

CARDIFF METHODIST CIRCUIT

England & Wales · Charity number 1134236

Details

Status Registered

Legal form Other

Registered 2010-02-10

Register [View on the Charity Commission register](#)

Contact

Address Cyncoed Methodist Church
Westminster Crescent
Cardiff
CF23 6SE

Phone 02920393436

Email office@cardiffmethodist.org.uk

Website www.cardiffmethodist.org.uk

Activities

Objects: THE PURPOSES OF THE METHODIST CHURCH ARE AND SHALL BE DEEMED TO HAVE BEEN SINCE THE DATE OF UNION THE ADVANCEMENT OF -(A) THE CHRISTIAN FAITH IN ACCORDANCE WITH THE DOCTRINAL STANDARDS AND THE DISCIPLINE OF THE METHODIST CHURCH;(B) ANY CHARITABLE PURPOSE FOR THE TIME BEING OF ANY CONNEXIONAL, DISTRICT, CIRCUIT, LOCAL OR OTHER ORGANISATION OF THE METHODIST CHURCH;(C) ANY CHARITABLE PURPOSE FOR THE TIME BEING OF ANY SOCIETY OR INSTITUTION SUBSIDIARY OR ANCILLARY TO THE METHODIST CHURCH;(D) ANY PURPOSE FOR THE TIME BEING OF ANY CHARITY BEING A CHARITY SUBSIDIARY OR ANCILLARY TO THE METHODIST CHURCH.

Activities: The Circuit acts as an umbrella and a resource.

Classification

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

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Caerphilly
- Cardiff

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£1,819,858	£650,599	£6,436,357	10
2023-08-31	£547,442	£639,913	£5,518,090	10
2022-08-31	£450,559	£367,143	-	-
2021-08-31	£510,010	£531,326	£5,193,255	4
2020-08-31	£520,197	£506,540	£0	2

Trustees

Name	Role	Appointed
Rev CATHY GALE	Chair	2017-09-01
ANN CROSS		2015-05-01
ANTHONY PAUL THOMAS		
Alison Lewis		2025-12-01
Allison Patricia Hill		2014-02-25
Andrew Cross		2015-05-01
Andrew Tyler		2024-09-01
Angela Bailey		2024-03-01
Bethany Jane Barry		2020-09-01
Beverley-Jayne Walker		2025-12-01
Catherine Dodd		2019-02-19
Christopher Markall		2019-09-01
DEREK PERKINS		
DR CATH TAYLOR		
Deborah Witts		2022-06-01
Dr MAURICE ARTHUR WENTWORTH		
Dr Matthew Angilley		2021-04-01
GRAHAM HOSGOOD		
Gareth Adams		2025-09-01
Gauri Taylor-Nayar		2017-05-01
Gillian Griffiths		2021-05-01
HEATHER COX		2014-09-01
Hannah Armah Ofoe		2021-05-01
Helen Tyler		2018-09-01
Janet Rees		2014-02-25
Janice Perris		2014-02-25
John Powell		2014-02-25

Name	Role	Appointed
Jonathan Delf		2024-06-01
Judith Powell		2024-03-01
Lisa Medina		2015-05-01
Liz Crispie		2014-09-01
MARTIN RONALD HUNT		
MONICA SYMONDS		2021-05-13
MRS ANN THOMAS		
Margaret Mathias		2024-05-01
Monica McElveen		2025-09-01
PETER DAVID GEORGE RICHARDS		
PROFESSOR TIMOTHY PHILLIPS		2024-09-01
Paul Demery		2014-02-25
Rev Alexis Mahoney		2019-02-19
Rev Evelyn Bhajan		2022-09-01
Rev IRFAN JOHN		
Rev Judith Holliman		2019-09-01
Rev Laura Evans		2022-09-01
Rev Rosemary Davies		2024-11-01
Rev Stephen Wigley		2023-09-01
Robin Weaver		2025-09-01
SUSAN MORRIS		
Sara Wiggins		2025-03-01
Sarah Charlesworth		2024-11-01
Steve McElveen		2020-11-18
Stuart Cane		2013-09-01
Susan Hudson		2025-10-01
Vera Ruddock		2022-09-01

Accounts

Cardiff Methodist Circuit
Financial Statements
31 August 2024

GORDON DOWN & PARTNERS

Accountants & statutory auditor
144 Walter Road
Swansea
SA1 5RW

Cardiff Methodist Circuit

Financial Statements

Year ended 31 August 2024

	Page
Trustees' annual report	1
Independent auditor's report to the members	9
Statement of financial activities	13
Statement of financial position	14
Statement of cash flows	15
Notes to the financial statements	16
The following pages do not form part of the financial statements	
Detailed statement of financial activities	32

Cardiff Methodist Circuit

Trustees' Annual Report

Year ended 31 August 2024

The trustees present their report and the financial statements of the charity for the year ended 31 August 2024.

Chair's report

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019).

The Cardiff Methodist Church Circuit is the primary unit in which the local Methodist churches within Cardiff and Caerphilly express and experience their interconnection in the Body of Christ, for the purposes of mission, mutual encouragement and help. It is in the Circuit that the ministers are stationed and local preachers are trained, admitted and exercise their calling. The purposes of the Circuit include the effective deployment of the resources of ministry, which include people, property and finance, as they relate to the Methodist churches in Cardiff & Caerphilly to churches of other denominations and to participation in the life of the communities served by the Circuit, including local schools and colleges and in ecumenical work in the area.

Reference and administrative details

Registered charity name	Cardiff Methodist Circuit
Charity registration number	1134236
Principal office	Cyncoed Methodist Church Westminster Crescent Cardiff CF23 6SE

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

The trustees

L Evans - Minister
Rev S Wigley - Minister
A Bailey - Cyncoed
J Powell - Whitchurch
Mrs W Barwise
C Gale - Minister
J Holliman - Minister
A Mahoney - Minister
I John - Minister
B J Barry - Circuit Steward
M Edwards - Circuit Steward
A Thomas - Wesley Caerphilly
S McElveen - Circuit Steward
J Rees - Circuit Steward
P Demery - Safeguarding Rep
M R Hunt - Cathays
S Cane - Cathays
S Morris - Cathays
J Powell - Conway Road
H Cox - Circuit Treasurer
D Perkins - Conway Road
C E Plumridge - Cyncoed
J Plumridge - Cyncoed
T Wing - cyncoed
J Perris - Llandaff North
J V Elias - Llandaff North
P D G Richards - Llandaff North
L Crispie -Llanishen
D L Richards - Pontprennau
C M Crow - Radyr
C Taylor - Radyr
S C Hewett - Radyr
C Markall - St. Andrew's
L Medina - St. Andrew's
H Tyler - St. Andrew's
P Smith - Taffs Well
K Smith - Taffs Well
I Welsby - Taffs Well
S Chandler - Wesley Caerphilly
P R Knight - Wesley Canton
G Hosgood - Wesley Canton
A Cross - Wesley Canton
A Cross - Wesley Canton
A P Hill - Whitchurch
G Taylor-Nayar - Local Preacher Rep
A P Thomas - Local Preacher Rep
M A Wentworth - Local Preacher Rep
C Dodd - Circuit Meeting Secretary
M Angilley - Cathays

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

H A Ofoe - Llanishen
A Thomas - Llanishen
G Griffiths - Wesley Caerphilly
M Symonds - Whitchurch
C Pym - Wesley Caerphilly
P Lau - Cyncoed
E Bhajan - Minister
D Witts - Llandaff North
V Ruddock - Llanishen
P Tang - Radyr
J Delf - St Andrew's
M Mathias - Wesley Canton
E Nash - Whitchurch

Auditor

Gordon Down & Partners
Accountants & statutory auditor
144 Walter Road
Swansea
SA1 5RW

Structure, governance and management

Structure and governance

Cardiff Methodist Circuit is a registered charity. The registered charity number is 1134236.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Objectives and activities

Aims and Organisation

The purposes of the Methodist Church are the advancement of:

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

Significant activities

- (i) The Circuit produces a quarterly preaching plan to ensure regular Acts of Worship take place at each of the Methodist churches and Local Ecumenical Partnerships in its geographical area. These are open to all people without charge. Worship is also provided for Young People at Youth Space.
- (ii) The Circuit aims to encourage the nurture of and witness to families through the local churches and also to young people through Youth Space. The Children's and Youth work is achieved through the employment of a Lay Worker who works alongside volunteers across the circuit delivering accessible worship and other youth work. This is currently funded by the Circuit.
- (iii) To deliver worship to every church in the circuit each week. We deliver worship by appointing Ministers and training Local Preachers. There is also a regular meeting of all preachers to encourage in-service development.
- (iv) The Circuit is involved in a wide range of outreach activities, in accordance with its charitable purposes, mainly through the work of individual churches. There is a Circuit-wide project in the Trinity Centre which provides services for refugees and asylum seekers residing in Cardiff. More will be said about the Trinity Centre below.
- (v) The Circuit is involved in the work of the Church of the Resurrection and Pontprennau Community Church through work with ecumenical partners who are part of the Covenanted Churches in Wales group. Both these churches are 5-way ecumenical partnerships in which the Methodist Church is one participating denomination. The Methodist Church owns the Pontprennau building.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Objectives and activities *(continued)*

Public benefit

The trustees of the Methodist Church had due regard to the public benefit guidance published by the Charity Commission in compliance with its duties under section 17 of the Charities Act 2011. This guidance sets out 2 key principles:

1. The organisation must have an identifiable benefit.
2. The benefit must be to the public or a section of the public.

The church exists, inter alia to:

1. increase awareness of God's presence and to celebrate God's love;
2. help people to learn and grow as Christians, through mutual support and care; and
3. be a good neighbour to people in need and challenge injustice.

The trustees consider that for these reasons the charity meets these public benefit requirements.

Achievements and performance

Charitable Activities

a) The Trinity Centre "Sanctuary for All" project is now fully funded with construction having commenced in January 2024 and estimated completion by March 2025. The Circuit has earmarked £230,000 from the sale of property for the project. The refurbished building will be used as a base for mission in the local area particularly with refugees and asylum seekers.

b) Since September 2019 the circuit ministerial staff has included one minister who is 50% circuit and 50% pioneer. Her pioneering role was initially focussed on a fast-developing new housing estate named Plasdwr in the Radyr area of Cardiff. This work was significantly affected by the covid pandemic but has thrived nonetheless. Other pioneering work has developed as offshoots of the work on the housing estate and has reached many people who would not easily engage with "traditional" or "established" church.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Financial review

The Circuit had an overall unrestricted deficit for the year, before transfers, of £167,924. This has two elements:

i) A loss on the sale of the Rectory Road manse of £62,994 together with professional fees of £24,588 ii) A continued planned deficit of around £80,000 giving churches time to rebuild their reserves after the struggles of Covid and high levels of inflation. This is the final year of any planned deficits and the 2024-5 budget has incorporated assessment levels to ensure the annual budget is sustainable.

The overall unrestricted funds of the Circuit of £5,512,489 include the Trinity Project - a Centre in Adamsdown serving the local community where a high level of refugees and asylum seekers reside. This building currently has a large ongoing, fully funded refurbishment project which has continued throughout the whole of 2023-24 with completion expected in March 2025. As at 31 August 2024 the Trinity Building Improvements fund balance was £748,658.

Income Trends

Circuit income is primarily drawn from the assessment paid by the Circuit churches which amounted to £292,733 in 2023-4. Funds are also received through the rental of six properties that were previously manses. The Trinity Centre income comes from donations and letting income from the groups who use the premises.

Expenditure Trends

Stipend expenditure, which makes up 40% of the Circuit's expenditure, has increased each financial year in line with conference approved increases - rate of increase for 2023-4 was 3.06%. The Circuit contribution to the District and Connexion is 13.6% of total expenditure, of which a significant part is used to fund the work of the wider Methodist Church. Other significant Circuit expenditure related to maintenance of property in the Circuit.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Financial review *(continued)*

Fund Balances

As at 31st August 2024 the net current assets of the Circuit were £1,045,699. This increase in the level of assets is primarily due to the sale of two of the Circuit's churches.

Reserves Policy

Total unrestricted reserves at 31st August 2024 are £5,512,489 of which £4,637,238 are held as property. The remainder is allocated as set out below.

(i) A reserve for the maintenance of manses of £60,000 to which an annual amount will be added each year to ensure there are sufficient funds to keep the manses in good condition

(ii) A mission fund of £600,000 to be allocated to the Circuit Churches or groups within the Circuit for mission and eco projects. A Mission and Grant Policy has been set up by the Circuit Meeting to administer these grants.

The final element of this is as a result of the Reserves Policy for the Circuit, which is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

Plans for 2024-25

Circuit financial plans for the coming year have been prepared on the basis that there will be 4.5 ministers in the Circuit. Assessment levels have been set at a level which will ensure the budget for 2024-25 is sustainable for the Circuit. Churches and members within the Circuit will be encouraged to make use of the Mission Fund as set out above.

