

CAMBRIDGE METHODIST CIRCUIT

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

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**TRUSTEES (Circuit Stewards)**

A full list of Trustees is shown on page 4/5

Mike Sharpe (Property Steward)  
Richard Elcock  
Steve Acklam (Senior Steward)  
Margaret Wilson  
Angus Campbell (Treasurer)  
Michael Simmonds  
Ruth Levine

**CIRCUIT MINISTERS**

The Reverend Colin Smith (Superintendent)  
Deacon Ian Murray  
The Reverend Simon Oliver (resigned 31 March 2020)  
The Reverend Alison Walker  
The Reverend Charity Nzegwu

**REGISTERED OFFICE**

Wesley Methodist Church  
Christ's Piece  
Cambridge  
CB1 1LG

**CHARITY REGISTRATION NUMBER**

1134226

**AUDITORS**

Prentis & Co LLP  
Chartered Accountants and Statutory Auditors  
115c Milton Road  
Cambridge  
CB4 1XE

**BANKERS**

Lloyds Bank Plc  
University of Cambridge Branch  
PO Box 1000  
BX1 1LT

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

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

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## REPORT OF THE TRUSTEES

The Trustees present their annual report together with the financial statements of the charity for the year ended 31st August 2020.

The financial statements comply with the Charities Act 2011, the Deed of Union and Methodist Church Act, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**BACKGROUND**

The aims and purposes of the Cambridge Methodist Circuit are set out in the Circuit Policy Statement. Each year, the Statement is considered and revised when appropriate, achievements in the past year are reviewed, and goals set for the coming year. The Circuit Policy Statement takes as its starting point the Calling of the Methodist Church as approved by the Methodist Conference.

The full Statement is reproduced below:

**CAMBRIDGE CIRCUIT POLICY STATEMENT**

The Calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. It has four dimensions:

- Worship** - to increase awareness of God's presence and to celebrate God's love;
- Learning and Caring** - to help people to learn and grow as Christians through mutual support and care;
- Service** - to be a good neighbour to people in need and to challenge injustice;
- Evangelism** - to make more followers of Jesus Christ *(Methodist Conference 1996 and 2000)*

This calling is shared with the whole Church of Jesus Christ.

**The Cambridge Circuit**

1. The Circuit's policy is framed in the light of the Methodist Church's calling. Through the structures of the Circuit local churches assist each other to respond to their calling, seeking to deploy shared resources effectively to that end.

**Partnerships**

2. The Circuit will encourage churches, where possible, to work together in partnership with other Christian churches, and in particular to develop the potential of the Methodist Church's covenant with the Church of England. It will continue to support Local Ecumenical Partnerships.

3. It will maintain effective links with Wesley House, The Leys School, the Universities, students, and with the regional authorities of other churches and will respond positively to Connexional and District initiatives.

**Inclusiveness**

4. In its witness to the inclusive nature of the love of God, the Circuit is committed to ensuring, so far as circumstances allow, that buildings and activities are open and welcoming to all, regardless of age, gender, sexual orientation, ethnic origin or physical or mental impairment, and that all can contribute their particular gifts to the common life.

5. The Circuit is committed to providing a safe environment for all, including children, young people and vulnerable adults, and to ensuring that each church has an adequate policy and procedures which are observed and regularly reviewed through the monitoring of safeguarding procedures. A Circuit Steward has this particular responsibility.

**Church Life**

6. The Circuit will encourage churches, preachers and other leaders of worship to develop worship that is creative, outward-looking and relevant to local needs, as well as being faithful to the Christian tradition. To that end regular training and conferences are attended.

7. The Circuit will ensure that there is adequate provision of pastoral care, especially for all who are members of, or on the community roll of, the churches.

8. The Circuit will promote training that enables members to be more confident of their faith, equips them to share it effectively and develops their gifts for service within and beyond the church.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## REPORT OF THE TRUSTEES ...../CONTINUED

**The Wider Community**

9. The Circuit will support initiatives to share the Christian faith with others, and especially with young people.

10. The Circuit, in partnership where possible with other Christian churches, will seek to respond, as circumstances and resources allow, to the opportunities and needs presented by population growth and housing development in the area.

