000						60,000	76,205													76,205	77,795	
<b>Net current assets/liabilities</b>	<b>125,189</b>	<b>55,236</b>	<b>32,716</b>	<b>3,651</b>	<b>22,860</b>	<b>(222)</b>	<b>9,870</b>	<b>12,000</b>	<b>80,875</b>	<b>261,300</b>	<b>5,339</b>	<b>818</b>	<b>3,571</b>	<b>154</b>	<b>9,883</b>	<b>7,729</b>	<b>4,950</b>		<b>1,235</b>		<b>13,914</b>	<b>285,097</b>	<b>305,840</b>		
<b>Total assets less current liabilities</b>	<b>1,968,321</b>	<b>55,236</b>	<b>32,716</b>	<b>3,651</b>	<b>22,860</b>	<b>(222)</b>	<b>9,870</b>	<b>12,000</b>	<b>80,875</b>	<b>2,104,432</b>	<b>5,339</b>	<b>818</b>	<b>3,571</b>	<b>154</b>	<b>9,883</b>	<b>7,729</b>	<b>44,333</b>	<b>2,631</b>	<b>1,235</b>		<b>55,927</b>	<b>2,170,242</b>	<b>2,193,802</b>		
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>																									
Grant instalments due after 2022-23		29,625							29,625														29,625	38,330	
<b>Net assets</b>	<b>1,968,321</b>	<b>25,611</b>	<b>32,716</b>	<b>3,651</b>	<b>22,860</b>	<b>(222)</b>	<b>9,870</b>	<b>12,000</b>	<b>80,875</b>	<b>2,074,807</b>	<b>5,339</b>	<b>818</b>	<b>3,571</b>	<b>154</b>	<b>9,883</b>	<b>7,729</b>	<b>44,333</b>	<b>2,631</b>	<b>1,235</b>		<b>55,927</b>	<b>2,140,617</b>	<b>2,155,472</b>		
<b>Funds of the Circuit</b>																									
General Fund (Unrestricted)	1,968,321									1,968,321													1,968,321		
Circuit Model Trust Fund (Unrestricted)		25,611								25,611													25,611		
Designated Funds (Unrestricted)			32,716	3,651	22,860	(222)	9,870	12,000	80,875	80,875													80,875		
<b>Total Unrestricted Funds</b>										<b>2,074,807</b>													<b>2,074,807</b>	<b>2,087,879</b>	
Restricted Funds											5,339	818	3,571	154	9,883								9,883	8,864	
Endowment Funds																7,729	44,333	2,631	1,235		55,927	55,927	58,730		
<b>Total Funds</b>	<b>1,968,321</b>	<b>25,611</b>	<b>32,716</b>	<b>3,651</b>	<b>22,860</b>	<b>(222)</b>	<b>9,870</b>	<b>12,000</b>	<b>80,875</b>	<b>2,074,807</b>	<b>5,339</b>	<b>818</b>	<b>3,571</b>	<b>154</b>	<b>9,883</b>	<b>7,729</b>	<b>44,333</b>	<b>2,631</b>	<b>1,235</b>		<b>55,927</b>	<b>2,140,617</b>	<b>2,155,472</b>		
<b>Liquid Funds</b>	<b>125,189</b>	<b>25,611</b>	<b>32,716</b>	<b>3,651</b>	<b>22,860</b>	<b>(222)</b>	<b>9,870</b>	<b>12,000</b>	<b>80,875</b>	<b>231,675</b>	<b>5,339</b>	<b>818</b>	<b>3,571</b>	<b>154</b>	<b>9,883</b>	<b>7,729</b>	<b>4,950</b>	<b>(0)</b>	<b>1,235</b>		<b>13,914</b>	<b>255,472</b>	<b>267,510</b>		

## **SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

### **ANNUAL SUMMARY FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

#### **Introduction**

This has once again been a difficult year for our Circuit churches as many struggle to bring income levels back to near pre Covid levels. This manifests itself in both letting income and “offertory plate” income.

62% of the Circuit’s expenses relate to staffing costs with another 10% attributable to maintain mases. 19.5% goes to the District assessment. Therefore, there is little room for manoeuvre unless staffing numbers can be reduced.

#### **Budget 2021/22**

This was set with a gross expenditure of just under £400k with £375k being raised from churches by way of the Assessment. Setting the level each church paid for the year was challenging and required a re-work of our historic formula. Whilst not welcomed by all, an absolute minimum Assessment of £6k per church was set with a further £28k being apportioned relative to the reserves strength (in terms of months expenditure cover) of each church. This enabled us, in part, to call more on churches with higher time based reserves than those with lower.

Challenging as this was, the required Assessment was raised in full

#### **Actual v Budget Performance (General Fund only)**

An analysis is attached. Overall, we ended up £23k favourable to budget. A number of factors contributed to this. In particular the lack of budgeted voids in our rental income led to a surplus of £4.4k. Assessments appear to be £7.8k favourable but this is offset by the cost of employing one minister for an extra 0.25 fte to cover Olive Tree.

However, a budgeting error in assuming we would need to cover extra ministerial costs led to a further surplus.

In order to utilise the £23k budget surplus, £11k has been transferred to the Circuit Model Trust Fund (representing church loan repayments received) and £12k to the Circuit Lay workers Salary Reserve.

#### **Circuit Model Trust Fund**

We made grants to Farley Hill (£2k for kitchen refurbishment) and Toddington (£7.5k over 3 years towards the costs of continuing to employ a Mission Enabler).

### **Manses Fund (Designated)**

From General Funds we budget to set aside £3.5k per manse p.a. to cover maintenance and repairs. This amounts to £28k for 8 Manses.

This year we have spent a considerable sum - £42k in total. Of this the main items are:

1. £25k spent on Friars Walk
2. £3k on Danvers Drive
3. £7k on Malzeard Road
4. £1k on Linnet Way
5. £3k on 46 Luton Road

### **Conclusion**

Circuit finances remain in a stable position, but our General Reserves only cover about 3.5months of gross expenditure.

2022/23 will be a further challenge and whilst once again the necessary Assessment has been agreed, the rising fuel costs and general increase in the cost of living will put pressure on the ability of members to maintain their current level of giving to churches.