Basis of Preparation and Legal Framework

The Charity's annual report and accounts for the year ended 31st August 2024 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS) 102.

Trustees' responsibilities statement

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

The law applicable to charities in England 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.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 11/6/25 and signed on behalf of the board of trustees by:



C Gale - Minister
Trustee

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit

Year ended 31 August 2024

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit

(continued)

Year ended 31 August 2024

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate 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, 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.

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit

(continued)

Year ended 31 August 2024

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures were designed to respond to the identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements.

Our audit procedures included, but were not limited to:

- remaining alert to any indications of non-compliance throughout our audit;
- considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud;
- making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate the risks related to fraud and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit

(continued)

Year ended 31 August 2024

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Gordon Down & Partners
Accountants & statutory auditor
144 Walter Road
Swansea
SA1 5RW

18/06/2025

Cardiff Methodist Circuit

Statement of Financial Activities

Year ended 31 August 2024

			2024		2023
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	16,552	638,506	655,058	153,968
Charitable activities	5	292,733	13,053	305,786	312,703
Investment income	6	76,082	37,935	114,017	80,171
Other income	7	30,983	714,014	744,997	600
Total income		<u>416,350</u>	<u>1,403,508</u>	<u>1,819,858</u>	<u>547,442</u>
Expenditure					
Expenditure on charitable activities	8,9	521,280	129,319	650,599	639,913
Other expenditure	10	—	—	—	103,521
Total expenditure		<u>521,280</u>	<u>129,319</u>	<u>650,599</u>	<u>743,434</u>
Net losses on investments	11	(62,994)	—	(62,994)	—
Net income/(expenditure)		<u>(167,924)</u>	<u>1,274,189</u>	<u>1,106,265</u>	<u>(195,992)</u>
Transfers between funds		639,547	(639,547)	—	—
Other recognised gains and losses					
Losses from revaluation of fixed assets		(65,000)	—	(65,000)	(95,000)
Fair value movements		(123,000)	—	(123,000)	(15,000)
Net movement in funds		<u>283,623</u>	<u>634,642</u>	<u>918,265</u>	<u>(305,992)</u>
Reconciliation of funds					
Total funds brought forward		<u>5,228,866</u>	<u>289,226</u>	<u>5,518,092</u>	<u>5,824,082</u>
Total funds carried forward		<u>5,512,489</u>	<u>923,868</u>	<u>6,436,357</u>	<u>5,518,090</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 30 form part of these financial statements.

Cardiff Methodist Circuit
Statement of Financial Position
31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	15	5,390,658	5,230,000
Current assets			
Debtors	16	54,400	20,419
Cash at bank and in hand		1,966,004	613,351
		2,020,404	633,770
Creditors: amounts falling due within one year	17	974,705	345,680
Net current assets		1,045,699	288,090
Total assets less current liabilities		6,436,357	5,518,090
Net assets		6,436,357	5,518,090
Funds of the charity			
Restricted funds		923,868	49,811
Unrestricted funds:			
Revaluation reserve		1,620,910	1,985,910
Other unrestricted income funds		3,891,579	3,482,369
Total unrestricted funds		5,512,489	5,468,279
Total charity funds	20	6,436,357	5,518,090

These financial statements were approved by the board of trustees and authorised for issue on ~~18/6/25~~ and are signed on behalf of the board by:


C Gale - Minister
Trustee


H Cox - Circuit Treasurer
Trustee

The notes on pages 16 to 30 form part of these financial statements.

Cardiff Methodist Circuit

Statement of Cash Flows

Year ended 31 August 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income/(expenditure)	1,106,265	(195,992)
<i>Adjustments for:</i>		
Impairment of tangible fixed assets	25,000	—
Net losses on investments	62,994	—
Dividends, interest and rents from investments	(114,017)	(80,171)
Loss on disposal of tangible fixed assets	—	103,521
Accrued expenses/(income)	6,566	(3,758)
<i>Changes in:</i>		
Trade and other debtors	(33,600)	16,086
Trade and other creditors	772,078	108,609
Cash generated from operations	1,825,286	(51,705)
Net cash from/(used in) operating activities	1,825,286	(51,705)
Cash flows from investing activities		
Dividends, interest and rents from investments	114,017	80,171
Purchase of tangible assets	(748,658)	—
Proceeds from sale of tangible assets	375,000	—
Proceeds from sale of other investments	(62,994)	—
Net cash (used in)/from investing activities	(322,635)	80,171
Cash flows from financing activities		
Proceeds from borrowings	(150,000)	—
Net cash used in financing activities	(150,000)	—
Net increase in cash and cash equivalents	1,352,651	28,466
Cash and cash equivalents at beginning of year	613,351	388,406
Cash and cash equivalents at end of year	1,966,002	416,872

The notes on pages 16 to 30 form part of these financial statements.

Cardiff Methodist Circuit

Notes to the Financial Statements

Year ended 31 August 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Cyncoed Methodist Church, Westminster Crescent, Cardiff, CF23 6SE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Grants that are subject to performance-related conditions are recognised as income only when the conditions have been met. Where income is received in advance of the charity meeting such conditions, the income is deferred and recognised as a liability until the charity becomes entitled to the income.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

Tangible assets

Manses and churches are shown at fair value using the Revaluation Model. It is the policy to carry out a professional valuation of these properties every five years. The trustees carry out a fair value and impairment review for each reporting period (alongside any professional valuations). Where this results in a carrying value which differs materially from that at the beginning of the period, adjustment is made to the carrying value and corresponding entry in the revaluation reserve.

It is considered that the residual values of the properties at the end of their useful lives will be at a similar level as their current fair values. Costs of disposal are estimated at 5% of value. The land element is estimated at one-third of total value. The life of the buildings is estimated at 100 years. Given these factors, it is considered that any resulting depreciation would be immaterial on an annual basis.

Further justification for adopting this policy is that it gives a more meaningful result than charging an immaterial amount of depreciation on the buildings element of the properties, only to value the properties back to fair value each year informally, and every five years when professionally revalued. It is also the policy to maintain all buildings in good condition, a basis for asserting no loss in residual values.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations - Trinity Centre	—	26,437	26,437

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Grants			
Wales Synod Cymru	13,552	—	13,552
TMCP - Plas Dwr	3,000	—	3,000
Mission Alongside the Poor	—	7,500	7,500
TMCP - other	—	—	—
Ashley Foundation	—	5,925	5,925
National Lottery Community Fund - Global Gardens	—	—	—
Trinity Centre grants - other	—	—	—
Ninevah	—	2,600	2,600
Cardiff and Vale ULHB	—	2,790	2,790
Other Global Gardens grants	—	16,715	16,715
Welsh Community Facilities Programme	—	300,000	300,000
National Lottery Community Fund - People and Places 3	—	442,860	442,860
National Lottery Heritage Fund	—	214,562	214,562
National Churches Trust	—	101,891	101,891
James Pantyfedwen Trust	—	10,000	10,000
Wales Cymru Synod Advance Fund	—	105,000	105,000
Listed Places of Worship Grant Scheme	—	109,589	109,589
Garfield Weston	—	30,000	30,000
Beatrice Laing	—	30,000	30,000
Benefact Trust	—	50,000	50,000
Building fund grants received in advance	—	(817,363)	(817,363)
	<u>16,552</u>	<u>638,506</u>	<u>655,058</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations - Trinity Centre	753	51,566	52,319

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Grants			
Wales Synod Cymru	21,840	—	21,840
TMCP - Plas Dwr	—	—	—
Mission Alongside the Poor	—	—	—
TMCP - other	2,601	—	2,601
Ashley Foundation	—	843	843
National Lottery Community Fund - Global Gardens	—	3,832	3,832
Trinity Centre grants - other	—	19,292	19,292
Ninevah	—	400	400
Cardiff and Vale ULHB	—	2,110	2,110
Other Global Gardens grants	—	6,737	6,737
Welsh Community Facilities Programme	—	—	—
National Lottery Community Fund - People and Places 3	—	31,972	31,972
National Lottery Heritage Fund	—	12,022	12,022
National Churches Trust	—	—	—
James Pantyfedwen Trust	—	—	—
Wales Cymru Synod Advance Fund	—	—	—
Listed Places of Worship Grant Scheme	—	—	—
Garfield Weston	—	—	—
Beatrice Laing	—	—	—
Benefact Trust	—	—	—
Building fund grants received in advance	—	—	—
	<u>25,194</u>	<u>128,774</u>	<u>153,968</u>

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Assessments on Churches	292,733	—	292,733
Rental income	—	13,053	13,053
	<u>292,733</u>	<u>13,053</u>	<u>305,786</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Assessments on Churches	280,900	—	280,900
Rental income	—	31,803	31,803
	<u>280,900</u>	<u>31,803</u>	<u>312,703</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Income from investment properties	71,303	—	71,303
Income from monetary investments	4,779	37,935	42,714
	<u>76,082</u>	<u>37,935</u>	<u>114,017</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Income from investment properties	71,404	—	71,404
Income from monetary investments	6,506	2,261	8,767
	<u>77,910</u>	<u>2,261</u>	<u>80,171</u>

7. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Other charitable income	30,983	714,014	744,997
	<u>30,983</u>	<u>714,014</u>	<u>744,997</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Other charitable income	—	600	600
	<u>—</u>	<u>600</u>	<u>600</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Christian Ministry	496,283	129,319	625,601
Support costs	24,997	—	24,998
	<u>521,280</u>	<u>129,319</u>	<u>650,599</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Christian Ministry	471,543	168,370	639,913
Support costs	—	—	—
	<u>471,543</u>	<u>168,370</u>	<u>639,913</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2024	Total fund 2023
	£	£	£	£
Christian Ministry	625,601	—	625,601	639,913
Governance costs	—	24,998	24,998	—
	<u>625,601</u>	<u>24,998</u>	<u>650,599</u>	<u>639,913</u>

10. Other expenditure

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	—	—	103,521	103,521
	<u>—</u>	<u>—</u>	<u>103,521</u>	<u>103,521</u>

11. Net losses on investments

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Gains/(losses) on investment property	(62,994)	(62,994)	—	—
	<u>(62,994)</u>	<u>(62,994)</u>	<u>—</u>	<u>—</u>

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):	2024	2023
	£	£
Loss on disposal of tangible fixed assets	—	103,521
	<u>—</u>	<u>103,521</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	205,753	212,014
Social security costs	13,926	14,712
Employer contributions to pension plans	39,618	39,990
	<u>259,297</u>	<u>266,716</u>

Of the above costs £154,671 relate to stipends paid to ministers (£152,289 2023), £39,618 for their pension costs (£39,990 2023) and £13,926 social security (£14,700 2023).

A further £19,303 relates to staff costs for the Trinity Centre paid out of its funds (£23,317 2023).

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

13. Staff costs *(continued)*

The average head count of employees during the year was 10 (2023: 10). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Ministers	6	6
Administrator	1	1
Children, Families & Youth Worker	1	1
Trinity Centre workers	2	2
	<u>10</u>	<u>10</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

14. Trustee remuneration and expenses

Each of the ministers of the Circuit received a stipend for their services. The Circuit Administrator also received a salary for her services.

Trustees' expenses

Each of the ministers, the Administrator and two others, a total of nine trustees, have incurred expenses on behalf of the Circuit for travel, office costs and ministry in the main and such expenses are reimbursed by the Circuit.

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Investment property £	Total £
Cost				
At 1 Sep 2023	2,410,000	4,361	2,820,000	5,234,361
Additions	748,658	—	—	748,658
Disposals	—	—	(375,000)	(375,000)
Revaluations	(90,000)	—	(123,000)	(213,000)
At 31 Aug 2024	<u>3,068,658</u>	<u>4,361</u>	<u>2,322,000</u>	<u>5,395,019</u>
Depreciation				
At 1 Sep 2023 and 31 Aug 2024	—	4,361	—	4,361
Carrying amount				
At 31 Aug 2024	<u>3,068,658</u>	<u>—</u>	<u>2,322,000</u>	<u>5,390,658</u>
At 31 Aug 2023	<u>2,410,000</u>	<u>—</u>	<u>2,820,000</u>	<u>5,230,000</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

15. Tangible fixed assets *(continued)*

Tangible fixed assets held at valuation

For investment properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £54,330 (2023: £54,330).

The investment properties were last professionally valued at open market value by Croft Davies & Co NAEA in October/November 2020 and reconsidered at 31 August 2024. It is the considered opinion of the trustees that the carrying values represent a fair value at 31 August 2024.

The properties are not owned outright by the Cardiff Methodist Circuit but by the Trustees for Methodist Church Purposes (TMCP) but it is a requirement of the Methodist Church that the properties are included in the accounts of the Circuit.