11. The Circuit will encourage churches to make their premises available for wider community use.

12. The Circuit will support initiatives to promote justice and equality throughout the world, and in particular will encourage churches to follow a fair trade policy.

13. The Circuit will encourage local churches to use natural resources responsibly.

**Staffing**

14. The Circuit is committed to maintaining the number of Ministers and lay workers required for its present and anticipated future needs.

**Accountability**

15. The Circuit will ensure responsible management and accountability for buildings, money and other resources and will comply with relevant government and local authority legislation.

**ACHIEVEMENTS AND PERFORMANCE**

In all its activities the Cambridge Circuit has sought to follow the calling of the Methodist Church and respond to the gospel of God's love in Christ and live out its discipleship in worship and mission.

**At the Circuit Level**

For the second half of the year many Circuit Church buildings remained closed due to the pandemic. The Circuit Leadership Team continued to evaluate need & performance against key priorities in the area of Mission, Inclusion, Discipleship, Buildings, Staffing & Safeguarding. Regular meetings were held on zoom.

**Mission**

A number of very successful sessions of Bread Church were held in Toft Chapel & attracted a wide mix of attendees from within & without the village. Further sessions were planned but postponed in the face of corona virus & the national lockdown.

Messy Church in Royston offered a positive opportunity to families and older members of the congregation. Professional assistance with First Friends, Messy Church and Holiday Club continued to be of great value.

Preliminary discussions were held regarding options for a cross-City children & young people initiative.

With church buildings closed services were relayed online with the opportunity for anyone of any faith or none to access them.

**Inclusion & Discipleship**

The Circuit has begun a critical & reflective process of reviewing and seeking to improve the approach to inclusion.

The need for an evaluation of existing learning opportunities has been tabled as the most likely way of identifying an appropriate future learning programme.

**Buildings**

Construction work began at Chesterton Methodist Church in June 2020, to provide an extension to the toilet block with a second accessible toilet which is larger and more flexible than the existing facility. Various grants towards this £50,000 project were received including £15,000 from Cambridge City Council S106 developer contributions. Progress was made towards a planning application for the construction of a community café.

The third phase of the development at Histon Methodist Church was completed in late November 2019, and an unofficial opening coincided with the annual Christmas market. The remaining part of the development - updating the toilet area - is planned to take place when funds are available.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## REPORT OF THE TRUSTEES ...../CONTINUED

Planning permission has been obtained for significant refurbishment at Royston Methodist Church to include extending the kitchen, modernising the toilets, relocating the vestry and installing a platform lift to make the building accessible to all.

The coronavirus pandemic created a very significant impact on community use of many of the Circuit's buildings, with sizeable loss of income in some. Reserves have enabled the churches to be resilient. At times as lockdown restrictions were eased some health and education and children's exercise activities were able to continue. There is confidence that community use will grow back again over time.

**Staffing**

Staff deployment was rearranged during the year due to one of the circuit ministers leaving the circuit staff teams to take up different work. The changes in staffing plus the impact of the pandemic have brought about very significant change in ministry in Cottenham. The focus in future development will need to be with ecumenical partners who continue to have worshipping communities in the Village. The Circuit will retain its interest in Cottenham through its membership of the trustee body of the Community Centre which has a long-term lease of the Methodist Chapel, and through sustaining dialogue with the other churches.

**Safeguarding**

Connexional, District and Circuit advice/guidance on GDPR and Safeguarding continues to be disseminated to churches as appropriate. Creating Safer Space Advanced Module training will need to be attended by Worship Leaders, Local Preachers and Church Safeguarding Officers. The Circuit Leadership Team have undertaken EDI training. Other Safeguarding training continues to be organised as appropriate.

**Individual Churches Highlights**

The usual programme of individual church activities was decimated by the COVID-19 restrictions. The following initiatives/activities were recorded, however.