Also attached to this report is:

- **Statement of Financial Activities (SOFA) in abbreviated form**

David J Hallworth  
Circuit Bursar

8 November 2022



# **THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**

(Charity Registration No. 1134222)

## **FINANCIAL STATEMENTS**

**For the Year ending 31 August 2022**

## Statement of Financial Activities (SOFA) for the year ended 31 August 2022

Notes	Unrestricted Funds			Restricted & Endowment Funds		Total 2021 22	Total 2020-21
	General	Circuit Model Trust	Designated	Restricted	Endowment		
	£	£	£	£	£	£	£
<b>Income and Endowments</b>							
1							1,000
2							1,286
3							13,675
4	13,800					13,800	
5	382,320					382,320	280,145
6							
7				2,768		2,768	74,651
8							
9	<b>397,656</b>	<b>0</b>		<b>2,768</b>	<b>1,153</b>	<b>401,578</b>	<b>370,757</b>
10							
11	<b>397,656</b>	<b>0</b>		<b>2,768</b>	<b>1,153</b>	<b>401,578</b>	<b>370,757</b>
12	14,100					14,100	25,876
13	<b>411,756</b>	<b>0</b>		<b>2,768</b>	<b>1,153</b>	<b>415,678</b>	<b>396,633</b>
<b>Expenditure</b>							
<b>Expenditure on charitable activities</b>							
21		19,795		600		20,395	87,050
22	247,518		5,120			252,638	250,794
23	29,586		46,481	2,613		78,681	61,689
24	4,585	0			167	4,753	3,953
25	78,016					78,016	86,258
26	3,208		321			3,529	1,876
27	<b>362,913</b>	<b>19,795</b>	<b>51,922</b>	<b>3,213</b>	<b>167</b>	<b>438,011</b>	<b>491,620</b>
31	<b>48,844</b>	<b>(19,795)</b>	<b>(51,922)</b>	<b>(446)</b>	<b>986</b>	<b>(22,333)</b>	<b>(94,988)</b>
32					(2,816)	(2,816)	6,971
33							
34	<b>48,844</b>	<b>(19,795)</b>	<b>(51,922)</b>	<b>(446)</b>	<b>(1,830)</b>	<b>(25,150)</b>	<b>(88,016)</b>
35	(48,692)	11,000	37,199	1,465	(972)	(0)	
36							
37							
38	<b>152</b>	<b>(8,795)</b>	<b>(14,723)</b>	<b>1,019</b>	<b>(2,802)</b>	<b>(25,150)</b>	<b>(88,016)</b>
39	1,968,169	24,112	95,598	8,864	58,730	2,155,472	2,287,113
40		(7,500)				(7,500)	(62,000)
41		17,795				17,795	18,375
50	<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>	<b>2,155,472</b>

## Balance Sheet as at 31 August 2022

		Unrestricted Funds			Restricted & Endowment Funds		Totals 2022	Totals 2021
		General	Circuit Model Trust	Designated	Restricted	Endowment		
		£	£	£	£	£	£	£
<b>Fixed Assets</b>								
Circuit Manses & Equipment	BS1	1,493,131					1,493,131	1,493,131
Investment properties	BS1	350,000					350,000	350,000
Investments	BS2	0				42,013	42,014	44,830
<b>Total fixed assets</b>		<b>1,843,131</b>				<b>42,013</b>	<b>1,885,145</b>	<b>1,887,961</b>
<b>Current Assets</b>								
Debtors	BS3	26,486			2,768		29,254	21,630
Loans by the Circuit	BS4	19,000					19,000	30,000
Trustees for Methodist Church Purposes	BS2		19			13,914	13,933	13,920
Central Finance Board Deposits	BS5	175,992	71,422	140,875	7,115		395,404	412,747
Cash at Bank and in hand	BS5	11,661					11,661	8,988
<b>Total current assets</b>		<b>233,139</b>	<b>71,441</b>	<b>140,875</b>	<b>9,883</b>	<b>13,914</b>	<b>469,252</b>	<b>487,284</b>
<b>Creditors (due in under 1 year)</b>								
Grant instalments due in 2022-23	BS6a	107,950					107,950	103,649
	BS6a		16,205	60,000			76,205	77,795
<b>Net current assets/liabilities</b>		<b>125,189</b>	<b>55,236</b>	<b>80,875</b>	<b>9,883</b>	<b>13,914</b>	<b>285,097</b>	<b>305,840</b>
<b>Total assets less current liabilities</b>		<b>1,968,321</b>	<b>55,236</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,170,242</b>	<b>2,193,802</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>								
Grant instalments due after 2022-23	BS7,9		29,625				29,625	38,330
<b>Net assets</b>		<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>	<b>2,155,472</b>
<b>Funds of the Circuit</b>								
General Fund (Unrestricted)	BS8.1	1,968,321						
Circuit Model Trust Fund (Unrestricted)	BS8.2		25,611					
Designated Funds (Unrestricted)	BS8.3			80,875				
<b>Total Unrestricted Funds</b>							<b>2,074,807</b>	<b>2,087,879</b>
Restricted Funds	BS9				9,883		9,883	8,864
Endowment Funds	BS9					55,927	55,927	58,730
<b>Total Funds</b>		<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>	<b>2,155,472</b>

**1 & 2 Policies and Terms**

**Basis of accounting and accounting policies**

**i Accounting standard**

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 United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011

**ii Public benefit entity**

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

**iii Basis**

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

**iv Content**

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

**v This clause is intentionally blank**

**vi Going concern**

Based on the monetary assets and human resources available at 31 August 2022, the trustees believe that the Circuit is a going concern.

**vii Consolidation**

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

**viii                    Income recognition**

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming

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

The Circuit acts as agent in two matters:

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

the administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion

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

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

**ix                        Grants (Received)**

Grants received from external sources (including Connexional and/or District grants) are shown as income. Where an application to TMCP is made (and approved) to use monies held in the Circuit Model Trust Fund and/or Restricted/Endowment Funds for a specific Circuit project, the funds so approved are, where relevant, shown as transfers between funds. More details are provided in Note 9

**x                         Expenditure**

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit

**xi                        Grants (Given)**

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

**xii                    VAT**

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

**xiii                    Tangible fixed assets**

These are capitalised if they can be used for more than one year, and individually cost at least £250.

The freehold and/or long leasehold residential property is shown in the accounts at deemed cost representing each property's gross carrying value as at 1 September 2015, being that property's insurance reinstatement value resulting from a professional valuation undertaken by Trudgill & Co in 2011/12 and subsequently adjusted up to and including 31 August 2014 or, if acquired after that date, at its insurance reinstatement value at the date of acquisition. No depreciation is provided because the trustees consider the current residual value of the property in its present condition to be not less than its historical cost and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would be immaterial.

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit becoming Managing Trustees for the property. At that time the property is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking into consideration the levy to be charged by the Connexion. Any expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, that is likely to enhance sale value is capitalised at the time the expenditure is incurred. Where the proceeds are intended to be spent on activities, the property is included in current assets at the lower of cost and realisable value. The Circuit has made use of the deemed cost option on transitioning to FRS102, as outlined above.

**xiv(a)                Monetary Investments**

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 15 below

**xiv(b)                Investment Property**

From time to time the Circuit may hold residential property (manses) which is surplus to its normal staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of 2 years, the property is classified as Investment Property (whether let out or not) and if let, it is so at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives. Any such cases are specified in Note BS1 below. Such properties are valued at fair open market value after reference to local professional estate agents and valuers.

**xv                    Receivables and Payables; Bank and Cash (Basic Financial Instruments)**

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

**xvi                    Loans as Basic Financial Instruments**

Where concessionary loans (*i.e.* free of interest) are made to [or received by] the Circuit to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid [or received], with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the Statement of Financial Activities. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Where loans require the calculation of a discounted cash flow valuation, this will be so marked.