16. Debtors

	2024	2023
	£	£
Trade debtors	4,288	1,474
Prepayments and accrued income	18,899	18,945
Listed Places of Worship VAT reclaim	31,213	—
	<u>54,400</u>	<u>20,419</u>

17. Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts	—	150,000
Payments received on account	59,842	58,658
Trade creditors	84,031	—
Accruals and deferred income	830,832	137,022
	<u>974,705</u>	<u>345,680</u>

18. Deferred income

	2024	2023
	£	£
At 1 September 2023	134,522	28,646
Amount released to income	(134,522)	(28,646)
Amount deferred in year	821,385	134,522
At 31 August 2024	<u>821,385</u>	<u>134,522</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

18. Deferred income *(continued)*

The deferred income totalling £821,385 as at 31st August 2024 (£134,522 2023) represents grants received in advance of meeting performance related conditions attached to those grants.

Total deferred income as at 31st August 2024 comprises of:

- Wales Synod Cymru £920 - 3Generate 2024
- The Ashley Family Foundation £3,102 - Trinity Centre Global Gardens project
- Various funders £817,363 - Trinity Centre Building fund deferred income is calculated for the total Building Fund project.

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £39,618 (2023: £39,990).

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

20. Analysis of charitable funds

Unrestricted funds

	At 1 Sep 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2024 £
General funds	777,286	416,350	(521,280)	265,889	(62,994)	875,251
Circuit Model Fund	—	—	—	—	—	—
Manse & Churches revaluation reserve	1,685,910	—	—	—	(65,000)	1,620,910
Investment property fair value reserve	2,765,670	—	—	(375,000)	(123,000)	2,267,670
Building Improvements Fund	—	—	—	748,658	—	748,658
	<u>5,228,866</u>	<u>416,350</u>	<u>(521,280)</u>	<u>639,547</u>	<u>(250,994)</u>	<u>5,512,489</u>

	At 1 Sep 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2023 £
General funds	763,619	185,294	(572,466)	100,837	—	477,284
Circuit Model Fund	144,140	198,710	(2,598)	(100,837)	—	239,415
Manse & Churches revaluation reserve	3,476,944	—	—	(1,396,034)	(95,000)	1,985,910
Investment property fair value reserve	1,384,636	—	—	1,396,034	(15,000)	2,765,670
Building Improvements Fund	—	—	—	—	—	—
	<u>5,769,339</u>	<u>384,004</u>	<u>(575,064)</u>	<u>—</u>	<u>(110,000)</u>	<u>5,468,279</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

20. Analysis of charitable funds *(continued)*

Building Improvements Designated Fund

Cardiff Methodist Circuit has received restricted funding for building improvements to the Trinity Centre.

The building can be used for the Charity's general activity, the restriction has been satisfied upon full expenditure and completion of the project, therefore the fund was transferred to an unrestricted designated fund as at the year end.

The total value of Building Improvements Designated Fund as at 31 August 2024 was £748,658, representing the value of SOFA funding received and expended on capital improvement expenditure.

Restricted funds

	At 1 Sep 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2024 £
Trinity Centre Trustees for Methodist Church Purposes	49,811	674,926	(119,166)	(518,658)	—	86,913
	<u>239,415</u>	<u>728,582</u>	<u>(10,153)</u>	<u>(120,889)</u>	<u>—</u>	<u>836,955</u>
	<u>289,226</u>	<u>1,403,508</u>	<u>(129,319)</u>	<u>(639,547)</u>	<u>—</u>	<u>923,868</u>

	At 1 Sep 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2023 £
Trinity Centre Trustees for Methodist Church Purposes	54,743	163,438	(168,370)	—	—	49,811
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>54,743</u>	<u>163,438</u>	<u>(168,370)</u>	<u>—</u>	<u>—</u>	<u>49,811</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

20. Analysis of charitable funds *(continued)*

The restricted funds are split into two main categories, those held by the Circuit directly and the Trinity Centre.

The Trinity Centre is treated as a restricted fund in its own right, since it runs its own operations known as the Trinity Centre Project. It derives its own income and controls its own bank accounts and other net assets or liabilities, all of which must only be used with regard to the expenditure relating to the Trinity Centre Project.

The restricted funds of the Circuit are held centrally in "Trustees for Methodist Church Purposes" accounts.

In the normal course of its operations the Circuit maintains manses and other properties and rents out any properties surplus to those used as manses. The properties are generally available for the use by the charity in this way, and for this reason have been treated as fixed asset investments within unrestricted reserves (together with the fair value reserves for the same.) However, when a property is sold, any proceeds have to be transferred to the CMT restricted fund, out of which only another property can be purchased.

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	5,390,658	–	5,390,658
Current assets	494,971	1,525,433	2,020,404
Creditors less than 1 year	(70,209)	(904,496)	(974,705)
Net assets	<u>5,815,420</u>	<u>620,937</u>	<u>6,436,357</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	5,230,000	–	5,230,000
Current assets	211,022	422,748	633,770
Creditors less than 1 year	(212,158)	(133,522)	(345,680)
Net assets	<u>5,228,864</u>	<u>289,226</u>	<u>5,518,090</u>

22. Analysis of changes in net debt

	At 1 Sep 2023 £	Cash flows £	At 31 Aug 2024 £
Cash at bank and in hand	613,351	1,352,653	1,966,004
Debt due within one year	(150,000)	150,000	–
	<u>463,351</u>	<u>1,502,653</u>	<u>1,966,004</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

23. Related parties

The main costs of the Circuit are the payment of stipends to the ministers and for the provision of Manses for them, the very modus operandi of the organisation. The six ministers are:

Rev. C Gale
Rev. J Holliman
Rev. A Mahoney
Rev. E Bhajan
Deacon L Evans
Rev. S Wigley

Cardiff Methodist Circuit

Management Information

Year ended 31 August 2024

The following pages do not form part of the financial statements.

Cardiff Methodist Circuit

Detailed Statement of Financial Activities

Year ended 31 August 2024

	2024 £	2023 £
Income and endowments		
Donations and legacies		
Donations - Trinity Centre	26,437	52,319
Wales Synod Cymru	13,552	21,840
TMCP - Plas Dwr	3,000	—
Mission Alongside the Poor	7,500	—
TMCP - other	—	2,601
Ashley Foundation	5,925	843
National Lottery Community Fund - Global Gardens	—	3,832
Trinity Centre grants - other	—	19,292
Ninevah	2,600	400
Cardiff and Vale ULHB	2,790	2,110
Other Global Gardens grants	16,715	6,737
Welsh Community Facilities Programme	300,000	—
National Lottery Community Fund - People and Places 3	442,860	31,972
National Lottery Heritage Fund	214,562	12,022
National Churches Trust	101,891	—
James Pantyfedwen Trust	10,000	—
Wales Cymru Synod Advance Fund	105,000	—
Listed Places of Worship Grant Scheme	109,589	—
Garfield Weston	30,000	—
Beatrice Laing	30,000	—
Benefact Trust	50,000	—
Building fund grants received in advance	(817,363)	—
	<u>655,058</u>	<u>153,968</u>
Charitable activities		
Assessments on Churches	292,733	280,900
Rental income	13,053	31,803
	<u>305,786</u>	<u>312,703</u>
Investment income		
Income from investment properties	71,303	71,404
Income from monetary investments	42,714	8,767
	<u>114,017</u>	<u>80,171</u>
Other income		
Other charitable income	744,997	600
	<u>744,997</u>	<u>600</u>
Total income	<u>1,819,858</u>	<u>547,442</u>

Cardiff Methodist Circuit

Detailed Statement of Financial Activities *(continued)*

Year ended 31 August 2024

	2024 £	2023 £
Expenditure		
Expenditure on charitable activities		
Wages and salaries	205,753	212,014
Employer's NIC	13,926	14,712
Pension costs	39,618	39,990
Repairs and maintenance	8,063	347
Other motor/travel costs	9,685	9,905
Telephone	5,967	7,517
Other office costs	2,154	2,415
Impairment	24,998	—
District assessment levy	8,708	8,676
Connexional assessment and model trust levy	73,519	66,141
Training	517	2,861
Manse utilities	50,236	69,990
Manse repairs / furnishhings	46,573	34,171
Rented out property expenses	40,708	32,482
Circuit - Mission & Outreach	3,752	—
Trinity administration & project costs	42,669	33,327
Bank charges and interest Payable	4,283	6,166
Sundry expenses	30,713	16,303
Pulpit supplies	1,058	1,094
Property quinquenials	4,080	4,680
Legal and professional	25,448	69,461
Audit fees	3,200	2,500
Youth work	4,103	837
Pioneer ministry	868	3,570
Gifts and donations	—	754
	<u>650,599</u>	<u>639,913</u>
Other expenditure		
Loss on disposal of tangible fixed assets held for charity's own use	—	103,521
	<u>—</u>	<u>103,521</u>
Total expenditure	<u>650,599</u>	<u>743,434</u>
Net losses on investments		
Gains/(losses) on investment property	(62,994)	—
	<u>(62,994)</u>	<u>—</u>
Net income/(expenditure)	<u>1,106,265</u>	<u>(195,992)</u>

Accounts

CHARITY REGISTRATION NUMBER: 1134236

Cardiff Methodist Circuit
Financial Statements
31 August 2023

GORDON DOWN & PARTNERS

Accountants & statutory auditor
144 Walter Road
Swansea
SA1 5RW

Cardiff Methodist Circuit

Financial Statements

Year ended 31 August 2023

	Page
Trustees' annual report	1
Independent auditor's report to the members	10
Statement of financial activities	15
Statement of financial position	16
Statement of cash flows	17
Notes to the financial statements	18
The following pages do not form part of the financial statements	
Detailed statement of financial activities	28

Cardiff Methodist Circuit

Trustees' Annual Report

Year ended 31 August 2023

Introduction

The trustees present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Cardiff Methodist Circuit is the primary unit in which the local Methodist churches within Cardiff and Caerphilly express and experience their interconnection in the Body of Christ, for purposes of mission, mutual encouragement and help. It is in the Circuit that the ministers are stationed and local preachers are trained, admitted and exercise their calling. The purposes of the Circuit include the effective deployment of the resources of ministry, which include people, property and finance, as they relate to the Methodist churches in Cardiff & Caerphilly to churches of other denominations and to participation in the life of the communities served by the Circuit, including local schools and colleges and in ecumenical work in the area.

Aims and Organisation

The purposes of the Methodist Church are the advancement of:

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

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Significant Activities

- (i) The Circuit produces a quarterly preaching plan to ensure regular Acts of Worship take place at each of the Methodist Churches and Local Ecumenical Partnerships in its geographical area. These are open to all people without charge. Worship is also provided for Young People at Youth Space.
- (ii) The Circuit aims to encourage the nurture of and witness to families through the local churches and also to young people through Youth Space. The Children's and Youth work is achieved through the employment of a Lay Worker who works alongside volunteers across the circuit delivering accessible worship and other youth work. This is currently funded by the Circuit with an annual grant from the Wales Synod and appropriate training is offered.
- (iii) To deliver worship to every church in the circuit each week. We deliver worship by appointing Ministers and training Local Preachers. There is also a regular meeting of all preachers to encourage in-service development.
- (iv) The Circuit is involved in a wide range of outreach activities, in accordance with its charitable purposes, mainly through the work of individual churches. There is a Circuit-wide project in the Trinity Centre which provides services for refugees and asylum seekers residing in Cardiff. More will be said about the Trinity Centre below.
- (v) The Circuit is involved in the work of the Church of the Resurrection and Pontprennau Community Church through work with ecumenical partners who are part of the Covenanted Churches in Wales group. Both these churches are 5-way ecumenical partnerships in which the Methodist Church is one participating denomination. The Methodist Church owns the Pontprennau building.

Public Benefit

The trustees of the Methodist Church had due regard to the public benefit guidance published by the Charity Commission in compliance with its duties under section 17 of the Charities Act 2011. This guidance sets out 2 key principles:

1. The organisation must have an identifiable benefit
2. The benefit must be to the public or a section of the public.

The church exists, inter alia to:

1. Increase awareness of God's presence and to celebrate God's love;
2. Help people to learn and grow as Christians, through mutual support and care; and
3. Be a good neighbour to people in need and challenge injustice.

The trustees consider that for these reasons the charity meets these public benefit requirements.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Charitable activities

- a. The Trinity Centre "Sanctuary for All" project is now fully funded with construction having commenced in January 2024 and estimated completion by January 2025. The Circuit has earmarked £230,000 from the sale of property for the project. The refurbished building will be used as a base for mission in the local area particularly with refugees and asylum seekers.
- b. Since September 2019 the circuit ministerial staff has included one minister who is 50% circuit and 50% pioneer. Her pioneering role was initially focussed on a fast-developing new housing estate named Plasdwr in the Radyr area of Cardiff. This work was significantly affected by the covid pandemic but has thrived nonetheless. Other pioneering work has developed as offshoots of the work on the housing estate and has reached many people who would not easily engage with "traditional" or "established" church.