- At Chesterton the relationship with Headway strengthened through its second year. CMC was also host to two civic services during the year with the Mayor of Cambridge among those attending. The fortnightly, interactive and inter-generational worship began to develop a new branding, "FEAST", in early 2020.
- The Wesley centred appeal in support of Bishop Alice who was studying at Wesley House & aspired to provide additional facilities for her primarily youth congregation in Kenya exceeded its £20k target.
- In the run-up to Christmas 2019 Castle Street, organised a Godly play-based holiday club for children aged 3-10, looking at the Christmas story and entitled "I Wonder" Castle Street, also had an all-age nativity and a traditional carol service, and the congregation contributed a theatrical item to "Carols for All", a united international carol service bringing together all the local churches. The first national lockdown nipped many of preparations for Lent in the bud, but door-to-door deliveries of the potted plants intended to be distributed on Mothering Sunday to the homes of members of the congregation did take place.
- In Histon bookings for the up-dated premises were going well when lockdown occurred, but during the summer the Parish Council were approached & offered access to the premises for any village community groups who wanted to utilise a central location. Following this invitation, a bereavement group and a support for young mums' group used the premises on a regular basis when permitted to do so.
- When the opportunities (and weather!) allowed both Toft & Haslingfield held services in the open air.

**FINANCIAL REVIEW**

The General Fund (unrestricted) showed a deficit of £1,383 before gains on investments (2019: deficit of £88,513).

The principal source of income for the Circuit is a quarterly assessment levied on all the churches in the Circuit (based partly on unrestricted income and partly on membership), which forms a first charge on the income of the churches under Methodist Standing Orders.

During the year grants paid out for expenditure on Circuit property amounted to £14,928 (2019: £43,182).

All the Circuit subsidiary accounts, together with the Circuit Advance Fund, are held with the Central Finance Board of the Methodist Church.

Members of the Circuit were involved in a range of fund raising activities on behalf of Methodist and other charities.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## REPORT OF THE TRUSTEES ...../CONTINUED

**RESERVES POLICY**

It is the policy of the Circuit Meeting to maintain a balance on the unrestricted General Fund equivalent to approximately at least 6 months turnover. In recent years the general reserve has fallen below this level. However, the General Fund reserve is backed up by the fact that the majority of the Circuit Advance Fund is unrestricted. The total reserves available are thus well in excess of the minimum requirement. At a Circuit Meeting held after the financial year end on 11th October 2016 it was resolved that the General Fund reserve be reduced to 3 months over a period of several years by careful and well planned allocation of resources.

**GOVERNANCE ISSUES**

The Circuit Meeting is constituted in accordance with Methodist Standing Order 510 and consists essentially of the ministerial staff of the Circuit, Circuit Stewards and other Circuit officers appointed by the Circuit Meeting, and representatives appointed by each Church in the Circuit, the number of representatives being related to Church membership. The responsibilities of the Circuit Meeting are set out in Methodist Standing Order 515. The Circuit Meeting met on three occasions during the year. Proposals are prepared for consideration by the Circuit Meeting by the Circuit Leadership Team, consisting of all Ministers and Circuit Stewards, and other Circuit committees.

A Safeguarding Office keeps all relevant statutory obligations under review and reports to the Circuit Meeting.

New Trustees are appointed when new Ministers are appointed to the Circuit, the local churches appoint representatives to the Trustee body (the Circuit Meeting) or when the Trustee body recruits and appoints new Circuit officers including the Circuit Stewards. The membership of the Trustee body is constituted according to the relevant standing orders of the Methodist Church determined by the Methodist Conference, which are legally binding on each Circuit and local Church. The Circuit will review its training and induction procedures in the coming year.

The Trustees are aware of and regularly review the Charity Commission guidance on public benefit and consider the Circuit's activities compliant.

**KEY MANAGEMENT REMUNERATION**

The Methodist Conference reviews the stipends each year taking into account inflation.