**xvii                    Methodist Connexional Funds**

The Circuit acts as agent for Methodist Connexional Funds (Connexional Funds) in the collection from Churches and payment over of their contributions and ad hoc collections for various Funds controlled and administered by The Methodist Church – “Connexional Funds

**xviii                    Funds**

The trustees have adopted a policy for all unrestricted reserves which can be found in the main section of the Trustees Annual Report.

**xvix                    Endowment funds**

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

**xx                    Ministers' manse costs**

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

## **2 Glossary of terms**

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

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

**Circuit:** a group of Methodist Churches near each other, typically between 10 and 30

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

**CLT (Circuit Leadership Team):** A group (comprising mostly, but not exclusively) of Circuit trustees responsible for the day to day administration and policy formulation of the Circuit. Generally the CLT comprises of the Presbyters stationed within the Circuit, the Circuit Stewards and Circuit Bursar (who is not a trustee)

**CMTF:** Circuit Model Trust Fund

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

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

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

**DAF:** District Advance Fund

**FRS:** Financial Reporting Standard

**HMRC:** Her Majesty's Revenue and Customs

**LAY EMPLOYEES:** Non presbyteral staff employed on either a full or part time basis and on formal written contractual terms.

**MIMPS:** Methodist Ministers' Pension Scheme

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

**3.1 Comparative SOFA forming part of previous year's accounts**

	Unrestricted Funds			Restricted & Endowment Funds		Total 2020-21
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	
<b>Income and Endowments</b>						
1 Donations and legacies	1,000					1,000
2 Income from Monetary Investments	447	93			745	1,286
3 Income from Investment Property	13,675					13,675
4 Income from charitable activities						
5 Assessments on Churches	280,145					280,145
6 Capital Receipts						
7 Grants	72,875		1,776			74,651
8 Other charitable activities						
<b>9 Total from charitable activities</b>	<b>368,142</b>	<b>93</b>	<b>1,776</b>		<b>745</b>	<b>370,757</b>
10 Other charitable income						
<b>11 Total charitable income</b>	<b>368,142</b>	<b>93</b>	<b>1,776</b>		<b>745</b>	<b>370,757</b>
12 Other income	25,876					25,876
<b>13 Total income and endowments</b>	<b>394,018</b>	<b>93</b>	<b>1,776</b>		<b>745</b>	<b>396,633</b>
<b>Expenditure</b>						
<b>Expenditure on charitable activities</b>						
21 Grants and donations		85,600		450	1,000	87,050
22 Salaries and associated costs	243,728		7,066			250,794
23 Property	40,718		20,971			61,689
24 Office expenses	3,717	132			104	3,953
25 District Assessment & Levy	84,608	1,650				86,258
26 Other outgoings	1,876					1,876
<b>27 Total charitable expenditure</b>	<b>374,647</b>	<b>87,382</b>	<b>28,037</b>	<b>450</b>	<b>1,104</b>	<b>491,620</b>
<b>31 Net Income before investment gains/losses</b>	<b>19,371</b>	<b>(87,289)</b>	<b>(26,261)</b>	<b>(450)</b>	<b>(358)</b>	<b>(94,988)</b>
32 Net gains/(losses) on Monetary Investments		18			6,953	6,971
33 Net gains/(losses) on Property Disposals/Revaluations						
<b>34 Net incoming/(outgoing) resources before transfers</b>	<b>19,371</b>	<b>(87,270)</b>	<b>(26,261)</b>	<b>(450)</b>	<b>6,595</b>	<b>(88,016)</b>
35 Transfers between funds	(51,839)	24,000	27,349	1,129	(638)	
36 Reclassification of funds						
37 Other gains/(losses)						
<b>38 Net movement in funds</b>	<b>(32,468)</b>	<b>(63,270)</b>	<b>1,088</b>	<b>679</b>	<b>5,956</b>	<b>(88,016)</b>
39 Total funds brought forward	2,000,637	72,007	154,511	8,185	51,773	2,287,113
40 Less: Future instalments of grant		(2,000)	(60,000)			(62,000)
41 Grant instalments provisions released		17,375			1,000	18,375
<b>50 Total funds carried forward</b>	<b>1,968,169</b>	<b>24,112</b>	<b>95,598</b>	<b>8,864</b>	<b>58,730</b>	<b>2,155,472</b>

**3.2 Balance Sheet as at 31 August 2021**

	Unrestricted Funds			Restricted & Endowment Funds		Totals 2021
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	
<b>Fixed Assets</b>						
Circuit Manses & Equipment	1,493,131					1,493,131
Investment properties	350,000					350,000
Investments	0				44,830	44,830
<b>Total fixed assets</b>	<b>1,843,131</b>				<b>44,830</b>	<b>1,887,961</b>
<b>Current Assets</b>						
Debtors	21,630					21,630
Loans by the Circuit	30,000					30,000
Trustees for Methodist Church Purposes		20			13,900	13,920
Central Finance Board Deposits	168,069	80,217	155,598	8,864		412,747
Cash at Bank and in hand	8,988					8,988
<b>Total current assets</b>	<b>228,686</b>	<b>80,237</b>	<b>155,598</b>	<b>8,864</b>	<b>13,900</b>	<b>487,284</b>
<b>Creditors (due in under 1 year)</b>	<b>103,649</b>					<b>103,649</b>
Grant instalments due in 2020-21		17,795	60,000			77,795
<b>Net current assets/liabilities</b>	<b>125,037</b>	<b>62,442</b>	<b>95,598</b>	<b>8,864</b>	<b>13,900</b>	<b>305,840</b>
<b>Total assets less current liabilities</b>	<b>1,968,169</b>	<b>62,442</b>	<b>95,598</b>	<b>8,864</b>	<b>58,730</b>	<b>2,193,802</b>
<b>Creditors and Accruals including any loans (due after more than 1 year)</b>						
Grant instalments due after 2020-21		38,330				38,330
<b>Net assets</b>	<b>1,968,169</b>	<b>24,112</b>	<b>95,598</b>	<b>8,864</b>	<b>58,730</b>	<b>2,155,472</b>
<b>Funds of the Circuit</b>						
General Fund (Unrestricted)	1,968,169					
Circuit Model Trust Fund (Unrestricted)		24,112				
Designated Funds (Unrestricted)			95,598			
<b>Total Unrestricted Funds</b>						<b>2,087,879</b>
Restricted Funds				8,864		8,864
Endowment Funds					58,730	58,730
<b>Total Funds</b>	<b>1,968,169</b>	<b>24,112</b>	<b>95,598</b>	<b>8,864</b>	<b>58,730</b>	<b>2,155,472</b>

**Note 4 Income from Investment Property**

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

	General	CMTF	Desig	Restricted	Endow	Total	2021
Letting Income:							
18 Clarence Road	13,800					13,800	13,675
<b>Totals</b>	<b>13,800</b>					<b>13,800</b>	<b>13,675</b>

**Note 5 Assessments on Churches**

The Circuit comprises of 20 [Luton Road closed during the year] (21) churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making it's Assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all it's net core costs from the Assessment.