Financial Review of the Year

The Circuit had an overall deficit for the year, before transfers, of £87,270. This was a planned deficit giving churches time to rebuild their reserves after the struggles of Covid followed by quite high levels of inflation.

The overall finances of the Circuit include the Trinity Project – a Centre in Adamsdown serving the local community where a high level of refugees and asylum seekers reside. This building currently has a large refurbishment project which will be ongoing through 2023-5. The figures for the Trinity Centre are included as restricted funds.

Income Trends

Circuit income is primarily drawn from the assessment paid by the Circuit churches which amounted to £280,900 in 2022-3.

Funds are also received through the rental of six properties that were previously manses.

Expenditure Trends

Stipend expenditure has increased each financial year in line with conference approved increases – rate of increase for 2022-3 was 7.83%.

15.5% of expenditure is the Circuit contribution to the District and Connexion. Of which a significant part is used to fund the work of the wider Methodist Church.

Other significant expenditure related to maintenance of property in the Circuit.

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Fund Balances

As at 31st August 2023 the net current assets/liabilities were as follows:

	£
Circuit	(1,134)
Circuit Model Trust Fund	239,414
Trinity Centre	49,810
Total	<u>288,090</u>

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches. As noted above the subsequent sale of one of our manses ensures reserves are in line with this policy.

Plans for 2023-4

Circuit financial plans for the coming year have been prepared on the basis that there remains 5.16 full-time ordained staff with anticipated cost of living stipend increases combined with an increase in the assessment paid to the district such that and average 10% assessment increase has been requested from the Circuit churches. However, with the closure of two of the Circuit churches and the loss of related assessment income it is expected the Circuit will also experience a small deficit in 2023-4.

Basis of Preparation and Legal Framework

The Charity's annual report and accounts for the year ended 31st August 2023 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS) 102

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

The Trustees' annual report was approved on 5/6/24..... and signed on behalf of the board of trustees by:



Rev C Gale
Trustee

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Charity Reference and administrative details

Registered charity name: Cardiff Methodist Circuit

Charity No. 1134236

Registered 10th February 2010

Correspondence Address:

Cardiff Methodist Circuit office,
Cyncoed Methodist Church,
Westminster Crescent,
Cardiff CF23 6SE

Full List of Trustees is shown as Appendix A to this report

Active Circuit Ministers

Rev. Catherine Gale
Rev. Judith Holliman
Rev. Alexis Mahoney
Rev. Evelyn Bhajan
Deacon Laura Evans

Circuit Lay Workers

Mr Gareth Knowles

Circuit Stewards

Mrs Janet Rees
Mrs Marie Edwards
Mr Stephen McElveen
Mrs Beth Barry
Mrs Wendy Barwise

Administrator

Mrs Lisa Medina

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Circuit Treasurer

Mrs Wendy Barwise

Auditor

Gordon Down & Partners

Investment bankers

Central Finance Board of the Methodist Church
Trustees for Methodist Church Purposes
Lloyds Bank

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

The trustees

Cathy Gale - Minister
Evelyn Bhajan - Minister
Judith Holliman - Minister
Alexis Mahoney - Minister
Irfan John – Minister
Laura Evans Minister (from 1st September 2022)
Bethany Barry - Circuit Steward
Wendy Barwise - Circuit Steward
Marie Edwards - Circuit Steward
Steve McElveen - Circuit Steward
Janet Rees - Circuit Steward
Catherine Dodd - Circuit Meeting Secretary
Gauri Taylor-Nayar - Local Preacher Rep
Anthony Thomas - Local Preacher Rep
Maurice Wentworth - Local Preacher Rep
Paul Demery - Safeguarding Rep
Matthew Angilley - Cathays
Stuart Cane - Cathays
Martin Hunt - Cathays
Susan Morris - Cathays
Heather Cox - Conway Road
Derek Perkins - Conway Road
John Powell - Conway Road
Peggy Lau - Cyncoed
Carol Plumridge - Cyncoed
John Plumridge - Cyncoed
Terry Wing - Cyncoed
Janice Perris - Llandaff North
John Elias - Llandaff North
Peter Richards – Llandaff North
Deborah Witts - Llandaff North
Liz Crispie - Llanishen
Neil Lyle - Llanishen
Hannah Ofoe - Llanishen
Vera Ruddock - Llanishen
Ann Thomas - Llanishen
Diane Richards - Pontprennau

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Susan Beavis - Radyr
Christina Crow - Radyr
Sylvia (Catherine) Hewett - Radyr
Cath Taylor - Radyr
Christopher Markall - St. Andrew's
Lisa Medina - St. Andrew's
Helen Tyler - St. Andrew's
Karen Smith - Taffs Well
Peter Smith - Taffs Well
Irene Welsby - Taffs Well
Sidney Chandler - Wesley Caerphilly
Gillian Griffiths - Wesley Caerphilly
Carol Pym - Wesley Caerphilly
Ann Thomas - Wesley Caerphilly
Andrew Cross - Wesley Canton
Ann Cross - Wesley Canton
Graham Hosgood - Wesley Canton
Paul Knight - Wesley Canton
Murray Taylor - Wesley Canton
Clive Carpenter - Whitchurch
Allison Hill - Whitchurch
Christine Stanley - Whitchurch
Monica Symonds - Whitchurch

The following until 27 July 2023.

Muriel Fisher - Circuit Steward:
Alison Hill - Ely
Gareth Hill - Ely
Roger Palmer - Ely
Sandra Palmer - Ely
Debbie Paul - Ely
Alan Doble - Rumney
Wendy Doble - Rumney
Barbara Ward - Rumney
Roslyn Forster - Taffs Well

Cardiff Methodist Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit

Year ended 31 August 2023

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit (continued)

Year ended 31 August 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate 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, 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.

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit (continued)

Year ended 31 August 2023

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures were designed to respond to the identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements.

Our audit procedures included, but were not limited to:

- remaining alert to any indications of non-compliance throughout our audit;
- considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud;
- making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate the risks related to fraud and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
 - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
-

Cardiff Methodist Circuit

Independent Auditor's Report to the Members of Cardiff Methodist Circuit (continued)

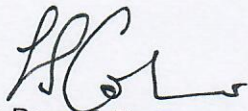
Year ended 31 August 2023

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Gordon Down & Partners
Accountants & statutory auditor
144 Walter Road
Swansea
SA1 5RW

5/6/2024

Cardiff Methodist Circuit

Statement of Financial Activities

Year ended 31 August 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	25,194	128,774	153,968	152,652
Charitable activities	5	280,900	31,803	312,703	311,387
Investment income	6	77,910	2,261	80,171	58,028
Other income	7	—	600	600	1,719
Total income		<u>384,004</u>	<u>163,438</u>	<u>547,442</u>	<u>523,786</u>
Expenditure					
Expenditure on charitable activities	8,9	471,541	168,372	639,913	561,643
Total expenditure		<u>471,541</u>	<u>168,372</u>	<u>639,913</u>	<u>561,643</u>
Net gains on investments	10	196,479	—	196,479	—
Net income/(expenditure)		<u>108,942</u>	<u>(4,934)</u>	<u>104,008</u>	<u>(37,857)</u>
Other recognised gains and losses					
(Losses)/gains from revaluation of fixed assets		(410,000)	—	(410,000)	405,000
Net movement in funds		<u>(301,058)</u>	<u>(4,934)</u>	<u>(305,992)</u>	<u>367,143</u>
Reconciliation of funds					
Total funds brought forward		5,769,339	54,743	5,824,082	5,456,939
Total funds carried forward		<u>5,468,281</u>	<u>49,809</u>	<u>5,518,090</u>	<u>5,824,082</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 18 to 27 form part of these financial statements.

Cardiff Methodist Circuit
Statement of Financial Position

31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	13	5,230,000	5,640,000
Current assets			
Debtors	14	20,419	36,434
Cash at bank and in hand		613,351	388,406
		633,770	424,840
Creditors: amounts falling due within one year	15	345,680	240,758
Net current assets		288,090	184,082
Total assets less current liabilities		5,518,090	5,824,082
Net assets		5,518,090	5,824,082
Funds of the charity			
Restricted funds		49,809	54,743
Unrestricted funds:			
Revaluation reserve		4,451,580	4,861,580
Other unrestricted income funds		1,016,701	907,759
Total unrestricted funds		5,468,281	5,769,339
Total charity funds	16	5,518,090	5,824,082

These financial statements were approved by the board of trustees and authorised for issue on 5 June 2024, and are signed on behalf of the board by:


Rev C Gale
Trustee


Mrs H Cox
Trustee

The notes on pages 18 to 27 form part of these financial statements.

Cardiff Methodist Circuit

Statement of Cash Flows

Year ended 31 August 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income/(expenditure)	104,008	(37,857)
<i>Adjustments for:</i>		
Net gains on investments	(196,479)	—
Dividends, interest and rents from investments	(80,171)	(86,656)
Accrued income	(3,758)	(15,634)
<i>Changes in:</i>		
Trade and other debtors	16,086	5,230
Trade and other creditors	108,609	(5,567)
Cash generated from operations	(51,705)	(140,484)
Net cash used in operating activities	(51,705)	(140,484)
Cash flows from investing activities		
Dividends, interest and rents from investments	80,171	86,656
Purchase of tangible assets	—	(230,000)
Proceeds from sale of property	196,479	—
Net cash from/(used in) investing activities	276,650	(143,344)
Cash flows from financing activities		
Proceeds from borrowings	—	150,000
Net cash from financing activities	—	150,000
Net increase/(decrease) in cash and cash equivalents	224,945	(133,828)
Cash and cash equivalents at beginning of year	388,406	522,234
Cash and cash equivalents at end of year	613,351	388,406

The notes on pages 18 to 27 form part of these financial statements.

Cardiff Methodist Circuit

Notes to the Financial Statements

Year ended 31 August 2023

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Cyncoed Methodist Church, Westminster Crescent, Cardiff, CF23 6SE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.
- legacy income is recognised when receipt is probable, and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

3. Accounting policies *(continued)*

Tangible assets

Manses and churches are shown at fair value using the Revaluation Model. It is the policy to carry out a professional valuation of these properties every five years. The trustees carry out a fair value and impairment review for each reporting period (alongside any professional valuations). Where this results in a carrying value which differs materially from that at the beginning of the period, adjustment is made to the carrying value and corresponding entry in the revaluation reserve.

It is considered that the residual values of the properties at the end of their useful lives will be at a similar level as their current fair values. Costs of disposal are estimated at 5% of value. The land element is estimated at one-third of total value. The life of the buildings is estimated at 100 years. Given these factors, it is considered that any resulting depreciation would be immaterial on an annual basis.

Further justification for adopting this policy is that it gives a more meaningful result than charging an immaterial amount of depreciation on the buildings element of the properties, only to value the properties back to fair value each year informally, and every five years when professionally revalued. It is also the policy to maintain all buildings in good condition, a basis for asserting no loss in residual values.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations, Grants and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations and legacies	753	51,566	52,319
Grants			
Grants receivable	24,441	77,208	101,649
	<u>25,194</u>	<u>128,774</u>	<u>153,968</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations and legacies	29,487	—	29,487

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

4. Donations, Grants and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants			
Grants receivable	123,165	—	123,165
	<u>152,652</u>	<u>—</u>	<u>152,652</u>

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Assessments on Churches	280,900	—	280,900
Rental income	—	31,803	31,803
	<u>280,900</u>	<u>31,803</u>	<u>312,703</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Assessments on Churches	282,759	—	282,759
Rental income	—	28,628	28,628
	<u>282,759</u>	<u>28,628</u>	<u>311,387</u>

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Income from investment properties	71,404	—	71,404
Income from monetary investments	6,506	2,261	8,767
	<u>77,910</u>	<u>2,261</u>	<u>80,171</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Income from investment properties	56,820	—	56,820
Income from monetary investments	1,208	—	1,208
	<u>58,028</u>	<u>—</u>	<u>58,028</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

7. Other income

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Other charitable income	—	600	600

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Other charitable income	—	1,719	1,719

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Christian Ministry	471,541	168,372	639,913

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Christian Ministry	561,643	—	561,643

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Grant funding of activities	Total funds 2023	Total fund 2022
	£	£	£	£
Christian Ministry	639,160	753	639,913	561,643

10. Net gains on investments

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Gains/(losses) on investment property	196,479	196,479	—	—

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

11. Staff costs

	31.8.23	31.8.22
	£	£
Wages and salaries	205,770	203,691
Social security costs	14,711	14,917
Other pension costs	39,990	41,680
	<u>260,471</u>	<u>260,288</u>

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

	31.8.23	31.8.22
	£	£
Ministers	6	6
Administrator	1	1
Children, Families & Youth Worker	1	1
Trinity Centre workers	2	2
	<u>10</u>	<u>10</u>

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

Of the above costs £175,606 relate to stipends paid to ministers, £39,990 for their pension costs and £14,700 social security.

