

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

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 into 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
	Dunstable, The Square	Eaton Bray	High Town
Farley Hill	Gravenhurst	Harlington	Mount Pleasant
Kensworth	Leagrave, High Street	Leighton Buzzard, Trinity	Olive Tree (St Margarets LEP)
Strathmore Avenue	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	Arscott 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			
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Fixed Assets																							
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	
Total fixed assets	1,843,131									1,843,131											1,885,145	1,887,961	
Current Assets																							
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						7,729	4,950		1,235	13,914	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						398,172	412,747	
Cash at Bank and in hand	11,661									11,661											11,661	8,988	
Total current assets	233,139	71,441	92,716	3,651	22,860	(222)	9,870	12,000	140,875	445,456	5,339	818	3,571	154	9,883	7,729	4,950		1,235	13,914	469,252	487,284	
Creditors (due in under 1 year)	107,950									107,950											107,950	103,649	
Grant instalments due in 2022-23		16,205	60,000						60,000	76,205											76,205	77,795	
Net current assets/liabilities	125,189	55,236	32,716	3,651	22,860	(222)	9,870	12,000	80,875	261,300	5,339	818	3,571	154	9,883	7,729	4,950		1,235	13,914	285,097	305,840	
Total assets less current liabilities	1,968,321	55,236	32,716	3,651	22,860	(222)	9,870	12,000	80,875	2,104,432	5,339	818	3,571	154	9,883	7,729	44,333	2,631	1,235	55,927	2,170,242	2,193,802	
Creditors and Accruals including any loans (due after more than 1 year)																							
Grant instalments due after 2022-23		29,625							29,625												29,625	38,330	
Net assets	1,968,321	25,611	32,716	3,651	22,860	(222)	9,870	12,000	80,875	2,074,807	5,339	818	3,571	154	9,883	7,729	44,333	2,631	1,235	55,927	2,140,617	2,155,472	
Funds of the Circuit																							
General Fund (Unrestricted)	1,968,321																				1,968,321		
Circuit Model Trust Fund (Unrestricted)		25,611																			25,611		
Designated Funds (Unrestricted)			32,716	3,651	22,860	(222)	9,870	12,000	80,875												80,875		
Total Unrestricted Funds										2,074,807											2,074,807	2,087,879	
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	
Total Funds	1,968,321	25,611	32,716	3,651	22,860	(222)	9,870	12,000	80,875	2,074,807	5,339	818	3,571	154	9,883	7,729	44,333	2,631	1,235	55,927	2,140,617	2,155,472	
Liquid Funds	125,189	25,611	32,716	3,651	22,860	(222)	9,870	12,000	80,875	231,675	5,339	818	3,571	154	9,883	7,729	4,950	(0)	1,235	13,914	255,472	267,510	

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

Statement of Financial Activities a Glance for the year ended 31 August 2022

Notes	Unrestricted Funds								Restricted & Endowment Funds								Grand Total 2021-22	Total 2020-21	
	General	Circuit Model Trust	Designated Funds						Restricted Funds					Endowment Funds					
			Manse	Ministers	Training	Quins	Assm't EQ	Lay Salaries	Benev (Local)	Drama (Local)	Educn & Youth (Local)	Luton Road Church	Chapel St Trust 18819	Lye Bequest for Poor Trust 3488	Lye Bequest Trust 5719	Circuit Music Fund Trust 16407			
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£		
Income and Endowments																			
1 Donations and legacies																		1,000	
2 Income from Monetary Investments	1,536	0											36	1,043	68	6	2,690	1,286	
3 Income from Investment Property	13,800																13,800	13,675	
4 Income from charitable activities																			
5 Assessments on Churches	382,320																382,320	280,145	
6 Capital Receipts																			
7 Grants											2,768						2,768	74,651	
8 Other charitable activities																			
9 Total from charitable activities	397,656	0									2,768		36	1,043	68	6	401,578	370,757	
10 Other charitable income																			
11 Total charitable income	397,656	0									2,768		36	1,043	68	6	401,578	370,757	
12 Other income	14,100																14,100	25,876	
13 Total income and endowments	411,756	0									2,768		36	1,043	68	6	415,678	396,633	
Expenditure																			
Expenditure on charitable activities																			
21 Grants and donations		19,795							600								20,395	87,050	
22 Salaries and associated costs	247,518			5,120													252,638	250,794	
23 Property	29,586		41,909			4,572					2,613						78,681	61,689	
24 Office expenses	4,585	0											22	134	8	4	4,753	3,953	
25 District Assessment & Levy	78,016																78,016	86,258	
26 Other outgoings	3,208				321												3,529	1,876	
27 Total charitable expenditure	362,913	19,795	41,909	5,120	321	4,572			600		2,613		22	134	8	4	438,011	491,620	
31 Net Income before investment gains/losses	48,844	(19,795)	(41,909)	(5,120)	(321)	(4,572)			(600)		154		14	909	60	2	(22,333)	(94,988)	
32 Net gains/(losses) on Monetary Investments														(2,640)	(176)		(2,816)	6,971	
33 Net gains/(losses) on Property Disposals/Revaluations																			
34 Net incoming/(outgoing) resources before transfers	48,844	(19,795)	(41,909)	(5,120)	(321)	(4,572)			(600)		154		14	(1,731)	(116)	2	(25,150)	(88,016)	
35 Transfers between funds	(48,692)	11,000	28,000	3,400	3,500	3,363	(1,064)		965	500			(7)	(905)	(60)		(0)		
36 Reclassification of funds																			
37 Other gains/(losses)																			
38 Net movement in funds	152	(8,795)	(13,909)	(1,720)	3,179	(1,209)	(1,064)		365	500	154		7	(2,635)	(176)	2	(25,150)	(88,016)	
39 Total funds brought forward	1,968,169	24,112	46,625	5,371	19,681	987	9,870	13,064	4,974	818	3,071		7,722	46,968	2,807	1,233	2,155,472	2,287,113	
40 Less: Future instalments of grant	(7,500)																(7,500)	(62,000)	
41 Grant instalments provisions released	17,795																17,795	18,375	
50 Total funds carried forward	1,968,321	25,611	32,716	3,651	22,860	(222)	9,870	12,000	5,339	818	3,571	154	7,729	44,333	2,631	1,235	2,140,617	2,155,472	