An Assessment on Churches is annually determined by the Circuit using a formulaic method which takes into account the relative number of members in each church and its relative income (after deduction of certain actual and notional expenses).

Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is also treated as a debtor. Such cases are detailed in Notes BS3 and BS6

Church	General	CMTF	Desig	Restricted	Endow	Total	2021
Aley Green	11,948					11,948	8,229
Barton	7,716					7,716	4,011
Beech Hill	16,924					16,924	9,843
Dagnall							840
Eaton Bray	12,112					12,112	8,493
Edlesborough	6,752					6,752	3,314
Farley Hill	10,144					10,144	8,415
Gravenhurst	7,028					7,028	3,600
Harlington	19,216					19,216	12,702
High Town	21,340					21,340	13,017
Kensworth	7,476					7,476	4,485
Leagrave High St	31,872					31,872	26,703
Luton Road							3,036
Mount Pleasant	9,856					9,856	5,094
Oakdale	16,780					16,780	12,216
St Johns	27,780					27,780	22,920
St Margarets	25,568					25,568	17,772
Strathmore Ave	13,632					13,632	5,886
The Square	56,060					56,060	43,839
Toddington	16,140					16,140	13,194
Trinity	57,844					57,844	47,376
Wigmore	6,132					6,132	5,160
<b>Total</b>	<b>382,320</b>					<b>382,320</b>	<b>280,145</b>



**Note 9 Grants & Donations**

Grants and donations as listed below were agreed and/or made during the year. Where a grant has been made from the Circuit Model Trust Fund, Restricted or Endowment Funds and the grant monies are for use within the Circuit they are treated as a transfer between Funds with the purpose detailed in Note 16. The tables below (one for each Fund type) detail the new grants agreed and paid over this year, this year's instalment of grants agreed in prior years and the future instalments of grants to be paid. More information can also be found in Notes BS6a, BS7, BS8 and BS9 below  
The support costs for grant-funding to third parties are insignificant and are not separately disclosed

Grantee/Donee	This Year New				General						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Connexional Funds											
<b>Totals</b>											

Grantee/Donee	This Year New				Circuit Model Trust						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Circuit Churches											
Circuit Worker											
Toddington (Mission Enabler)	7,500			7,500	2,000	(2,000)		7,500	(2,000)		(2,000)
Farley Hill	2,000	(2,000)							(2,000)		(2,000)
Barton					2,000	(2,000)			(2,000)		(2,000)
Olive Tree Youth Worker											
Houghton Regis Project					52,125	(13,795)		38,330	(13,795)		(13,795)
Covid Assess Relief											
<b>Totals</b>	<b>9,500</b>	<b>(2,000)</b>		<b>7,500</b>	<b>56,125</b>	<b>(17,795)</b>		<b>45,830</b>	<b>(19,795)</b>		<b>(19,795)</b>

Grantee/Donee	This Year New				Designated						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Training - Various											
Malzeard Road Garage Conversion					60,000			60,000			
<b>Totals</b>					<b>60,000</b>			<b>60,000</b>			

Grantee/Donee	This Year New				Restricted						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Benevolent	600	(600)							(600)		(600)
Education & Youth											
<b>Totals</b>	<b>600</b>	<b>(600)</b>							<b>(600)</b>		<b>(600)</b>

Grantee/Donee	This Year New				Endowment						
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid brt fwd	Paid this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr	Grand Total
Ecumenical Community Worker											
Olive Tree Community Worker											
Youthcape Worker											
<b>Totals</b>											

**Note 10 Stipends and Salaries and Associated Costs**

**Stipends**

Stipends were paid to 6 Presbyters [5.49 fte] (2020-21 6 [5.2 fte]) and were as follows

	Full Time (5)	Part Time (1)		General	CMTF	Desig (Ministers)	Restricted	Endow	Total	2021
National Insurance Contributions	12,513	1,507		14,021					14,021	12,623
Pension Fund Contributions	34,733	5,210		39,943					39,943	37,694
Stipends	131,702	19,368		151,070					151,070	143,504
Sundry Expenses & PC Allowances	44			44					44	1,020
Telephone	3,173	482		3,655					3,655	3,381
Travelling	4,203	550		4,753					4,753	1,517
Computers in Ministry	850	176		1,026					1,026	
Removal, Stationing & Relocation Costs						5,120			5,120	7,066
	<b>187,219</b>	<b>27,293</b>		<b>214,512</b>		<b>5,120</b>			<b>219,632</b>	<b>206,805</b>

The Circuit employs lay staff involved in both Administration and Mission work. The costs of these staff are shown below in their separate categories.

Administration Staff	Part Time			General	CMTF	Desig	Restricted	Endow	Total	2021
	Bursar	Admin	PA							
Nat Ins	199			199					199	186
Salary & Allowances	10,343	10,415		20,758					20,758	17,907
Travel										
Other Expenses										
	<b>10,542</b>	<b>10,415</b>		<b>20,957</b>					<b>20,957</b>	<b>18,093</b>

Contracted Hours (pw) 15 15 n/a

Mission Staff	Part Time			General	CMTF	Desig	Restricted	Endow	Total	2021
		Circuit Workers x3								
Nat Ins										512
Pension Conts		16		16					16	433
Salary		9,286		9,286					9,286	22,302
Sundry Expenses										
Telephone										
Travel		806		806					806	261
IT Allowances		960		960					960	1,440
		<b>11,068</b>		<b>11,068</b>					<b>11,068</b>	<b>24,949</b>

Contracted Hours (pw) 37

Apprenticeship Levy 982 982 948

**Stipends & Salaries Totals**

**247,518 5,120 252,638 250,794**

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the Living Wage, as directed by Methodist Conference.

**Pensions**

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

On the other hand lay employees are contractually employees and have the option of joining a pension scheme which the Circuit has arranged with The Pensions Trust. This is a defined benefit scheme and the Circuit contributes as employer to this scheme.

The Connexion accounts for both pension schemes 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.

**Note 10a Cost of Superintendent, Presbyters and Trustees**

The Superintendent of the Circuit, the other Presbyters and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

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

Each Presbyter is entitled to a 3 month sabbatical every 5 years and the expenses incurred by the Presbyter are met by the Connexion with the Circuit continuing to pay the stipend. During the year there have been 0 sabbaticals. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed and without extra pay. Had additional cover been required the cost of this is estimated at £9,355 (being one quarter of a single standard stipend plus National Insurance, Pension and other normally incurred expenses

	£	2021 £
Stipends of Presbyters [6 actual (5.49 fte)]	151,070	143,504
Employer's National Insurance contributions	14,021	12,623
Employer's pension contributions to a defined benefit pension scheme	39,943	37,694
<b>Total cost</b>	<b>205,034</b>	<b>193,820</b>

**Payments to trustees**

The Circuit has a published Expenses Policy which can be found on its website [www.southbedsmethodist.org.uk/](http://www.southbedsmethodist.org.uk/) It is generally not Circuit policy to reimburse non-Presbyteral members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties. The Presbyters of the Circuit undertake the primary executive roles within the Circuit. Apart from the [6] Presbyters, Circuit Bursar, Administrator and Circuit Lay Workers no member of the Circuit Meeting or CLT was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling, entertaining and administration costs were reimbursed in relation to specific projects.