A further £30,164 relates to staff costs for the Trinity Centre paid out of its funds.

12. Trustee remuneration and expenses

Each of the ministers of the Circuit received a stipend for their services. The Circuit Administrator also received a salary for her services.

Trustees' expenses

Each of the ministers, the Administrator and two others, a total of nine trustees, have incurred expenses on behalf of the Circuit for travel, office costs and ministry in the main and such expenses are reimbursed by the Circuit.

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Investment property £	Total £
Cost				
At 1 Sep 2022	4,225,000	4,361	1,415,000	5,644,361
Disposals	(300,000)	—	—	(300,000)
Revaluations	(95,000)	—	(15,000)	(110,000)
Transfers	(1,420,000)	—	1,420,000	—
At 31 Aug 2023	<u>2,410,000</u>	<u>4,361</u>	<u>2,820,000</u>	<u>5,234,361</u>
Depreciation				
At 1 Sep 2022 and 31 Aug 2023	—	4,361	—	4,361
Carrying amount				
At 31 Aug 2023	<u>2,410,000</u>	<u>—</u>	<u>2,820,000</u>	<u>5,230,000</u>
At 31 Aug 2022	<u>4,225,000</u>	<u>—</u>	<u>1,415,000</u>	<u>5,640,000</u>

Tangible fixed assets held at valuation

For investment properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £30,364 (2022: £30,364).

The investment properties were last professionally valued at open market value by Croft Davies & Co NAEA in October/November 2020 and reconsidered at 31 August 2023. It is the considered opinion of the trustees that the carrying values represent a fair value at 31 August 2023.

The properties are not owned outright by the Cardiff Methodist Circuit but by the Trustees for Methodist Church Purposes (TMCP) but it is a requirement of the Methodist Church that the properties are included in the accounts of the Circuit.

14. Debtors

	2023 £	2022 £
Trade debtors	1,474	1,740
Prepayments and accrued income	18,945	34,694
	<u>20,419</u>	<u>36,434</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

15. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	150,000	150,000
Payments received on account	58,658	55,925
Accruals and deferred income	2,500	6,187
Other creditors	134,522	28,646
	<u>345,680</u>	<u>240,758</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 Sep 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2023 £
General funds	763,619	185,294	(468,943)	100,837	196,479	777,286
Circuit Model Fund	144,140	198,710	(2,598)	(100,837)	–	239,415
Revaluation reserve	4,861,580	–	–	–	(410,000)	4,451,580
	<u>5,769,339</u>	<u>384,004</u>	<u>(471,541)</u>	<u>–</u>	<u>(213,521)</u>	<u>5,468,281</u>

	At 1 Sep 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2022 £
General funds	826,962	523,786	(560,665)	101	(26,565)	763,619
Circuit Model Fund	145,219	–	(978)	(101)	–	144,140
Revaluation reserve	4,456,580	–	–	–	405,000	4,861,580
	<u>5,428,761</u>	<u>523,786</u>	<u>(561,643)</u>	<u>–</u>	<u>378,435</u>	<u>5,769,339</u>

Cardiff Methodist Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

16. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Sep 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2023 £
Trinity Centre	54,743	163,438	(168,372)	—	—	49,809

	At 1 Sep 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2022 £
Trinity Centre	28,178	—	—	—	26,565	54,743

17. Analysis of changes in net debt

	At 1 Sep 2022 £	Cash flows £	At 31 Aug 2023 £
Cash at bank and in hand	388,406	224,945	613,351
Debt due within one year	(150,000)	—	(150,000)
	<u>238,406</u>	<u>224,945</u>	<u>463,351</u>

Cardiff Methodist Circuit

Management Information

Year ended 31 August 2023

The following pages do not form part of the financial statements.

Cardiff Methodist Circuit

Detailed Statement of Financial Activities

Year ended 31 August 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations and legacies	52,319	29,487
Grants receivable	101,649	123,165
	<u>153,968</u>	<u>152,652</u>
Charitable activities		
Assessments on Churches	280,900	282,759
	<u>280,900</u>	<u>282,759</u>
Investment income		
Income from investment properties	71,404	85,448
Income from monetary investments	8,767	1,208
	<u>80,171</u>	<u>86,656</u>
Other income		
Other charitable income	32,403	1,719
	<u>32,403</u>	<u>1,719</u>
Total income	<u>547,442</u>	<u>523,786</u>
Expenditure		
Expenditure on charitable activities		
Wages and salaries	286,999	288,659
Repairs and maintenance	136,991	112,917
Other office costs	2,415	6,197
Other expenditure	138,691	80,643
District assessment levy	8,676	8,773
Connexional assessment and model trust levy	66,141	64,454
	<u>639,913</u>	<u>561,643</u>
Total expenditure	<u>639,913</u>	<u>561,643</u>
Net gains on investments		
Gains/(losses) on investment property	196,479	—
	<u>196,479</u>	<u>—</u>
Net income/(expenditure)	<u>104,008</u>	<u>(37,857)</u>

Accounts

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2022
for
CARDIFF METHODIST CIRCUIT

Martin Waterworth Limited
Statutory Auditor
Bronwylfa
Llangunnor Road
Carmarthen
SA31 2PB

CARDIFF METHODIST CIRCUIT

Contents of the Financial Statements **for the year ended 31 August 2022**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditor	10 to 12
Statement of Financial Activities	13
Statement of Financial Position	14 to 15
Statement of Cash Flows	16
Notes to the Statement of Cash Flows	17
Notes to the Financial Statements	18 to 29
Detailed Statement of Financial Activities	30 to 31

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Cardiff Methodist Circuit is the primary unit in which the local Methodist churches within Cardiff and Caerphilly express and experience their interconnection in the Body of Christ, for purposes of mission, mutual encouragement and help. It is in the Circuit that the ministers are stationed and local preachers are trained, admitted and exercise their calling. The purposes of the Circuit include the effective deployment of the resources of ministry, which include people, property and finance, as they relate to the Methodist churches in Cardiff & Caerphilly to churches of other denominations and to participation in the life of the communities served by the Circuit, including local schools and colleges and in ecumenical work in the area.

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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

Significant activities

(i) The Circuit produces a quarterly preaching plan to ensure regular Acts of Worship take place at each of the Methodist Churches and Local Ecumenical Partnerships in its geographical area. These are open to all people without charge. Worship is also provided for Young People at Youth Space.

(ii) The Circuit aims to maintain Student Work based at Cathays (which is our nearest church to the majority of the University's faculties and also an area where many students live). The Circuit aims to encourage the nurture of and witness to families through the local churches and also to young people through Youth Space.

The Children & Family Work offers an opportunity to nurture the witness of families and young people.

(iii) To deliver worship to every church in the circuit each week. We deliver worship by appointing Ministers and training Local Preachers. There is also a regular meeting of all preachers to encourage in-service development.

(iv) The Children's and Youth work is achieved through the employment of a Lay Worker who works alongside volunteers across the circuit delivering accessible worship and other youth work. This is currently funded by the Circuit with an annual grant from the Wales Synod and appropriate training is offered.

Public benefit

The trustees of the Methodist Church had due regard to the public benefit guidance published by the Charity Commission in compliance with its duties under section 17 of the Charities Act 2011. This guidance sets out 2 key principles:

- 1. The organisation must have an identifiable benefit
- 2. The benefit must be to the public or a section of the public.

The church exists, inter alia to:

- 1. Increase awareness of God's presence and to celebrate God's love;
- 2. Help people to learn and grow as Christians, through mutual support and care; and
- 3. Be a good neighbour to people in need and challenge injustice.

The trustees consider that for these reasons the charity meets these public benefit requirements.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

OBJECTIVES AND ACTIVITIES

Grantmaking

An agreed amount is set aside in the budget towards Mission Projects, including pioneering work, and assistance is given when approved for young people to be able to attend Synod and Connexional youth events.

Volunteers

Many of the jobs in the circuit/circuit churches are done by volunteers, and although formal records are not kept as to the number of hours contributed, it must be said that work relies to a great extent on the contribution of volunteers (to whom the trustees express their thanks and gratitude).

ACHIEVEMENT AND PERFORMANCE

Charitable activities

(a) The Trustees had previously decided to return to the model of a Superintendent minister with pastoral charge of at least one church. When the time for stationing came, one of the ministers already in the circuit was invited to take on the Superintendent's role and continue with pastoral charge of her already held churches. During the year under review, after careful consideration of the circuit's finances and the ability of its constituent churches to contribute, the Trustees agreed not to seek replacement of both ministers who were moving on in August 2022. Consequently, the circuit will begin the 2022-23 Church Year with five ministers.

Further consideration will be given to staffing levels and how they can be resourced in the coming year.

(b) The Trinity Centre "Sanctuary for All" project has been developed over the year under review and recognition has dawned that the effect of the pandemic on building materials and costs has caused the project costs to mushroom to an estimated £2.4 million. Following deep reflection and discussion the Executive Committee proposed to the Trustees that we proceed with the project which is so in tune with our charitable purposes and desperately needed in the area in which it is located. Following the recent decision of the Methodist Church at the connexional level to stop funding capital projects via grants, the circuit Trustees were approached to consider allocating 10% of the total cost of the project - something required by many grant awarding bodies. This was debated and agreed in June 2022 and the circuit has earmarked £230,000 from the sale of property to the project.

[c] The Church of the Resurrection continued to be overseen by the work of a Baptist minister, while Pontprennau was overseen by a Methodist circuit minister who was given pastoral charge. As he was leaving the circuit in August 2022, and given that the circuit was reducing ministers further, it was agreed that the United Reformed Church would offer ministry in Pontprennau. The Methodists will still remain involved as one fifth of the ecumenical partnership and owners of the Pontprennau Church building.

(d) Since September 2019 the circuit ministerial staff has included one minister who is 50% circuit and 50% pioneer. Her pioneering role was initially focussed on a fast-developing new housing estate named Plasdwr in the Radyr area of Cardiff. This work was significantly affected by the covid pandemic but has thrived nonetheless. Other pioneering work has developed as offshoots of the work on the housing estate and has reached many people who would not easily engage with "traditional" or "established" church.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

FINANCIAL REVIEW

Principal funding sources

70% of the Circuit's unrestricted income was provided by the local churches.

Other sources of unrestricted income are from rental income and grants from the Methodist Church or Wales Synod.

Other than a small amount of interest all of the restricted income relates to the Trinity Centre which has been expended on its various projects and cannot be used for general Circuit matters. Inclusion of the Trinity Centre's results in the Circuit's accounts has been directed by the Methodist Church.

The charity's principal source of funds is the Annual Covenant Offer from each local church in the Circuit (no separate public fundraising outside churches) and these funds are used to pay stipends to ministers and salaries to lay workers (part-time administrator, and Children and Youth Worker), the upkeep of manses and other Circuit property, and to support the work of the wider Methodist Church (Synod and Connexion) and small grants for Mission Projects.

Surplus funds are placed in an interest bearing account with the Central Finance Board of the Methodist Church.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

FINANCIAL REVIEW

Reserves policy

In outline, the Circuit Model Trust and Charles Trust had a combined balance of £144,140 in TMCP accounts at 31st August 2022. These funds, which derive from the sales of chapels and manses, are restricted by Conference. This restriction is an internal regulation though the funds can be used for a variety of purposes. In addition, monies of £54,743 are held by the Trinity Centre which are treated as restricted funds in these accounts.

In general, the Reserves Policy for the Circuit is to hold a minimum sum equivalent to between three and six months' average expenditure in reserve. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

In detail, the Circuit Stewards have drawn up a reserves policy which has been accepted by the Circuit Meeting in May 2014 and updated to include actual expenditure & balances as at 31st August 2022 and staffing changes.

This document includes all funds held by the Circuit Meeting as charity trustees. Our reserves policy relates to our general (un-restricted) funds which are freely available to be used for any or all of the purposes of the Circuit. Other funds are also included for the sake of clarity and openness and to show that the Circuit has policy for the management of all its money and not simply those which are defined as reserves.

Our aim is threefold:

- (1) To secure and sustain the Circuit's viability and future.
- (2) To develop the Church's work in the Cardiff area and Caerphilly.
- (3) 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.

3 Step Process:

(1) Mission Policy

The Circuit's Mission Policy is based on a document approved on 9/6/2005. Essentially it provides for:-

- (a) The ministerial oversight and pastoral care of the local churches in the Circuit and the Trinity project
- (b) The support of a paid ministry team, a lay administrator and a children's and families' worker.
- (c) The maintenance of Circuit manses.