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

		Unrestricted Funds			Restricted & Endowment Funds		Total 2021-22	Total 2020-21
Notes		General	Circuit Model Trust	Designated	Restricted	Endowment		
		£	£	£	£	£	£	£
Income and Endowments								
1	Donations and legacies							1,000
2	Income from Monetary Investments	1,536	0			1,153	2,690	1,286
3	Income from Investment Property	13,800					13,800	13,675
4	Income from charitable activities							
5	Assessments on Churches	382,320					382,320	280,145
6	Capital Receipts							
7	Grants				2,768		2,768	74,651
8	Other charitable activities							
9	Total from charitable activities	397,656	0		2,768	1,153	401,578	370,757
10	Other charitable income							
11	Total charitable income	397,656	0		2,768	1,153	401,578	370,757
12	Other income	14,100					14,100	25,876
13	Total income and endowments	411,756	0		2,768	1,153	415,678	396,633
Expenditure								
Expenditure on charitable activities								
21	Grants and donations		19,795		600		20,395	87,050
22	Salaries and associated costs	247,518		5,120			252,638	250,794
23	Property	29,586		46,481	2,613		78,681	61,689
24	Office expenses	4,585	0			167	4,753	3,953
25	District Assessment & Levy	78,016					78,016	86,258
26	Other outgoings	3,208		321			3,529	1,876
27	Total charitable expenditure	362,913	19,795	51,922	3,213	167	438,011	491,620
31	Net Income before investment gains/losses	48,844	(19,795)	(51,922)	(446)	986	(22,333)	(94,988)
32	Net gains/(losses) on Monetary Investments					(2,816)	(2,816)	6,971
33	Net gains/(losses) on Property Disposals/Revaluations							
34	Net incoming/(outgoing) resources before transfers	48,844	(19,795)	(51,922)	(446)	(1,830)	(25,150)	(88,016)
35	Transfers between funds	(48,692)	11,000	37,199	1,465	(972)	(0)	
36	Reclassification of funds							
37	Other gains/(losses)							
38	Net movement in funds	152	(8,795)	(14,723)	1,019	(2,802)	(25,150)	(88,016)
39	Total funds brought forward	1,968,169	24,112	95,598	8,864	58,730	2,155,472	2,287,113
40	Less: Future instalments of grant		(7,500)				(7,500)	(62,000)
41	Grant instalments provisions released		17,795				17,795	18,375
50	Total funds carried forward	1,968,321	25,611	80,875	9,883	55,927	2,140,617	2,155,472