Travel and entertaining expenses have been reimbursed to 0 (2020-21: nil) non-Presbyteral trustees (members of the CLT) who, in aggregate, have received the cost of travel incurred in attending meetings of the CLT and/or other related commitments and this amounted to £Nil (2020-21: £nil). The travel costs of Presbyters who attended CLT and Circuit meetings is included within their overall travel expenses (detailed in Note 6) and is not separately determined.

**Note 11 Property Expenses**

The Circuit is Managing Trustee for 7 manses (2020-21 -7 ) and 1 (20120-21 - 1) investment properties. 5 manses are occupied by ministers stationed in the Circuit. The investment property (18 Clarence Road) was let for all of the year on an Assured Shorthold Tenancy. The property at 44a Bolingbroke Road is let on an Assured Shorthold Tenancy. With the exception of the let properties, the Circuit is responsible for the payment of Council Tax, Utilities, Water charges and Insurance.

The cost of ongoing maintenance and improvements to all properties is funded through a Designated "Manses" Fund and a transfer of £3,500 p.a. per manse is made from the General Fund. The level of transfer is reviewed by the trustees each year.

**Expenditure on Manses & Investment (Inv) Properties**

Manse	Council Tax	Insurance	Maint Contracts	Water Supply	General	CMTF	Desig (Manses)	Restricted	Endow	Total	2021
					Sub Total		Repairs Maint Improve				
Unallocated			4,135		4,135					4,135	4,480
10 Danvers Drive	3,135	297			3,432		3,337			6,769	5,168
18 Clarence Road		415			415		607			1,022	1,693
18 Malzeard Road	2,414	417		202	3,033		6,744			9,777	10,201
44A Bolingbroke Road		381			381		234			615	785
46 Luton Road	2,547	318		476	3,341		3,285			6,626	3,872
5 Kingsley Road	1,974	353		164	2,491		442			2,933	5,203
6 Friars Walk	3,135	380		326	3,842		26,338			30,180	4,492
6 Linnet Way	2,623	405		1,080	4,108		922			5,030	3,843
<b>Totals</b>	<b>15,828</b>	<b>2,967</b>	<b>4,135</b>	<b>2,248</b>	<b>25,178</b>		<b>41,909</b>			<b>67,088</b>	<b>39,736</b>

**Letting Expenses**

	Agents	Other	Insurance		General	CMTF	Desig	Restricted	Endow	Total	2021
18 Clarence Road	2,081				2,081					2,081	1,887
10 Danvers Drive											1,230
44a Bolingbroke Road	1,692				1,692					1,692	1,728
<b>Totals</b>	<b>3,773</b>				<b>3,773</b>					<b>3,773</b>	<b>4,845</b>

**Other Property Expenses**

					General	CMTF	Desig (Quinns)	Restricted	Endow	Total	2,021
	Rent	Utilities	Others								
Circuit Office Rent	500				500					500	600
Quinquennial Reports							4,572			4,572	6,012
Closed Chapels								2,613		2,613	
Unoccupied Manses	135				135					135	38
Manse Rental (Temp)											10,458
Selling Fees											
<b>Totals</b>	<b>635</b>				<b>635</b>		<b>4,572</b>	<b>2,613</b>		<b>7,820</b>	<b>17,108</b>

**Property Totals**

<b>29,586</b>	<b>46,481</b>	<b>2,613</b>	<b>78,681</b>	<b>61,689</b>
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**Note 12 Office & Administration costs**

	General	CMTF	Desig	Restricted	Endow	Total	2021
District & Conference Minutes	466					466	478
Entertaining							
Ink & Toner	436					436	524
Bank Charges							
Independent Examiner's Fee	450					450	450
Office Telephone & Broadband	907					907	928
Other Admin Costs	1,759					1,759	480
Stationery, Copying, Postage	104					104	231
Travelling Expenses - Circuit Stewards							
Website	243					243	243
TMCP Admin/Investment Management Fees					167	167	236
Depreciation on Office Equipment		0				0	163
Insurance (General)	220					220	220
<b>Totals</b>	<b>4,585</b>	<b>0</b>			<b>167</b>	<b>4,753</b>	<b>3,953</b>

**Note 13 District Assessment & Levy**

The District Assessment is calculated relative to the proportion of church members and staffing (Presbyters and Mission staff only) of all Circuits in the Beds, Herts & Essex District. 50% of the overall cost is calculated using relative membership proportions and 50% using relative staffing proportions.

The Levy is calculated on a sliding scale percentage of the Circuit's CMTF account balance as at 31 August the previous accounting year.

	General	CMTF	Desig	Restricted	Endow	Total	2021
District Expenses	15,812					15,812	18,612
Methodist Church Fund (MCF)	62,204					62,204	65,996
Levy on CMTF Funds							1,650
	<b>78,016</b>					<b>78,016</b>	<b>86,258</b>

**Note 14 Other Outgoings**

	General	CMTF	Desig	Restricted	Endow	Total	2021
<b>Preaching &amp; Worship:</b>							
Local Preachers & Lay Pastoral Expenses	1,715					1,715	274
Plan & Directory							
Preaching Fees & Travel							692
Resources	931					931	982
Zoom Licences							(72)
<b>Other Expenses:</b>							
Training Courses/Events			320			320	
Mission Events	522					522	
Miscellaneous	40					40	
<b>Totals</b>	<b>3,208</b>		<b>320</b>			<b>3,528</b>	<b>1,876</b>

**Note 15 Investment Management**

During the year the Circuit paid TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund, Restricted and Endowment Funds) management charges based on 0.2% of the value of the individual funds at the beginning of the year. [None of the individual amounts is considered material but are listed in Note 12 for information.]

Realised and Unrealised gains in the invested funds are listed below. More information can be found in Note BS9.

	General	CMTF	Desig	Restricted	Endow	Total	2021
Chapel St Trust 18819							
Lye Bequest for Poor Trust 3488					(2,640)	(2,640)	6,518
Lye Bequest Trust 5719					(176)	(176)	435
Circuit Music Fund Trust 16407							
Benev (Local)							
Drama (Local)							
Educn & Youth (Local)							
Circuit Model Trust Fund							18
<b>Totals</b>					<b>(2,816)</b>	<b>(2,816)</b>	<b>6,971</b>

**Note 15a Property Disposals/Revaluations**

The net gains or losses are detailed below.