**LIST OF CHARITY TRUSTEES 2019/20****Trustees**Circuit Stewards

Mr Mike Sharpe (Property Steward)  
Mr Angus Campbell (Treasurer)  
Mr Richard Elcock (Steward)  
Mr Steve Acklam (Senior Steward)  
Mrs Margaret Wilson (Steward)  
Mr Michael Simmonds (Steward)  
Mrs R Levine (Steward)

**LIST OF CHARITY TRUSTEES 2019/20 - continued**Representatives from the Circuit

Rev Dr Jane Leach (representing Wesley House Theological College)  
Mrs Sheila Turner (rep. Action For Children)  
Mrs Wendy Timbs (Haslingfield)  
Mrs Christine Mead (Foxton) (resigned 31 August 2020)  
Mrs Joyce Goodall (Royston)  
Mr Paul Harris (Royston)  
Dr Paul Ashley (treasurer Wesley)  
Mr Geoff Batty (Wesley)  
Mr Jim Chapman (Orwell)  
Dr Phil Dale (Haslingfield)  
Mrs Sheila Elcock (Junior Mission for All)  
Mr David Griffiths (Foxton) (resigned 31 August 2020)

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## REPORT OF THE TRUSTEES ...../CONTINUED

## LIST OF CHARITY TRUSTEES 2019/20 - continued

Representatives from the Circuit

Mr Gordon Heald (Sawston)  
 Mr Ross McEwan (Cambourne)  
 Mrs Frances Pascoe (Orwell)  
 Mr Roger Pepper (Foxton) (resigned 31 August 2020)  
 Mr Chris Rayson (Castle Street)  
 Miss Phyllis Salmon (Haslingfield)  
 Miss Elsie Salmon (Haslingfield)  
 Mrs Diana Tebbitt (Toft)  
 Rev Bruce Waldron (Sawston) (resigned 31 August 2020)  
 Mrs Rosemary Watson (Histon)  
 Mrs Judy Wynn (Local Preachers)  
 Mr David Mackenzie (Toft)  
 Rev Dr Peter Graves

Rev Charles Mather  
 Mr James Taylor  
 Rev Jean Simmonds  
 Miss K Coles  
 Mr Michael Simmonds  
 Ms Margaret Wilson  
 Mr Michael Abbs (MHA)  
 Dr Nicholas Keep  
 Mrs Mary Ratcliffe  
 Ms Lynda Meharry  
 Timothy Cliff (resigned 31 August 2020)  
 Jeff Maddin (resigned 31 August 2020)

**Key Management Personnel**Circuit Staff

Rev Colin Smith (Superintendent and Chair)  
 Deacon Ian Murray (Wesley & Chesterton)  
 Revd Simon Oliver (Histon) (resigned 31 August 2020)  
 Revd Alison Walker (Castle St, Haslingfield, Toft)  
 Revd Charity Nzegwu (Orwell, Foxton, Royston)

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

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

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

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

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

Approved by the Trustees on

and signed on their behalf by:

*A. F. Campbell*  
 A F CAMPBELL  
*W. J. Smith*

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMBRIDGE METHODIST CIRCUIT

**OPINION**

We have audited the financial statements of Cambridge Methodist Circuit for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st August 2020, and of its outgoing resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSION RELATING TO GOING CONCERN**

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

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

**OTHER INFORMATION**

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the Report of the Trustees.

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

In connection with our audit of the financial statements, our responsibility is to read the Report of the Trustees and, in doing so, consider whether the Report of the Trustees is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMBRIDGE METHODIST CIRCUIT

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

**RESPONSIBILITIES OF TRUSTEES**

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

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

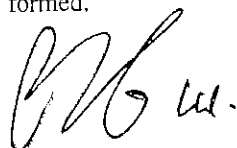
**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

This report is made solely to the Trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinion we have formed.



PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS  
& STATUTORY AUDITORS  
115c Milton Road  
Cambridge  
CB4 1XE

26 March 2021

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



	Note	Circuit Model				Trust			
		General Fund 2020	General Fund (Unrestricted) 2020	Restricted Funds 2020	Total Funds 2020	General Fund (Unrestricted) 2019	Trust Fund 2019	Restricted Funds 2019	Total Funds 2019
		£	£	£	£	£	£	£	£
<b>INCOME</b>									
<b>Income from charitable activities:</b>									
Donations		25	-	-	25	-	-	-	-
Assessment or share		225,309	-	-	225,309	218,519	-	-	218,519
Grants	2	18,105	-	9,501	27,606	20,105	-	22,638	42,743
Other income		7,830	-	198	8,028	167	-	-	167
<b>Investment income:</b>									
Interest and investment income	3	913	4,798	-	5,711	1,154	2,075	-	3,229
Lettings		14,952	-	-	14,952	13,991	-	-	13,991
<b>TOTAL INCOME</b>		<u>267,134</u>	<u>4,798</u>	<u>9,699</u>	<u>281,631</u>	<u>253,936</u>	<u>2,075</u>	<u>22,638</u>	<u>278,649</u>
<b>EXPENDITURE</b>									
<b>Expenditure on charitable activities:</b>									
Stipends, salaries, NIC and pension costs	4	160,881	-	-	160,881	163,526	-	-	163,526
District assessment		51,164	-	-	51,164	50,056	-	-	50,056
Methodist Church Fund		-	12,515	-	12,515	-	16,682	-	16,682
Telephone, travel and office		23,437	-	10,458	33,895	38,566	-	-	38,566
Insurance, utilities etc.		16,708	-	1,571	18,279	19,681	-	-	19,681
Maintenance and rental of manse		15,867	-	18,768	34,635	69,170	-	-	69,170
Grants and donations		460	-	-	460	1,450	-	-	1,450
Grants for expenditure on other circuit property		-	14,928	-	14,928	-	-	43,182	43,182
<b>TOTAL EXPENDITURE</b>		<u>268,517</u>	<u>27,443</u>	<u>30,797</u>	<u>326,757</u>	<u>342,449</u>	<u>16,682</u>	<u>43,182</u>	<u>402,313</u>
Net income/(expenditure) before gains/(losses)		(1,383)	(22,645)	(21,098)	(45,126)	(88,513)	(14,607)	(20,544)	(123,664)
Gains and (losses) on sale of property		-	167,774	-	167,774	-	-	-	-
Gains and (losses) on revaluation of investment assets		-	18	-	18	-	122	-	122
<b>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</b>		<u>(1,383)</u>	<u>145,147</u>	<u>(21,098)</u>	<u>122,666</u>	<u>(88,513)</u>	<u>(14,485)</u>	<u>(20,544)</u>	<u>(123,542)</u>
Transfers between funds		-	-	-	-	4,510	-	(4,510)	-
<b>NET MOVEMENT IN FUNDS</b>		<u>(1,383)</u>	<u>145,147</u>	<u>(21,098)</u>	<u>122,666</u>	<u>(84,003)</u>	<u>(14,485)</u>	<u>(25,054)</u>	<u>(123,542)</u>
<b>RECONCILIATION OF FUNDS</b>									
<b>TOTAL FUNDS AT 1ST SEPTEMBER 2019</b>		3,461,647	340,206	53,240	3,855,093	3,545,650	354,691	78,294	3,978,635
<b>TOTAL FUNDS AT 31ST AUGUST 2020</b>		<u>3,460,264</u>	<u>485,353</u>	<u>32,142</u>	<u>3,977,759</u>	<u>3,461,647</u>	<u>340,206</u>	<u>53,240</u>	<u>3,855,093</u>

The notes on pages 11 to 16 form part of these financial statements.

Comparatives for the 2018 Statement of Financial Activities are shown under note 14.


## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

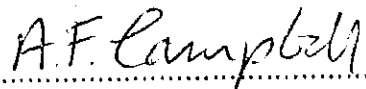
## BALANCE SHEET

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	6		2,749,900		2,749,900
Investments	7		723,433		722,183
<b>TOTAL FIXED ASSETS</b>			<u>3,473,333</u>		<u>3,472,083</u>
<b>CURRENT ASSETS</b>					
Debtors			-		2,250
Central Finance Board - Deposit Accounts		552,013		427,094	
Cash at bank and in hand		6,396		6,466	
<b>TOTAL CURRENT ASSETS</b>		<u>558,409</u>		<u>435,810</u>	
<b>CREDITORS: amounts falling due within one year</b>	8	<u>53,983</u>		<u>52,800</u>	
<b>NET CURRENT ASSETS</b>	10		<u>504,426</u>		<u>383,010</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,977,759</u>		<u>3,855,093</u>
<b>NET ASSETS</b>			<u>3,977,759</u>		<u>3,855,093</u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted income funds			3,945,617		3,801,853
Restricted income funds	9		32,142		53,240
<b>TOTAL CHARITY FUNDS</b>			<u>3,977,759</u>		<u>3,855,093</u>

Approved by the Trustees on

and signed on their behalf by:

  
 .....  
 REVEREND C A SMITH  
 TRUSTEE

  
 .....  
 A F CAMPBELL  
 TRUSTEE

The notes on pages 11 to 16 form part of these financial statements.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## STATEMENT OF CASH FLOWS

	Notes	2020 £	2019 £
<b>CASH USED IN OPERATING ACTIVITIES</b>			
Net cash used in operating activities	12	105,418	(140,174)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		5,711	3,229
Lettings income		14,952	13,991
Additions to investments		(1232)	(30,820)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<u>19,431</u>	<u>(13,600)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		124,849	(153,774)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<u>433,560</u>	<u>587,334</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<u>558,409</u>	<u>433,560</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## NOTES TO THE FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

## (a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cambridge Methodist Circuit meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy notes.

## (b) ASSESSMENT OF GOING CONCERN

The Trustees consider that there are no material uncertainties about the Circuit's ability to continue as a going concern.

## (c) INCOME

Income is recognised in the year in which the charity is entitled to the receipt, and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future year.

*Assessment or share*

Assessment income is recognised upon the Circuit notifying assessable churches in writing of both the amount and settlement date. Assessments for local churches under the Circuit are reviewed on an annual basis dependent on income and membership levels of each assessable church. The purpose of the income is to cover various ministerial costs associated with each church.

*Capital receipts*

Capital receipts are recognised when the Circuit has legal entitlement to the funds, and where relevant, upon completion date. Capital receipts relate directly to the sale of donated land and buildings where the Circuit is given entitlement.

## (d) EXPENDITURE AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the following expenditure headings as follows:

*Charitable activities:*

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Circuit and their associated support costs. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Governance costs include all expenditure not directly related to the charitable activity or fundraising ventures. This includes an appropriate proportion of costs of staff salaries for administration staff and audit fees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

No further analysis of expenditure is provided in the notes as the Trustees deem suitable analysis is provided on the Statement of Financial Activities.

## (e) OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income as incurred.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## NOTES TO THE FINANCIAL STATEMENTS

## (f) TANGIBLE FIXED ASSETS

The Trustees consider that the market value of the freehold properties is in excess of its cost as shown in the financial statements, and that in view of this there is no necessity to charge depreciation on them.

The charity has a policy of capitalising any fixed assets in excess of £2500.

Equipment assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual, over their expected useful lives on the following basis:

Equipment - 25% straight line basis

## (g) INVESTMENT FIXED ASSETS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the most recent professional valuation.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Circuit does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in property markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning property investment and within particular sectors or sub sectors.

## (h) PENSIONS

The Circuit pays pension contributions for the five Circuit Ministers to the Methodist Ministers' Pension Scheme, which is a final salary defined benefit scheme. The pension charge represents the amounts payable by the Circuit to the fund in respect of the year. The overall responsibility and liability for the fund and deficit top arrangement lies with Connexion and is disclosed in their financial statements.

## (i) FUND ACCOUNTING

Unrestricted Funds	are available for use at the discretion of the Circuit in furtherance of the objectives of the Circuit
Designated Funds	are funds set aside by the Circuit in order to undertake specific projects, or equalise anticipated major expenditure on maintenance of fixed assets in future years.
Restricted Funds	are monies subject to regulation by the donors of the funds as to their use.