(2) Development Aims

The Cardiff Circuit has identified four areas of development on which to concentrate its efforts:

- 2.1) Youth work: an appointed minister will have oversight of youth work in the Circuit
- 2.2) Local communities: outreach work by local churches is encouraged and supported
- 2.3) University students: ministry to the students in Cardiff is currently undertaken by the University Chaplain, which is a Synod appointment. We seek to enable an integrated approach to student work with Chaplaincy and Circuit working closely together.
- 2.4) The Trinity Project: work with asylum seekers, refugees and the culturally diverse community

(3) Financial Plans

The Circuit Assessment is reviewed annually and covers the cost of 1(a) and (b) above and is based on offers from each church towards a share in the total cost.

We make provision for our property maintenance programme by designating £21,500 per annum.

As at 31 August 2022 funds readily available for unrestricted purposes are £135,199 (discounting a bridging loan of £150,000 only repayable when properties currently on the market are sold) and include in the main monies held in CFB and bank accounts. Restricted funds total a further £198,883. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. The total costs for the last financial year amounted to £488,416.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

FINANCIAL REVIEW

Funds in deficit

There are none.

FUTURE PLANS

The effect of the coronavirus pandemic across the circuit has been significant and much of the year under review has involved adjusting to working in new ways due to various restrictions. This meant that certain plans were unable to come to fruition, but others were taken up in their place:

[a] Churches gradually reopened from September 2020 but a return to normal levels of attendance and income has been slow and, in some cases, has still not stabilised.

[b] Many circuit activities such as worship, bible studies, business meetings and youth work, remained mainly online during the year as the covid situation remained uncertain. This has proved both challenging and gratifying for those involved in delivering and participating in such online gatherings. Care has been taken to ensure those persons who do not have access to technology have not been too disadvantaged, and we have made use of the Methodist Church's materials for "Worship at Home" among other things to reach out by post.

[c] The work of the Pioneer Minister on the Plas Dwr housing estate has continued to develop, even with covid restrictions. Within the local guidelines packages have been delivered to new homes on the estate for Harvest, Christmas and Easter and people invited to join in online services. The local established church at Radyr has been fully involved in supporting this work.

[d] The Circuit Leadership Team and the Circuit Meeting continues to consider the circuit's future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Type of governing document: Deed of Union (1932) and Methodist Church Act (1976)

How constituted: as an unincorporated charity under an Act of Parliament

Recruitment and appointment of new trustees

Trustee selection methods: Appointed by local churches & existing trustees. Ministers are automatically trustees.

Organizational structure

1. Overall control rests with the Methodist Conference.
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of Ministers in individual Circuits.
3. Connexional decisions are passed to the Chair of the District (for Wales read Synod) and the appropriate Officers of the District for regional implementation
4. The Districts pass the control down to Circuit Level for local implementation by the Superintendent Minister, Ministerial Staff and Circuit Stewards and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the Minister, the Church Stewards and other officers and authority is delegated to Church Councils acting as Managing Trustees.
6. The Circuit Superintendent chairs meetings of the Circuit Leadership Team (Staff and Stewards all of whom are expected to attend) and the Circuit Meeting, which trustees are expected to attend. Policy decisions are taken at the Circuit Meeting.
7. The Connexional Year runs from the 1 September to 31st August

Induction and training of new trustees

Range of guidance produced by the Methodist Connexion

Leaflet "The Role of a Trustee in The Methodist Church" given to each trustee.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A review of the Risk profile has identified the following four key areas:

Property

Major risks have been considered by the Circuit Stewards. Security and safety of our churches is largely for those churches to determine. However, during the year the Welsh Government had in place specific legislation and advice for places of worship taking into account the risk from coronavirus. Churches were supported in their implementation of these regulations and the production of risk assessments specific to each building and its use at different times.

All manses and churches are the subject of quinquennial inspections and the reports on the manses are reviewed by the Superintendent and the Circuit Stewards and the church reports are reviewed by their respective trustees. A monitoring system is in place to ensure actions for Manse are complied with. A similar system is encouraged for Churches.

Safeguarding

The Circuit follows the Connexional policy on safeguarding as detailed in Creating Safer Space. A Circuit Safeguarding Officer is appointed and each Church in the Circuit has a local safeguarding officer. Safeguarding is an agenda item at the Circuit Meeting and Church Council meetings. Safeguarding Training is rolled out across the Circuit. The Circuit Meeting and Church Council meetings review their Safeguarding Policy on an annual basis and carry out an audit to check training and DBS checks are up to date. Training will remain ongoing for new people undertaking roles and for others as their current training becomes four years old. This year we commenced Advanced Safeguarding Training for over sixty people and a residual group of eight people will be trained next year. A limited group of people are now required to complete an Advanced Safeguarding Course and everyone identified as requiring the training has completed it. This training will need to be refreshed every four years.

Financial

The majority of the Circuit income comes from the individual churches in the Circuit and when churches consider their covenant offer to the Circuit they are asked to confirm their offer for the coming Connexional year and in order that we can plan staffing levels they are also asked to indicate what their offer will be in a year's time and to consider any risk that might prevent them from making their payments. The year under review has been a challenging one due to the coronavirus pandemic and, in particular, the reduction of use of church buildings generating a rental income. The circuit responded to this by having quarterly meetings with all the church treasurers to look at how finances were holding and being prepared, if necessary, to offer churches relief on their quarterly assessments. At the end of the year we agreed that the circuit would use reserves to pay for the equivalent of one minister in the next (2021-22) church year in order to give the churches some relief and an opportunity to replenish their reserves.

Human Resources

The circuit has reduced from seven to six ministers and will be considering the viability of this staffing complement over the next year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1134236

Principal address

Cyncoed Methodist Church
Westminster Crescent
Cardiff
CF23 6SE

CARDIFF METHODIST CIRCUIT

Report of the Trustees for the year ended 31 August 2022

Trustees

Mrs W Barwise
Revd C Gale

The trustees during the year were:

Rev Catherine Gale		Minister/Chair
Rev Kofi Amissah		Minister
Rev Judith Holliman		Minister
Rev Alana Lawrence	to 31 August 2022	Minister
Rev Alexis Mahoney		Minister
Rev Paul Martin	to 31 August 2022	Minister
Rev Irfan John		Synod Enabler
Mrs Wendy Barwise		Steward/ Treasurer
Mrs Bethany Jane Barry		Circuit Steward
Mrs Marie Edwards		Circuit Steward
Mrs Muriel Fisher		Circuit Steward
Mr Steve McElveen		Circuit Steward
Mrs Janet Rees		Circuit Steward
Mr Paul Demery		Safeguarding Officer
Mr Martin Ronald Hunt		
Mr Stuart Cane		
Mrs Susan Morris		
Mr John Powell		
Mrs Heather Cox		
Mr Derek Perkins		
Mr Martin Rees	to 01 November 2021	
Mrs Carol Elizabeth Plumridge		
Mr John Plumridge		
Mr Terry Wing		
Mr Roger Palmer		
Mrs Debbie Paul		
Mr Gareth John Hill		
Mrs Sandra Palmer		
Mrs Alison Valerie Hill		
Mrs Janice Perris		
Mr John Vivian Elias		
Mrs Pearl Criddle	to 01 June 2022	
Mr Peter David George Richards		
Mr Neil Lyle		
Mrs Liz Crispie		
Mrs Diane Lesley Richards		
Mrs Susan Elizabeth Beavis		
Mrs Christina Margaret Crow		
Dr Catherine Taylor		
Mrs Sylvia Catherine Hewett		
Ms Barbara Ward		
Mr Christopher Markall		
Mrs Lisa Medina		
Mrs Helen Tyler		
Mr Jim James		
Mrs Roslyn Mary Forster		
Mr Peter Smith		
Mrs Karen Smith		

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

Mrs Irene Welsby		
Mr Sidney Chandler		
Mrs Ann Elizabeth Bracey	to 08 November 2022	
Mrs Ann Thomas		
Mr Paul Raymond Knight		
Mr Graham Hosgood		
Mr Andrew Cross		
Mrs Ann Cross		
Mr Murray James Taylor		
Mr Clive Carpenter		
Mrs Allison Patricia Hill		
Ms Gauri Taylor-Nayar		Local Preachers Secretary
Mr Anthony Paul Thomas		Local Preachers Rep
Dr Maurice Arthur Wentworth		Local Preachers Rep
Ms Catherine Dodd		Circuit Meeting Secretary
Dr Matthew Angilley		
Christine Stanley		
Hannah Armah Ofoe		
Elizabeth Clare Blackledge	to 31 August 2022	
Ann Thomas		
Gillian Griffiths		
Monica Symonds		
Carol Pym		
Peggy Lau		
Rev Evelyn Bhajan	from 01 September 2022	Minister
Mrs Debbie Witts	from 01 June 2022	
Mrs Vera Ruddock	from 01 June 2022	
Mrs Wendy Doble		
Mr Alan Doble		

Auditor

Martin Waterworth Limited
Statutory Auditor
Bronwylfa
Llangunnor Road
Carmarthen
SA31 2PB

Solicitors

Merrilsede, Herbert Terrace, Penarth CF64 2AH

Advisers

Bankers - Lloyds Bank plc, PO Box 1000 BX1 1LT
Central Finance Board of the Methodist Church, 9 Bonhill Street, London EC2A 4PE
Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester M1 1JQ

Legal, Financial, Property - TMCP, Trustees for Methodist Church Purposes

Connexional Matters, Governance, Safeguarding - The Methodist Church, 25 Marylebone Rd, London, NW1 5JR

Governance, Stationing, Safeguarding - The Methodist Church in Wales, Wales Synod at Cyncoed Methodist Church, Westminster Crescent, Cyncoed, Cardiff CF23 6SE

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 20 December 2022 and signed on its behalf by:

Revd C Gale - Trustee

Report of the Independent Auditor to the Trustees of Cardiff Methodist Circuit

Opinion

I have audited the financial statements of Cardiff Methodist Circuit (the 'charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In my opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard and its Provisions Available for Audits of Small Entities, whereby in common with many other entities of this size I have been used to assist with the preparation of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

My responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

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

Report of the Independent Auditor to the Trustees of Cardiff Methodist Circuit

Matters on which I am required to report by exception

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

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

Responsibilities of trustees

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

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

My responsibilities for the audit of the financial statements

I 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.

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

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

The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the trustees. However, we will plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations, but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist.

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

**Report of the Independent Auditor to the Trustees of
Cardiff Methodist Circuit**

Use of my report

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

Martin Waterworth Limited
Statutory Auditor
Bronwylfa
Llangunnor Road
Carmarthen
SA31 2PB

20 December 2022

CARDIFF METHODIST CIRCUIT**Statement of Financial Activities
for the year ended 31 August 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	29,487	29,487	43,071
Charitable activities	4				
Christian Ministry		272,630	-	272,630	318,322
Trinity Centre		-	60,067	60,067	71,541
Investment income	3	57,195	29,461	86,656	73,787
Other income		-	1,719	1,719	3,289
Total		<u>329,825</u>	<u>120,734</u>	<u>450,559</u>	<u>510,010</u>
EXPENDITURE ON					
Charitable activities	5				
Christian Ministry		371,946	2,773	374,719	340,958
Costs relating to rental income					
		21,323	-	21,323	9,389
Trinity Centre		-	92,374	92,374	180,979
Total		<u>393,269</u>	<u>95,147</u>	<u>488,416</u>	<u>531,326</u>
Net gains on investments		<u>130,000</u>	<u>-</u>	<u>130,000</u>	<u>40,000</u>
NET INCOME		66,556	25,587	92,143	18,684
Transfers between funds	17	101	(101)	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		<u>275,000</u>	<u>-</u>	<u>275,000</u>	<u>245,000</u>
Net movement in funds		341,657	25,486	367,143	263,684
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>5,283,542</u>	<u>173,397</u>	<u>5,456,939</u>	<u>5,193,255</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>5,625,199</u></u>	<u><u>198,883</u></u>	<u><u>5,824,082</u></u>	<u><u>5,456,939</u></u>

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT**Statement of Financial Position****31 August 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
FIXED ASSETS					
Tangible assets	12	4,225,000	-	4,225,000	4,195,000
Investment property	13	1,415,000	-	1,415,000	810,000
		5,640,000	-	5,640,000	5,005,000
CURRENT ASSETS					
Debtors	14	34,693	1,740	36,433	24,518
Cash at bank		168,618	219,789	388,407	522,234
		203,311	221,529	424,840	546,752
CREDITORS					
Amounts falling due within one year	15	(218,112)	(22,646)	(240,758)	(94,813)
		(14,801)	198,883	184,082	451,939
NET CURRENT ASSETS					
		5,625,199	198,883	5,824,082	5,456,939
TOTAL ASSETS LESS CURRENT LIABILITIES					
		5,625,199	198,883	5,824,082	5,456,939
NET ASSETS		5,625,199	198,883	5,824,082	5,456,939