Details	Carrying	Sale	Reval	Gain (Loss)	2021

**Note 16 Transfers between Funds**

The transfer between funds shown on the SOFA represents:

1. Expenditure and/or grants that had been agreed out of one fund but paid out of another fund
2. Investment income (net of charges) from Restricted/Endowment Funds which under the terms of the Funds may be used within Unrestricted Funds
3. Sums that were transferred from one fund to another under the direction of the trustees.

	General	CMTF	Desig	Restricted	Endow	Check
Manse Fund	(28,000)		28,000			
Ministers' Fund	(3,400)		3,400			
Training Fund	(3,500)		3,500			
Quinquennial Fund	(3,363)		3,363			
Investment Income						
Internal Grants (Ecumenical Community Worker)						
Release of Internal provisions (High Town Organ)						
Education & Youth Fund	(500)			500		
Benevolent Investment Income				965	(965)	
Assessment Equalisation Fund						
Loan Repayments	(11,000)	11,000				
CMTF Grants and Loans						
Chapel Street	7				(7)	
Circuit Worker	1,064		(1,064)			
<b>Totals</b>	<b>(48,692)</b>	<b>11,000</b>	<b>37,199</b>	<b>1,465</b>	<b>(972)</b>	

**Note 17 Reclassification of Funds**

Any fund whose classification has changed (e.g. Restricted to Unrestricted or vice versa) at the direction of the Circuit trustees or Custodian trustees is listed below.

Circuit property is always carried in the General Fund but upon sale the net proceeds are processed through the Circuit Model Trust Fund. This requires an adjustment and any such sales during the year are reflected below at the gross sale price

Details	General	CMTF	Desig	Restricted	Endow	Total	2021
[Insert details of fund to be reclassified]							
[Insert details of fund to be reclassified - contra]							
<b>Totals</b>							

**Note 18 Other Gains or Losses**

Are tabulated below

Details	General	CMTF	Desig	Restricted	Endow	Total	2021
<b>Totals</b>							

**Note BS1 Manses & Other Property**

Buildings comprise of 7 (7 - 2021) manses located in Luton, Dunstable, Toddington and Leighton Buzzard .

Investment Properties are 1 manse ( 2021 - 1 at 18 Clarence Road) at 18 Clarence Road.

Office equipment consists of Desktop/Laptop/Printers/Duplicators.

**1.1 Cost or valuation**

	Investment Properties	Land	Buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equip't	Assets under Construction	Total
	£	£	£	£	£		£
Balance brought forward	350,000		1,493,131		5,707		1,498,838
Additions in the year							
Revaluations (see Note 15a)							
Less: Disposals in the year							
Transfers between categories							
<b>Balance carried forward</b>	<b>350,000</b>		<b>1,493,131</b>		<b>5,707</b>		<b>1,498,838</b>

**1.2 Accumulated depreciation and impairment provisions**

	Basis					
	Rate	N/A	N/A	SL	SL	
					3 YEARS	
Balance brought forward					5,707	5,707
Depreciation charge for year						
Impairment provisions						
Revaluations						
Disposals						
Transfers						
<b>Balance carried forward</b>					<b>5,707</b>	<b>5,707</b>

**1.3 Net book value**

Brought forward	350,000	1,493,131			1,493,131
<b>Carried forward</b>	<b>350,000</b>	<b>1,493,131</b>			<b>1,493,131</b>

**Schedule Of Manses, Investment Property & Churches Closed for Worship**

Property	Type	Value
10 Danvers Drive	manse	232,017
6 Linnet Way	manse	232,000
18 Malzeard Road	manse	245,174
44A Bolingbroke Road	manse	182,336
46 Luton Road	manse	178,215
5 Kingsley Road	manse	204,999
18 Clarence Road	investment	
6 Friars Walk	manse	218,390
		<b>1,493,131</b>

**Note BS2 Investment Assets (and Trustees for Methodist Church Purposes (TMCP))**

The funds that support the Circuit Model Trust Fund and the Circuit's other funds (as listed below) are held by TMCP in Trustees Interest and/or Managed Equity Funds on which interest and dividends are credited to the accounts each month/quarter. These are regarded as medium and long term investments.

TMCP is the legal owner and custodian trustee of all Methodist model trust property, including legacies, endowments and accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the managing trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

	Price (£)
2C100 - CFB Managed Mixed Fund	5.25100
2C120 - CFB Managed Equity Fund	
2C122 CFB Managed Fixed Int Fund	
2C110 - Trustees Interest Fund	n/a

	CMF Trust 10279	Chapel St Trust 18819	Lye Bequest Trust 3488	Lye Bequest Trust 5719	Music Fund Trust 16407	Total	Grand Total	2021
	£	£	£	£	£		£	
2C100 - No Units			7,500	501			8,001	8,001
2C120 - No Units								
2C122 - No Units								
2C100			39,383	2,631		42,013	42,013	44,830
2C120								
2C122								
			39,383	2,631		42,013	42,013	44,830
2C110	19	7,729	4,950		1,235	13,914	13,933	13,920
	19	7,729	44,333	2,631	1,235	55,927	55,947	58,749

**BS3 Debtors & Prepayments**

With the exception of items marked thus (\*) all sums shown as Debtors at 1 September 2021 were received during the following year. All sums paid in advance at 1 September 2021 were for activities that have been held during 2021-22. Similarly, it is expected that payments in advance at 1 September 2022 will be expensed in 2022-23

	General	CMF	Desig	Restricted	Endow	Total	2021
<b>Trade Debtors</b>							
Council Tax Refunds							136
Luton Road Methodist (balance)				2,768		2,768	
Other Debtors							
St John's Loan Repayment	4,800					4,800	
Stipends Reimbursement/Grant							
Tenancy Deposits							1,200
<b>Prepayments</b>							
Stipends, Pension, NI	17,890					17,890	17,045
Methodist Insurance	3,652					3,652	3,187
Other Prepayments	144					144	63
Professional Fees							
<b>Totals</b>	<b>26,486</b>			<b>2,768</b>		<b>29,254</b>	<b>21,630</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2022

**BS4 Loans to Churches**

Loans to churches within the Circuit may be granted by the trustees for a variety of purposes. All loans funds are sourced from the CMTF and are interest free. The asset, however, is carried in the General Fund and repayments are transferred back to the CMTF. The agreed repayment date (if set) is shown in the table below.

Church	Date Granted	Amount	Period	Balance	Additions	Repaid	Balance
				Brought Forward		this year	Carried Forward
		£		£	£	£	£
St Margarets	Sep-2018	30,000	5 years	18,000		6,000	12,000
St Johns	Feb-2020	30,000	2 years	12,000		5,000	7,000
<b>Totals</b>				<b>30,000</b>		<b>11,000</b>	<b>19,000</b>

**BS5 Central Finance Board (CFB) and Bank balances**

Monetary balances held at the Central Finance Board of the Methodist Church and at Co-operative Bank plc are all available on demand without loss of interest. The split of these balances across General, Designated and Restricted Funds is arbitrary but wherever possible balances are not shown as negative.