Balance Sheet as at 31 August 2022

		Unrestricted Funds			Restricted & Endowment Funds		Totals 2022	Totals 2021
		General	Circuit Model Trust	Designated	Restricted	Endowment		
		£	£	£	£	£	£	£
Fixed Assets								
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
Total fixed assets		1,843,131				42,013	1,885,145	1,887,961
Current Assets								
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
Total current assets		233,139	71,441	140,875	9,883	13,914	469,252	487,284
Creditors (due in under 1 year)								
Grant instalments due in 2022-23	BS6a	107,950					107,950	103,649
Net current assets/liabilities		125,189	55,236	80,875	9,883	13,914	285,097	305,840
Total assets less current liabilities		1,968,321	55,236	80,875	9,883	55,927	2,170,242	2,193,802
Creditors and Accruals including any loans (due after more than 1 year)								
Grant instalments due after 2022-23	BS7,9		29,625				29,625	38,330
Net assets		1,968,321	25,611	80,875	9,883	55,927	2,140,617	2,155,472
Funds of the Circuit								
General Fund (Unrestricted)	BS8.1	1,968,321						
Circuit Model Trust Fund (Unrestricted)	BS8.2		25,611					
Designated Funds (Unrestricted)	BS8.3			80,875				
Total Unrestricted Funds							2,074,807	2,087,879
Restricted Funds	BS9				9,883		9,883	8,864
Endowment Funds	BS9					55,927	55,927	58,730
Total Funds		1,968,321	25,611	80,875	9,883	55,927	2,140,617	2,155,472

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.

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 2020-21
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	£
Income and Endowments						
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						
9 Total from charitable activities	368,142	93	1,776		745	370,757
10 Other charitable income						
11 Total charitable income	368,142	93	1,776		745	370,757
12 Other income	25,876					25,876
13 Total income and endowments	394,018	93	1,776		745	396,633
Expenditure						
Expenditure on charitable activities						
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
27 Total charitable expenditure	374,647	87,382	28,037	450	1,104	491,620
31 Net Income before investment gains/losses	19,371	(87,289)	(26,261)	(450)	(358)	(94,988)
32 Net gains/(losses) on Monetary Investments		18			6,953	6,971
33 Net gains/(losses) on Property Disposals/Revaluations						
34 Net incoming/(outgoing) resources before transfers	19,371	(87,270)	(26,261)	(450)	6,595	(88,016)
35 Transfers between funds	(51,839)	24,000	27,349	1,129	(638)	
36 Reclassification of funds						
37 Other gains/(losses)						
38 Net movement in funds	(32,468)	(63,270)	1,088	679	5,956	(88,016)
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
50 Total funds carried forward	1,968,169	24,112	95,598	8,864	58,730	2,155,472

3.2 Balance Sheet as at 31 August 2021

	Unrestricted Funds			Restricted & Endowment Funds		Totals 2021
	General	Circuit Model Trust	Designated	Restricted	Endowment	
	£	£	£	£	£	£
Fixed Assets						
Circuit Manses & Equipment	1,493,131					1,493,131
Investment properties	350,000					350,000
Investments	0				44,830	44,830
Total fixed assets	1,843,131				44,830	1,887,961
Current Assets						
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
Total current assets	228,686	80,237	155,598	8,864	13,900	487,284
Creditors (due in under 1 year)	103,649					103,649
Grant instalments due in 2020-21		17,795	60,000			77,795
Net current assets/liabilities	125,037	62,442	95,598	8,864	13,900	305,840
Total assets less current liabilities	1,968,169	62,442	95,598	8,864	58,730	2,193,802
Creditors and Accruals including any loans (due after more than 1 year)						
Grant instalments due after 2020-21		38,330				38,330
Net assets	1,968,169	24,112	95,598	8,864	58,730	2,155,472
Funds of the Circuit						
General Fund (Unrestricted)	1,968,169					
Circuit Model Trust Fund (Unrestricted)		24,112				
Designated Funds (Unrestricted)			95,598			
Total Unrestricted Funds						2,087,879
Restricted Funds				8,864		8,864
Endowment Funds					58,730	58,730
Total Funds	1,968,169	24,112	95,598	8,864	58,730	2,155,472

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
Totals	13,800					13,800	13,675

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
Total	382,320					382,320	280,145

Note 6 Capital Receipts

There were no Capital Receipts (2020/21- £Nil)

	General	CMTF	Desig	Restricted	Endow	Total	2021
Gross sale proceeds							
CPF Levy on Property Sales							
Selling Agents Fees							
Legal Fees							
Surveyors Fee							
GPF Reclaimed Grants							
Totals							

Note 7 Grants Receivable

	General	CMTF	Desig	Restricted	Endow	Total	2021
Connexion							
District Model Trust Fund							6,426
Other Grants							
CMTF re Covid Assess Relief							68,225
Luton Road Church Closing Bal				2,768		2,768	
				2,768		2,768	74,651

Note 8 Other Income

	General	CMTF	Desig	Restricted	Endow	Total	2021
Circuit Quiz							
Printing for Churches							
Rent arrears paid							
Balances from closed churches							1,286
Rental Income Danvers Drive							10,190
Rental Income Bolingbroke Road	14,100					14,100	14,400
	14,100					14,100	25,876

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

[illegible]

Grantee/Donor	This Year New			Carried forward	Circuit Model Trust						
	Agreed	Paid External	Paid Internal Tfr		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											
Totals	9,500	(2,000)		7,500	56,125	(17,795)		45,830	(19,795)		(19,795)

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 - Various											
Malzeard Road Garage Conversion					60,000			60,000			
Totals					60,000			60,000			