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT

Statement of Financial Position - continued
31 August 2022

FUNDS	17		
Unrestricted funds:			
General fund		763,619	826,962
Manse & Churches fair value fund		3,476,944	3,676,944
Investment Property fair value fund		1,384,636	779,636
		5,625,199	5,283,542
Restricted funds		198,883	173,397
TOTAL FUNDS			
		5,824,082	5,456,939

The financial statements were approved by the Board of Trustees and authorised for issue on 20 December 2022 and were signed on its behalf by:

W Barwise - Trustee

C Gale - Trustee

CARDIFF METHODIST CIRCUIT

Statement of Cash Flows for the year ended 31 August 2022

	Notes	31.8.22 £	31.8.21 £
Cash flows from operating activities			
Cash generated from operations	1	94,965	(354,873)
Interest paid		-	(6,524)
Net cash provided by/(used in) operating activities		<u>94,965</u>	<u>(361,397)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(230,000)	-
Sale of investment property		-	545,000
Interest received		1,208	499
Net cash (used in)/provided by investing activities		<u>(228,792)</u>	<u>545,499</u>
Change in cash and cash equivalents in the reporting period		<u>(133,827)</u>	<u>184,102</u>
Cash and cash equivalents at the beginning of the reporting period		<u>522,234</u>	<u>338,132</u>
Cash and cash equivalents at the end of the reporting period		<u><u>388,407</u></u>	<u><u>522,234</u></u>

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT

Notes to the Statement of Cash Flows for the year ended 31 August 2022

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

	31.8.22 £	31.8.21 £
Net income for the reporting period (as per the Statement of Financial Activities)	92,143	18,684
Adjustments for:		
Gain on investments	(130,000)	(40,000)
Interest received	(1,208)	(499)
Interest paid	-	6,524
Chapel Aid Bridging Loan	150,000	(340,000)
(Increase)/decrease in debtors	(11,915)	6,327
Decrease in creditors	(4,055)	(5,909)
Net cash provided by/(used in) operations	<u>94,965</u>	<u>(354,873)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank	<u>522,234</u>	<u>(133,827)</u>	<u>388,407</u>
	<u>522,234</u>	<u>(133,827)</u>	<u>388,407</u>
Debt			
Debts falling due within 1 year	<u>-</u>	<u>(150,000)</u>	<u>(150,000)</u>
	<u>-</u>	<u>(150,000)</u>	<u>(150,000)</u>
Total	<u>522,234</u>	<u>(283,827)</u>	<u>238,407</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31 August 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Manse and churches are shown at fair value using the Revaluation Model. It is the policy to carry out a professional valuation of these properties every five years. The trustees carry out a fair value and impairment review for each reporting period (alongside any professional valuations). Where this results in a carrying value which differs materially from that at the beginning of the period, adjustment is made to the carrying value and corresponding entry in the revaluation reserve.

It is considered that the residual values of the properties at the end of their useful lives will be at a similar level as their current fair values. Costs of disposal are estimated at 5% of value. The land element is estimated at one-third of total value. The life of the buildings is estimated at 100 years. Given these factors, it is considered that any resulting depreciation would be immaterial on an annual basis.

Further justification for adopting this policy is that it gives a more meaningful result than charging an immaterial amount of depreciation on the buildings element of the properties, only to value the properties back to fair value each year informally, and every five years when professionally revalued. It is also the policy to maintain all buildings in good condition, a basis for asserting no loss in residual values.

Investment property

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued **for the year ended 31 August 2022**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

After reviewing the Circuit's future plans, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. The Circuit therefore continues to adopt the going concern basis in preparing its financial statements.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
Donations - Trinity Centre	-	29,487	29,487	43,071

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
Rents received	56,820	28,628	85,448	73,288
Deposit account interest	375	833	1,208	499
	57,195	29,461	86,656	73,787

Of the restricted rental income of £28,628 all of it, and of the restricted deposit account income £157 belongs to the Trinity Centre fund. The balance of deposit account income of £676 belongs to the various TMCP accounts held by the Circuit.

4. INCOME FROM CHARITABLE ACTIVITIES

	Christian Ministry £	Trinity Centre £	31.8.22 Total activities £	31.8.21 Total activities £
Assessment from Churches	282,759	-	282,759	328,880
District share from Assessment	(64,454)	-	(64,454)	(61,746)
Synod fund from Assessment	(8,773)	-	(8,773)	(2,549)
Grants	44,650	60,067	104,717	109,041
Synod contribution to rates	2,601	-	2,601	2,539
Synod contribution to Youth Circuit	1,550	-	1,550	-
Synod contribution to Assistant Chair	8,797	-	8,797	8,698
Pontprennau Community contribution	5,000	-	5,000	5,000
Contribution Pioneer Ministry	500	-	500	-
	272,630	60,067	332,697	389,863

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

4. INCOME FROM CHARITABLE ACTIVITIES - continued

The Assessment from churches is shown as part of the income from the charitable activity of Christian Ministry on the Statement of Financial Activities net of amounts paid to the Methodist District Fund and Synod Fund totalling £64,454 and £8,773 respectively. These amounts come out of monies collected from the churches to pay out their share to the District Fund and Synod. The resultant income is the "gross" income which belongs outright to the Circuit.

Grants received, included in the above, are as follows:

	31.8.22	31.8.21
	£	£
Circuit - Methodist/ Synod grants	44,650	37,500
Trinity Centre - General (including Methodist grants)	23,280	29,918
Trinity Centre - National/ Big Lottery for Global Gardens		
	16,836	14,308
Trinity Centre - National Lottery Property Development grant		
	19,951	27,315
	104,717	109,041

Circuit grants

Ongoing grants included £5,000 (£16,000 last year) for the PlasDwr Project (of which £5,000 was used in the year and a further £10,000 was used from carry forward last year); £10,000 (£10,000 last year) for the Children & Youth Worker; £7,650 (£7,500 last year) for the Synod Mission Enabler and Wales Synod grant of £6,000 (of which none was used in the year, with £6,000 for carry forward at 31 August 2022)

Wales Synod grants of £12,000 were receivable and used in the year (£14,000 last year).

Trinity Centre grants (extract)

A grant of £20,000 from the Methodist Church Welsh Synod was paid to the Trinity Project in 2020, and was fully used last year.

A grant of £12,500 from Methodist Mission Grant was paid to the Trinity Project in 2020, but is still as yet unspent at 31 August 2022. As such no income has been recognised, having been treated as a deferred grant.

The National Lottery Community Fund granted £10,000 in the year (£24,976 last year) for the Global Gardens Project, of which £16,836 was used this year (£14,308 last year) and £3,832 was unspent at 31 August 2022.

A Heritage National Lottery Grant of £31,973 was received in the year, out of which £19,951 was spent and £12,022 was unspent at 31 August 2022. A grant of £27,315 from the National Lottery for the Development Project was received and fully used last year.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Christian Ministry Costs relating to rental income	371,919	2,800	374,719
	21,323	-	21,323
Trinity Centre	92,374	-	92,374
	<u>485,616</u>	<u>2,800</u>	<u>488,416</u>

6. SUPPORT COSTS

	Governance costs £
Christian Ministry	<u>2,800</u>

Support costs, included in the above, are as follows:

	31.8.22 Christian Ministry £	31.8.21 Total activities £
Auditors' remuneration	2,500	2,500
Auditors' remuneration for non audit work	300	300
	<u>2,800</u>	<u>2,800</u>

7. AUDITORS' REMUNERATION

	31.8.22 £	31.8.21 £
Fees payable to the charity's auditor for the audit of the charity's financial statements	<u>2,500</u>	<u>2,500</u>
Auditors' remuneration for non audit work	300	-
Assistance with accounts preparation	<u>-</u>	<u>300</u>
Total non-audit fees	<u>300</u>	<u>300</u>
Total fees payable	<u>2,800</u>	<u>2,800</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

8. TRUSTEES' REMUNERATION AND BENEFITS

Each of the ministers of the Circuit received a stipend for their services. The Circuit Administrator also received a salary for her services. Please refer to the related party note.

Trustees' expenses

Each of the ministers, the Administrator and two others, a total of nine trustees, have incurred expenses on behalf of the Circuit for travel/ office costs and ministry in the main. The total amount of expenses reimbursed to trustees in this way was £18,707 (2021: £13,733)

9. STAFF COSTS

	31.8.22	31.8.21
	£	£
Wages and salaries	203,691	203,001
Social security costs	14,917	14,667
Other pension costs	41,680	41,196
	<u>260,288</u>	<u>258,864</u>

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

	31.8.22	31.8.21
Ministers	6	6
Administrator	1	1
Children, Families & Youth Worker	1	1
Trinity Centre workers	2	2
	<u>10</u>	<u>10</u>

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

Of the above costs £158,552 relate to stipends paid to the ministers, £41,680 for their pension costs and £14,917 social security.

A further £17,314 relates to staff costs for the Trinity Centre paid out of its funds.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	43,071	43,071
Charitable activities			
Christian Ministry	318,322	-	318,322
Trinity Centre	-	71,541	71,541
Investment income	60,236	13,551	73,787
Other income	-	3,289	3,289
Total	<u>378,558</u>	<u>131,452</u>	<u>510,010</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Christian Ministry	340,788	170	340,958
Costs relating to rental income			
	9,389	-	9,389
Trinity Centre	-	180,979	180,979
Total	350,177	181,149	531,326
Net gains on investments	40,000	-	40,000
NET INCOME/(EXPENDITURE)	68,381	(49,697)	18,684
Transfers between funds	(116,734)	116,734	-
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	245,000	-	245,000
Net movement in funds	196,647	67,037	263,684
RECONCILIATION OF FUNDS			
Total funds brought forward	5,086,895	106,360	5,193,255
TOTAL FUNDS CARRIED FORWARD	5,283,542	173,397	5,456,939

11. RESTRICTED FUNDS

The restricted funds are split into two main categories, those held by the Circuit directly and the Trinity Centre.

The Trinity Centre is treated as a restricted fund in its own right, since it runs its own operations known as the Trinity Centre Project. It derives its own income and controls its own bank accounts and other net assets or liabilities, all of which must only be used with regard to expenditure relating to the Trinity Centre Project.

The restricted funds of the Circuit are held centrally in "Trustees for Methodist Church Purposes" accounts. There is generally little activity within these funds.

In the normal course of its operations the Circuit maintains manses and other properties and rents out any properties surplus to those used as manses. The properties are generally available for use by the charity in this way, and for this reason have been treated as fixed assets/ investments within unrestricted reserves (together with the fair value reserves for the same).

However, when a property is sold, any proceeds have to be transferred to the CMT restricted fund, out of which only another property can be purchased.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 September 2021	4,195,000	4,361	4,199,361
Additions	230,000	-	230,000
Revaluations	275,000	-	275,000
Reclassification	(475,000)	-	(475,000)
At 31 August 2022	4,225,000	4,361	4,229,361
DEPRECIATION			
At 1 September 2021 and 31 August 2022	-	4,361	4,361
NET BOOK VALUE			
At 31 August 2022	4,225,000	-	4,225,000
At 31 August 2021	4,195,000	-	4,195,000

Cost or valuation at 31 August 2022 is represented by:

	Freehold property £	Fixtures and fittings £	Totals £
Valuation in 2022	4,225,000	4,361	4,229,361

Land and buildings comprise Manses and two churches which have ceased to meet.

(a) For Manse properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £748,056 (2021: £518,056)

The Manses were last professionally valued at open market value by Croft Davies & Co NAEA in October/ November 2020. In their considered opinion this valuation is £3,725,000 at 31 August 2022.

(b) Trinity and Splott Churches in Cardiff, which have ceased to meet, were last professionally valued by Bruton Knowles RICS on 19 May 2021 at a total value of £500,000. Their historical cost has not been ascertained.

It is the considered opinion of the trustees that for both types of property these professional valuations represent a fair value at 31/08/22.

The properties are not owned outright by Cardiff Methodist Circuit but by the Trustees for Methodist Church Purposes (TMCP), but it is a requirement of the Methodist Church that the properties are included in the accounts of the Circuit.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2021	810,000
Revaluation	130,000
Reclassification	475,000
At 31 August 2022	1,415,000
NET BOOK VALUE	
At 31 August 2022	1,415,000
At 31 August 2021	810,000
Fair value at 31 August 2022 is represented by:	
	£
Valuation in 2022	1,415,000

For investment properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £30,364 (2021: £30,364).

The investment properties were last professionally valued at open market value by Croft Davies & Co NAEA in October/ November 2020 and reconsidered at 31 August 2022. It is the considered opinion of the trustees that the carrying values represent a fair value at 31/08/22.