	General	CMTF	Desig	Restricted	Endow	Total	2021
Central Finance Board	175,992	71,422	140,875	7,115		395,404	412,747
Co-operative Bank	11,615					11,615	8,942
Cash in hand	46					46	46
Sub Total	11,661					11,661	8,988
<b>Totals</b>	<b>187,653</b>	<b>71,422</b>	<b>140,875</b>	<b>7,115</b>		<b>407,065</b>	<b>421,735</b>

**BS6 Creditors, Accruals and Income in Advance**

It is expected that all sums accrued at 31 August 2022 will be paid during the year to 31 August 2023

	General	CMTF	Desig	Restricted	Endow	Total	2021
<b>Income in Advance</b>							
Assessments in advance	98,254					98,254	95,580
Letting Income	1,200					1,200	792
District Grant - HRCDC	2,915					2,915	2,915
<b>Creditors and Accruals</b>							
Ministers' & Staff expenses	783					783	451
Insurance	3,652					3,652	3,187
Other Expenses	992					992	215
National Trust							
Others							112
Preaching Fees & Expenses	154					154	398
Stipends, Pension, NI							
Taxation and Social Security							
Other Prepayments							
<b>Totals</b>	<b>107,950</b>					<b>107,950</b>	<b>103,649</b>

**BS6a Grants payable in next financial year**

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2022

See Note 9

General	CMTF	Desig	Restricted	Endow	Total	2021
	16,205	60,000			76,205	77,795
	<b>16,205</b>	<b>60,000</b>			<b>76,205</b>	<b>77,795</b>

**Maturity Analysis of Financial Instruments**

	Accrued at 1 Sept 21	Paid in year	Accrual made in year	Accrued at 31 Aug 22
Assessments in advance	95,580	(95,580)	98,254	98,254
Ministers' & Staff expenses	450	(450)	783	783
Contractors	3,298	(3,298)	3,872	3,872
Other Expenses	215	(215)	886	886
Letting Income	792	(792)	1,200	1,200
Others	398	(398)	40	40
District Grants	2,915	(2,915)	2,915	2,915
Stipends, Pension, NI	0	(0)		
Taxation and Social Security				
Other Prepayments				
<b>Totals</b>	<b>103,649</b>	<b>(103,649)</b>	<b>107,950</b>	<b>107,950</b>

**BS7 Commitments**

Some grants are payable in annual instalments. Since the Circuit recognises the moral responsibility to meet future instalments of grant, all future instalments are shown as liabilities on the balance sheet.

The following analyses, which should be read in conjunction with Note 9, are provided:

The total of anticipated grants stated below is comfortably within the balance of each of the respective Funds as shown in notes BS8 and BS9. It is the policy of the Circuit not to allow the future commitments of grant to exceed the balance of any fund from which the commitment is made.

**[Comparative commitments are not required]**

	General	CMTF	Desig	Restricted	Endow	Total
End of year commitments to pay one-off grants or the first instalment in a future year		7,500	60,000			67,500
Anticipated second or subsequent instalments where the first instalment was paid in 2021-22 or earlier		38,330				38,330
<b>Total anticipated commitment 31 Aug 2022</b>		<b>45,830</b>	<b>60,000</b>			<b>105,830</b>

**Grants payable by year**

	General	CMTF	Desig	Restricted	Endow	Total
2022 - 23		16,205	60,000			76,205
2023 - 24		16,295				16,295
2024 - 25		13,330				13,330
2025 - 26						
2026 - 27						
<b>Total anticipated future commitment</b>		<b>45,830</b>	<b>60,000</b>			<b>105,830</b>

**BS8 Unrestricted Funds**

**BS8.1 General Fund**

	31-Aug-22	2021
Balance	1,968,321	1,968,169

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 95% of this fund is held as a freehold or leasehold property, being manses for ministers, investment properties and, from time to time, redundant chapels in the Circuit. Details of the grants and donations made from the General Fund during the year can be found in Note 9.

The Circuit Meeting is aware that grant applications must demonstrate public benefit and this is true for all funds.

**BS8.2 Circuit Model Trust Fund**

	31-Aug-22	2021
Balance	25,611	24,112

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit. Its main source of income is legacies and formulaically determined contributions from the sale of manses and church buildings in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds. Methodist Standing Orders 930, 931 and 917(2) are applicable.

**BS8.3 Designated Funds**

	31-Aug-22	2021
Balance	80,875	95,598

These funds are to serve specific purposes but are not restricted by any document or deed to that purpose alone. Movements in these funds are set out in Note BS10 below and the details of the specific funds are as follows:

- Manses** - Receives an annual transfer from the General Fund based on the number of functional and investment manses and against this is charged routine maintenance, repairs and, as the need arises, refurbishments
- Ministers** - Receives an annual transfer calculated on the number of ministers and is used as a provision to meet the removal costs of new presbyters joining the Circuit
- Training** - Receives an annual transfer from the General Fund and acts as a provision to meet the costs of relevant training courses. A formal application process is in place and the fund is also open to applications from members of churches within the Circuit as well as Circuit staff
- Quinquennial** - The Circuit is responsible for arranging an inspection of all its own properties, as well as those of its churches, every five years. Such inspections are carried out by a Qualified Surveyor. The costs of all inspections are met by the Circuit and generally known as the Surveyor(s) is under contract. The frequency and cost of individual inspections is not uniform therefore the five year cost is assessed at the start of the cycle and one fifth of the known/estimated cost is transferred from the General Fund each year. It is therefore possible for this fund to show a negative balance
- Assessment Equalisation** - Funded from a portion of the sale proceeds of closed churches and used to subsidise the consequential additional Assessment costs on the remaining churches over a period of 3 years
- Lay Salaries** - Funded from prior year savings on budget v actual overall employment costs (ministers and lay workers) and used to part fund lay salaries over future years

**BS9 Restricted and Endowment Funds**

	31-Aug-22	2021
Restricted Funds Balance	9,883	8,864
Endowment Funds Balance	55,927	58,730

The restricted and endowment funds exist to support the causes listed below. All the funds' assets (except those restricted funds which are managed locally) are managed by TMCP and the net income (after charges) is paid direct to the administrators of the fund. Each fund listed below is categorised according to the following key:

- (EE)** - {Expendable Endowment} Capital available with restrictions.
- (PE)** - {Permanent Endowment} Capital unavailable
- (RL)** - {Locally Restricted} Capital and interest available

- Benevolent Fund (RL)** - Receives interest from the "Lye" funds below and is restricted to provide support for the poor and needy of the Circuit
- Drama Fund (RL)** - No regular funding but the capital is available for drama related projects within the Circuit
- Education & Youth Fund (RL)** - Currently funded by an annual transfer of £500 from the General Fund. The capital may be used for any educational or youth purpose within the Circuit. A formal policy exists and there is a set application procedure
- Chapel Street Fund (EE)** - The interest from this fund is available for general Circuit purposes without restriction. The capital is available to support "Inner City Mission within the Luton area"
- Lye Bequest (PE)** - There are two funds both set up to provide support for the poor and needy of the Circuit. Only the interest from these funds is available and this is transferred to the local fund detailed above. Grants are made on a confidential basis and there is a written policy in place to ensure fairness of allocation and distribution