2.	GRANTS RECEIVED Year ended 31st August 2020	(Unrestricted) Circuit Model			2020
		General Fund £	Trust Fund £	Restricted Funds £	Total Funds £
	Connexional Diaconal Grant	18,000	-	-	18,000
	Venture FX	-	-	9,501	9,501
	The Leys	105	-	-	105
		<u>18,105</u>	<u>-</u>	<u>9,501</u>	<u>27,606</u>
	GRANTS RECEIVED Year ended 31st August 2019	(Unrestricted) Circuit Model			2019
		General Fund £	Trust Fund £	Restricted Funds £	Total Funds £
	Connexional Diaconal Grant	20,000	-	-	20,000
	Venture FX	-	-	12,638	12,638
	The Leys	105	-	-	105
	Other grants	-	-	10,000	10,000
		<u>20,105</u>	<u>-</u>	<u>22,638</u>	<u>42,743</u>

## NOTES TO THE FINANCIAL STATEMENTS

4.	TRUSTEE AND STAFF REMUNERATION		
	The staff costs were:	2020	2019
	Trustees (Circuit Ministers) and support staff	£	£
	Salaries	130,313	132,426
	Social security costs	9,653	9,800
	Pension costs	20,915	21,300
		<u>160,881</u>	<u>163,526</u>
	Average weekly number of staff employed during the year:		
	Full time	4	5
	Part time	1	1
		<u>5</u>	<u>6</u>

No member of staff received remuneration of more than £60,000 during the year.

The Trustees consider they are the key management and the Circuit Ministers are remunerated. The total compensation received including benefits is £130,313 (2019: £132,426).

5.	NET MOVEMENT IN FUNDS FOR THE YEAR	2020	2019
	The net movement in funds for the year is stated after charging:	£	£
	Audit fee	3,109	2,947

6.	TANGIBLE FIXED ASSETS	Freehold property
	Year ended 31 August 2020	(manses)
		£
	COST	
	Balance at 1st September 2019 and 31st August 2020	<u>2,749,900</u>
	DEPRECIATION	
	Balance at 1st September 2019 and 31st August 2020	<u>2,749,900</u>
	NET BOOK VALUE at 31st August 2020	<u>2,749,900</u>
	NET BOOK VALUE at 31st August 2019	<u>2,749,900</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## NOTES TO THE FINANCIAL STATEMENTS ...../CONTINUED

6.	TANGIBLE FIXED ASSETS...../CONTINUED	Freehold
	Year ended 31 August 2019	property
		(manses)
	COST	£
	Balance at 1st September 2018 and 31st August 2019	2,749,900
	DEPRECIATION	
	Balance at 1st September 2018 and 31st August 2019	2,749,900
	NET BOOK VALUE at 31st August 2019	2,749,900
	NET BOOK VALUE at 31st August 2018	2,749,900

GAINS AND LOSSES	Book Value	
	@ 01.09.2020	@ 31.08.2019
	£	£
68 Melbourn Road, Royston	488,300	488,300
12 Moss Drive, Haslingfield	565,400	565,400
37 Maids Causeway, Cambridge	1,028,000	1,028,000
1a Radegund Road, Cambridge	668,200	668,200
	<u>2,749,900</u>	<u>2,749,900</u>

The properties were revalued by Admiral Estates, the charity's property management agents. The values are fair value based on open market value.