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	600	(600)							(600)		(600)
Totals	600	(600)							(600)		(600)

[illegible]

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
	187,219	27,293		214,512		5,120			219,632	206,805

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										
	10,542	10,415		20,957					20,957	18,093

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
			11,068	11,068					11,068	24,949

Contracted Hours (pw) 37

Apprenticeship Levy 982 982 948

Stipends & Salaries Totals	247,518	5,120	252,638	250,794
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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
Total cost	205,034	193,820

Payments to trustees

The Circuit has a published Expenses Policy which can be found on its website 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

					General	CMTF	Desig (Manses)	Restricted	Endow		
Manse	Council Tax	Insurance	Maint Contracts	Water Supply	Sub Total		Repairs Maint Improve			Total	2021
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
Totals	15,828	2,967	4,135	2,248	25,178		41,909			67,088	39,736

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
Totals	3,773				3,773					3,773	4,845

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											
Totals	635				635		4,572	2,613		7,820	17,108

Property Totals

29,586	46,481	2,613	78,681	61,689
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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
Totals	4,585	0			167	4,753	3,953

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
	78,016					78,016	86,258

Note 14 Other Outgoings

	General	CMTF	Desig	Restricted	Endow	Total	2021
Preaching & Worship:							
Local Preachers & Lay Pastoral Expenses	1,715					1,715	274
Plan & Directory							
Preaching Fees & Travel							692
Resources	931					931	982
Zoom Licences							(72)
Other Expenses:							
Training Courses/Events			320			320	
Mission Events	522					522	
Miscellaneous	40					40	
Totals	3,208		320			3,528	1,876

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
Totals					(2,816)	(2,816)	6,971

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)			
Totals	(48,692)	11,000	37,199	1,465	(972)	

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]							
Totals							

Note 18 Other Gains or Losses

Are tabulated below

Details	General	CMTF	Desig	Restricted	Endow	Total	2021
Totals							

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							
Balance carried forward	350,000		1,493,131		5,707		1,498,838

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						
Balance carried forward				5,707		5,707

1.3 Net book value

Brought forward	350,000	1,493,131			1,493,131
Carried forward	350,000	1,493,131			1,493,131

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
		1,493,131

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

	CMTF 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	CMTF	Desig	Restricted	Endow	Total	2021
Trade Debtors							
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
Prepayments							
Stipends, Pension, NI	17,890					17,890	17,045
Methodist Insurance	3,652					3,652	3,187
Other Prepayments	144					144	63
Professional Fees							
Totals	26,486			2,768		29,254	21,630

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 Brought Forward	Additions	Repaid this year	Balance 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
Totals				30,000		11,000	19,000

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
Totals	187,653	71,422	140,875	7,115		407,065	421,735

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
Income in Advance							
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
Creditors and Accruals							
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							
Totals	107,950					107,950	103,649

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
	16,205	60,000			76,205	77,795

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					
Totals		103,649	(103,649)	107,950	107,950

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
Total anticipated commitment 31 Aug 2022		45,830	60,000			105,830

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						
Total anticipated future commitment		45,830	60,000			105,830

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
Market value at 31 Aug 2022	9,883	55,929	66,811
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)			
Total	9,883	55,927	65,810

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
Total unrestricted and undesignated	1,992,280	411,757	(382,708)	(37,692)	10,295		1,993,932
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
Total designated	95,598		(51,922)	37,199			80,875
Total unrestricted	2,087,879	411,757	(434,630)	(493)	10,295		2,074,807
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
Total Restricted	8,864	2,768	(3,213)	1,465			9,883
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
Total Endowment	58,730	1,153	(167)	(972)		(2,816)	55,928
Total Restricted and Endowment	67,593	3,921	(3,381)	493		(2,816)	65,810
Total of all funds	2,155,472	415,678	(438,011)	(0)	10,295	(2,816)	2,140,617

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)
	1,968,321	25,611	80,875	9,883	55,927	2,140,617	2,155,472

Notes to the accounts for the year ending 31 August 2022

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-22
		£	£	£	£
Fund for Property		1,250	(1,250)		
Mission in Britain		923	(923)		
Presbyters & Deacons		708	(708)		
Fund for Training		100	(100)		
Necessitous Local Preachers		100	(100)		
Methodist Church Fund		50	(50)		
LWPT					
World Mission		1,022	(1,022)		
JMA		310	(310)		
BEH District	HRCDC Charity Ann Grant	7,000	(7,000)		
Circuit Churches Members	Marina Mele	125	(125)		
		11,587	(11,587)		

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 .

[illegible]

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, manses, 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

£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

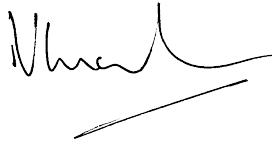
Name of Circuit :

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