Movements during the year were as follows:

	Restricted	Endow	Total
Market value at 1 September 2021	8,864	58,730	68,593
Income received during the year net of charges	2,768	986	3,754
Grants paid during the year	(600)		(600)
Net unrealised gain on the value of investments		(2,816)	(2,816)
Investments sold			
Other Expenditure	(2,613)		(2,613)
Future insallment of grants			
Provisions released			
Transfers to/from other Funds	1,465	(972)	493
<b>Market value at 31 Aug 2022</b>	<b>9,883</b>	<b>55,929</b>	<b>66,811</b>
This is made up as follows:			
2C100 - CFB Managed Mixed Fund		42,013	42,013
2C120 - CFB Managed Equity Fund			
2C122 - CFB Managed Fixed Int Fund			
2C110 - Trustees Interest Fund		13,914	13,914
Debtors	2,768		2,768
Bank, CFB and cash balances	7,115		7,115
Provisions for future Grants (agreed)			
<b>Total</b>	<b>9,883</b>	<b>55,927</b>	<b>65,810</b>

**THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT**  
Notes to the accounts for the year ending 31 August 2022

**BS10 Summary of fund movements**

Fund	Balance at 01/09/2021	Income	Expenditure	Transfers	Grant Provisions [Net]	Gains / Losses	Balance at 31/08/2022
	£	£	£	£		£	£
General	1,968,169	411,756	(362,913)	(48,692)			1,968,321
Circuit Model Trust	24,112	0	(19,795)	11,000	10,295		25,611
<b>Total unrestricted and undesignated</b>	<b>1,992,280</b>	<b>411,757</b>	<b>(382,708)</b>	<b>(37,692)</b>	<b>10,295</b>		<b>1,993,932</b>
Manse	46,625		(41,909)	28,000			32,716
Ministers	5,371		(5,120)	3,400			3,651
Training	19,681		(321)	3,500			22,860
Quins	987		(4,572)	3,363			(222)
Assessment Equalisation	9,870						9,870
Lay Workers Salary	13,064			(1,064)			12,000
<b>Total designated</b>	<b>95,598</b>		<b>(51,922)</b>	<b>37,199</b>			<b>80,875</b>
<b>Total unrestricted</b>	<b>2,087,879</b>	<b>411,757</b>	<b>(434,630)</b>	<b>(493)</b>	<b>10,295</b>		<b>2,074,807</b>
Benev (Local)	4,974		(600)	965			5,339
Drama (Local)	818						818
Educn & Youth (Local)	3,071			500			3,571
Greg Obong-Oshotse Fund (Local)		2,768	(2,613)				154
<b>Total Restricted</b>	<b>8,864</b>	<b>2,768</b>	<b>(3,213)</b>	<b>1,465</b>			<b>9,883</b>
Chapel St Trust 18819	7,722	36	(22)	(7)			7,729
Lye Bequest for Poor Trust 3488	46,968	1,043	(134)	(905)		(2,640)	44,333
Lye Bequest Trust 5719	2,807	68	(8)	(60)		(176)	2,631
Circuit Music Fund Trust 16407	1,233	6	(4)				1,235
<b>Total Endowment</b>	<b>58,730</b>	<b>1,153</b>	<b>(167)</b>	<b>(972)</b>		<b>(2,816)</b>	<b>55,928</b>
<b>Total Restricted and Endowment</b>	<b>67,593</b>	<b>3,921</b>	<b>(3,381)</b>	<b>493</b>		<b>(2,816)</b>	<b>65,810</b>
<b>Total of all funds</b>	<b>2,155,472</b>	<b>415,678</b>	<b>(438,011)</b>	<b>(0)</b>	<b>10,295</b>	<b>(2,816)</b>	<b>2,140,617</b>

**BS11 Analysis of net assets between funds**

Fund balances at 31 August 2021 are represented by:

	General	CMTF	Desig	Restricted	Endow	Total	2021
Tangible fixed assets	1,493,131					1,493,131	1,493,131
Fixed asset investments	350,000					350,000	350,000
Investments	0				42,013	42,014	44,830
Current assets	233,139	71,441	140,875	9,883	13,914	469,252	487,284
Current liabilities	(107,950)	(16,205)	(60,000)			(184,155)	(181,444)
Creditors due after one year		(29,625)				(29,625)	(38,330)
	<b>1,968,321</b>	<b>25,611</b>	<b>80,875</b>	<b>9,883</b>	<b>55,927</b>	<b>2,140,617</b>	<b>2,155,472</b>



#### **BS15 Capital commitments and contingent liabilities**

£60,000 has been set aside from the Manses Fund to cover the costs of converting the garage at 18 Malzeard Road into a study. This appears as a provision for future commitments elsewhere in these accounts. (2019-20- £nil for both capital and contingent).

#### **BS16 Lease commitments**

The Circuit has contracts or obligations for the following:

Office accommodation which is an informal arrangement with a church within the Circuit and a contribution of £500 was made during the year (2020/21- £600) to cover heating and lighting costs

In addition there are short term obligations as follows:

Telephones at the Circuit office and the Circuit manses along with various maintenance contracts.

The total annual cost of these is not considered material.

#### **BS17 Independent examiner**

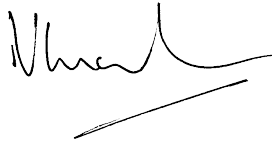
No accrual has been made for the fee of the independent examiner as the figure is immaterial.

The independent examiner provided no additional services during the year

Name of Circuit : **South Bedfordshire No 34/04**

**Declarations and Scrutiny**

I confirm that these accruals-based accounts for the year to 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 30 November 2022

Name and address of treasurer: David James Hallworth ACIB

7 Windsor Close, Flitwick, Bedford MK45 1PT

**Presentation to the Circuit meeting**

I confirm that the annual report and accounts for the year ended 31 August 2022 were presented to the Circuit meeting held on: 27 June 2023

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

Name of the Chair of the meeting: Rev Patrick Kandeh      Date 27 June 2023

**Independent Examiner's Report follows on the next page**

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

## Independent Examiner's Report to the Trustees of The South Bedfordshire Methodist Circuit

Charity Number 1134222

Year Ended 31 August 2022

---

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2022 which are set out on pages 1 to 29.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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 charity 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.



(Theresa-Anne Warren FCA  
Chartered Accountant

GP Financial Management Ltd  
8 The Old Yard  
Lodge Farm Business  
Castlethorpe  
Milton Keynes  
MK19 7ES

Date: 29/8/2023

# THE SOUTH BEDFORDSHIRE METHODIST CIRCUIT

## Independent Examiner's Report to the Trustees of The South Bedfordshire Methodist Circuit

Charity Number 1134222

Year Ended 31 August 2022

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Date: 29/8/2023