7.	INVESTMENTS	2020	2019
		£	£
	Circuit Finance Board managed fund	1,977	1,947
	2 Mowlam Close, Impington	668,200	668,200
	Investment account	53,256	52,036
		<u>723,433</u>	<u>722,183</u>

GAINS AND LOSSES YEAR ENDED 31 AUGUST 2020	Book Value		Book Value	
	@ 01.09.19	Additions	Gains / (Losses)	@ 31.08.2020
	£	£	£	£
2 Mowlam Close, Impington	668,200	-	-	668,200
Circuit Finance Board managed fund	1,947	12	18	1,977
Investment account	52,036	1,220	-	53,256
	<u>722,183</u>	<u>1,232</u>	<u>18</u>	<u>723,433</u>

GAINS AND LOSSES YEAR ENDED 31 AUGUST 2019	Book Value		Book Value	
	@ 01.09.2018	Additions	Gains / (Losses)	@ 31.08.2019
	£	£	£	£
2 Mowlam Close, Impington	668,200	-	-	668,200
Circuit Finance Board managed fund	1,825	-	122	1,947
Investment account	21,216	30,820	-	52,036
	<u>691,241</u>	<u>30,820</u>	<u>122</u>	<u>722,183</u>

8.	CREDITORS	2020	2019
	Due within one year:	£	£
	Assessment income	50,000	50,000
	Audit fee accrual	2,825	2,800
	Other accruals	1,158	-
		<u>53,983</u>	<u>52,800</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## NOTES TO THE FINANCIAL STATEMENTS ...../CONTINUED

9.	RESTRICTED FUNDS	Brought forward	Income	Expenditure	Transfers	Carried forward
	Year ended 31st August 2020	£	£	£	£	£
	Youth Work	13,710	-	6,751	-	6,959
	Harry Jackson Fund	16,808	-	-	-	16,808
	Venture FX	11,271	9,699	16,099	-	4,871
	Manse Accounts	11,451	-	7,947	-	3,504
		<u>53,240</u>	<u>9,699</u>	<u>30,797</u>	<u>-</u>	<u>32,142</u>

	RESTRICTED FUNDS	Brought forward	Income	Expenditure	Transfers	Carried forward
	Year ended 31st August 2019	£	£	£	£	£
	Youth Work	19,827	-	6,117	-	13,710
	Harry Jackson Fund	16,633	175	-	-	16,808
	Venture FX	9,027	22,463	15,709	(4,510)	11,271
	Manse Accounts	32,807	-	21,356	-	11,451
		<u>78,294</u>	<u>22,638</u>	<u>43,182</u>	<u>(4,510)</u>	<u>53,240</u>

Youth work - supporting youth work in the Cambridge Area.

Harry Jackson Fund - supports capital projects in the churches.

Venture FX - supports a range of projects in Cottenham with the community and other local churches.

Manse Accounts - provides funds for maintaining the manse.

10.	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted Funds	Restricted Funds	Total Funds
	Year ended 31st August 2020	£	£	£
	Tangible fixed assets	2,749,900	-	2,749,900
	Investments	723,433	-	723,433
	Net current assets	472,284	32,142	504,426
		<u>3,945,617</u>	<u>32,142</u>	<u>3,977,759</u>

	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted Funds	Restricted Funds	Total Funds
	Year ended 31st August 2019	£	£	£
	Tangible fixed assets	2,749,900	-	2,749,900
	Investments	722,183	-	722,183
	Net current assets	329,770	53,240	383,010
		<u>3,801,853</u>	<u>53,240</u>	<u>3,855,093</u>

## 11. RELATED PARTIES

The Methodist Church is a related party and during the year a contribution or levy of £12,515 (2019: £16,682) was paid to it out of the capital receipts received by the Circuit.

The Leys is a related party and during the year a donation was received of £105 (2019: £105).

The shared churches of Ely is also a related party. During the year they received a donation of Nil (2019: £500) from Cambridge Methodist Circuit.



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

## NOTES TO THE FINANCIAL STATEMENTS ...../CONTINUED

12.	RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES		
		2020	2019
		£	£
	Net movement in funds	122,666	(123,542)
	Adjustments for:		
	Deduct: (Gains)/losses on revaluation of fixed assets	(18)	(122)
	Deduct: Interest and rents from investments	(20663)	(17,220)
	Increase/(decrease) in creditors	1,183	710
	(Increase)/ decrease in debtors	2,250	-
	Net cash provided by operating activities	<u>105,418</u>	<u>(140,174)</u>