The properties are not owned outright by Cardiff Methodist Circuit but by the Trustees for Methodist Church Purposes (TMCP), but it is a requirement of the Methodist Church that the properties are included in the accounts of the Circuit.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Other debtors	14,091	1,625
Prepayments	22,342	22,893
	36,433	24,518

Debtors include £17,146 for stipends paid in advance (2021: £17,801)

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Other loans (see note 16)	150,000	-
Accruals and deferred income	55,925	53,638
Accrued expenses	6,187	4,675
Grants paid in advance	28,646	36,500
	<u>240,758</u>	<u>94,813</u>

Creditors includes £55,925 Assessment income received in advance (2021: £53,638).

16. LOANS

An analysis of the maturity of loans is given below:

	31.8.22	31.8.21
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>150,000</u>	<u>-</u>

17. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	Transfers between funds	At 31.8.22
	£	£	£	£
Unrestricted funds				
General fund	826,962	(63,444)	101	763,619
Manses & Churches fair value fund				
	3,676,944	275,000	(475,000)	3,476,944
Investment Property fair value fund				
	<u>779,636</u>	<u>130,000</u>	<u>475,000</u>	<u>1,384,636</u>
	5,283,542	341,556	101	5,625,199
Restricted funds				
Charles Street Trust	50,844	94	(101)	50,837
Circuit Model Trust	94,375	(1,072)	-	93,303
Trinity Centre	28,178	26,565	-	54,743
	<u>173,397</u>	<u>25,587</u>	<u>(101)</u>	<u>198,883</u>
TOTAL FUNDS	<u>5,456,939</u>	<u>367,143</u>	<u>-</u>	<u>5,824,082</u>

CARDIFF METHODIST CIRCUIT**Notes to the Financial Statements - continued
for the year ended 31 August 2022****17. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	329,825	(393,269)	-	(63,444)
Manses & Churches fair value fund				
	-	-	275,000	275,000
Investment Property fair value fund				
	-	-	130,000	130,000
	<u>329,825</u>	<u>(393,269)</u>	<u>405,000</u>	<u>341,556</u>
Restricted funds				
Charles Street Trust	239	(145)	-	94
Circuit Model Trust	1,556	(2,628)	-	(1,072)
Trinity Centre	118,939	(92,374)	-	26,565
	<u>120,734</u>	<u>(95,147)</u>	<u>-</u>	<u>25,587</u>
TOTAL FUNDS	<u>450,559</u>	<u>(488,416)</u>	<u>405,000</u>	<u>367,143</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	788,075	28,381	10,506	826,962
Manses & Churches fair value fund				
	3,431,944	245,000	-	3,676,944
Investment Property fair value fund				
	866,876	40,000	(127,240)	779,636
	<u>5,086,895</u>	<u>313,381</u>	<u>(116,734)</u>	<u>5,283,542</u>
Restricted funds				
Charles Street Trust	50,837	70	(63)	50,844
Circuit Model Trust	2,529	49	91,797	94,375
Trinity Centre	52,994	(49,816)	25,000	28,178
	<u>106,360</u>	<u>(49,697)</u>	<u>116,734</u>	<u>173,397</u>
TOTAL FUNDS	<u>5,193,255</u>	<u>263,684</u>	<u>-</u>	<u>5,456,939</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	378,558	(350,177)	-	28,381
Manses & Churches fair value fund				
	-	-	245,000	245,000
Investment Property fair value fund				
	-	-	40,000	40,000
	<u>378,558</u>	<u>(350,177)</u>	<u>285,000</u>	<u>313,381</u>
Restricted funds				
Charles Street Trust	172	(102)	-	70
Circuit Model Trust	117	(68)	-	49
Trinity Centre	131,163	(180,979)	-	(49,816)
	<u>131,452</u>	<u>(181,149)</u>	<u>-</u>	<u>(49,697)</u>
TOTAL FUNDS	<u>510,010</u>	<u>(531,326)</u>	<u>285,000</u>	<u>263,684</u>

18. RELATED PARTY DISCLOSURES

The main costs of the Circuit are the payment of stipends to the ministers and for the provision of Manses for them, the very modus operandi of the organisation. The six ministers are named as the first six on the list of trustees in the Trustees' Report.

During the year stipends totalling £129,975 were paid equally to five of the ministers at £25,995 each and £28,577 for the Superintendent Minister, C Gale. Pension contributions totalling £41,680 were also paid on their behalf, paid equally at £6,947 each.

The utility costs of all the manses totalled £32,956 and maintenance £29,923, most of which relates to those provided for the ministers. It would serve no purpose to divide these individually between the ministers.

The Administrator, L Medina (Trustee) was paid a salary of £9,886 and pension contributions of £593 were paid on her behalf.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2022

19. OTHER FUNDS NOT INCLUDED IN ACCOUNTS

During the year funds totalling £5,486 were collected and paid over to the Methodist Church Connexional Funds as follows:

The Mission in Britain Fund	£1,556
Fund for the Support of Presbyters & Deacons	£810
The Property Fund	£1,150
The World Mission Fund	£1,970

In addition £443 was paid out of the Benevolent Fund to the Methodist Church in South Africa.

CARDIFF METHODIST CIRCUIT

Detailed Statement of Financial Activities **for the year ended 31 August 2022**

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations - Trinity Centre	-	29,487	29,487	43,071
Investment income				
Rents received	56,820	28,628	85,448	73,288
Deposit account interest	375	833	1,208	499
	57,195	29,461	86,656	73,787
Charitable activities				
Assessment from Churches	282,759	-	282,759	328,880
District share from Assessment	(64,454)	-	(64,454)	(61,746)
Synod fund from Assessment	(8,773)	-	(8,773)	(2,549)
Grants	44,650	60,067	104,717	109,041
Synod contribution to rates	2,601	-	2,601	2,539
Synod contribution to Youth Circuit	1,550	-	1,550	-
Synod contribution to Assistant Chair	8,797	-	8,797	8,698
Pontprennau Community contribution	5,000	-	5,000	5,000
Contribution Pioneer Ministry	500	-	500	-
	272,630	60,067	332,697	389,863
Other income				
Sundry income	-	1,719	1,719	3,289
Total incoming resources	329,825	120,734	450,559	510,010
EXPENDITURE				
Charitable activities				
Stipends & salaries	186,377	17,314	203,691	203,001
Social security	14,917	-	14,917	14,667
Pensions	41,680	-	41,680	41,196
Manse utilities	32,956	-	32,956	33,982
Manse repairs/furnishings	29,923	-	29,923	19,920
Manses rented out repairs	17,578	-	17,578	5,099
Staff travel	8,114	-	8,114	3,005
Telephone & internet	5,488	-	5,488	5,974
Circuit office costs	1,521	-	1,521	1,064
Removal expenses	4,346	-	4,346	-
Carried forward	342,900	17,314	360,214	327,908

This page does not form part of the statutory financial statements

CARDIFF METHODIST CIRCUIT**Detailed Statement of Financial Activities**
for the year ended 31 August 2022

	Unrestricted funds £	Restricted funds £	31.8.22 Total funds £	31.8.21 Total funds £
Charitable activities				
Brought forward	342,900	17,314	360,214	327,908
Staff & LP training & development	530	-	530	518
Pulpit supplies	922	-	922	659
Printing, stationery, postages	3,026	-	3,026	2,983
Property quinquennials	9,840	-	9,840	6,414
Sundries	1,564	-	1,564	354
St Paul's Loudon Square expenses	238	-	238	326
Sploott costs	512	-	512	392
Agent costs deducted from rent	3,745	-	3,745	4,290
Mission and Outreach	6,310	-	6,310	1,002
Legal and professional costs	10,989	-	10,989	7,026
Synod Mission Enabler	9,893	-	9,893	7,186
District levies	-	2,359	2,359	63
TMCP charges	-	414	414	107
Accommodation costs Trinity Centre	-	27,965	27,965	22,816
Administrative & project costs Trinity Centre	-	47,095	47,095	139,958
Loan interest	-	-	-	6,524
	390,469	95,147	485,616	528,526
Support costs				
Governance costs				
Auditors' remuneration	2,500	-	2,500	2,500
Auditors' remuneration for non audit work	300	-	300	300
	2,800	-	2,800	2,800
Total resources expended	393,269	95,147	488,416	531,326
Net (expenditure)/income	<u>(63,444)</u>	<u>25,587</u>	<u>(37,857)</u>	<u>(21,316)</u>

This page does not form part of the statutory financial statements

Accounts

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2021
for
CARDIFF METHODIST CIRCUIT

Martin Waterworth Limited
Statutory Auditor
Bronwylfa
Llangunnor Road
Carmarthen
SA31 2PB

CARDIFF METHODIST CIRCUIT

Contents of the Financial Statements **for the year ended 31 August 2021**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditor	10 to 11
Statement of Financial Activities	12
Statement of Financial Position	13 to 14
Statement of Cash Flows	15
Notes to the Statement of Cash Flows	16
Notes to the Financial Statements	17 to 28
Detailed Statement of Financial Activities	29 to 30

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Cardiff Methodist Circuit is the primary unit in which the local Methodist churches within Cardiff and Caerphilly express and experience their interconnection in the Body of Christ, for purposes of mission, mutual encouragement and help. It is in the Circuit that the ministers are stationed and local preachers are trained, admitted and exercise their calling. The purposes of the Circuit include the effective deployment of the resources of ministry, which include people, property and finance, as they relate to the Methodist churches in Cardiff & Caerphilly to churches of other denominations and to participation in the life of the communities served by the Circuit, including local schools and colleges and in ecumenical work in the area.

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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

Significant activities

(i) The Circuit produces a quarterly preaching plan to ensure regular Acts of Worship take place at each of the Methodist Churches and Local Ecumenical Partnerships in its geographical area. These are open to all people without charge. Worship is also provided for Young People at Youth Space.

The Circuit aims to maintain Student Work based at Cathays (which is our nearest church to the majority of the University's faculties and also an area where many students live).

The Circuit aims to encourage the nurture of and witness to families through the local churches and also to young people through Youth Space.

The Children & Family Work offers an opportunity to nurture the witness of families and young people.

(ii) To deliver worship to every church in the circuit each week.

(iii) We deliver worship by appointing Ministers and training Local Preachers. There is also a regular meeting of all preachers to encourage in service development.

The Children and Families work is achieved through the employment of a Lay Worker who works alongside volunteers with the churches of the Circuit delivering accessible worship and other youth work. This is currently funded by the Circuit and appropriate training is offered.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees of the Methodist Church had due regard to the public benefit guidance published by the Charity Commission in compliance with its duties under section 17 of the Charities Act 2011. This guidance sets out 2 key principles:

1. The organisation must have an identifiable benefit
2. The benefit must be to the public or a section of the public.

The church exists, inter alia to:

1. Increase awareness of God's presence and to celebrate God's love;
2. Help people to learn and grow as Christians, through mutual support and care; and
3. Be a good neighbour to people in need and challenge injustice.

The trustees consider that for these reasons the charity meets these public benefit requirements.

Grantmaking

A small amount is set aside in the budget towards Mission Projects.

Volunteers

Many of the jobs in the circuit/circuit churches are done by volunteers, and although formal records are not kept as to the number of hours contributed, it must be said that work relies to a great extent on the contribution of volunteers (to whom the trustees express their thanks and gratitude).

ACHIEVEMENT AND PERFORMANCE

Charitable activities

(a) In September 2020 the Circuit moved from having a "separated" Superintendent minister, that is one who did not have direct pastoral charge of any congregation, to a new Superintendent who had responsibility for three churches in addition to oversight of the circuit. This was a change of role for one of the ministers already serving in the circuit. So, while the current Superintendent had to operate differently, she did not have the challenge of getting to know the circuit. This was particularly helpful as we were in the throes of the coronavirus pandemic and the Superintendent's role included taking the lead on interpreting and supporting covid restrictions for places of worship.

(b) The Trinity Centre continues towards its refurbishment for provision of assistance to refugees and asylum seekers, alongside its development as a place of heritage interest. We were disappointed to learn of the Methodist Church's decision not to award any grants for building projects for the foreseeable future. This presented a challenge to the circuit as the funding bodies being approached to award grants for the refurbishment project required a funding input from the owners of the building. The Circuit Meeting, following intense consultation and discussion, committed to offering financial support to the project amounting to 10% of the total cost. This is expected to be in the region of £200,000. The Circuit Meeting further agreed that this money would be raised by the sale of a property (Splott Methodist Church) currently rented to a charitable organisation (Oasis). This was considered to be in line with the circuit's charitable purposes.

[c] In spite of having a reduction in ministerial staff from 7 to 6 at the beginning of September 2020 the Circuit agreed to provide ministerial oversight at the Pontprennau ecumenical church. This was in response to the ongoing pandemic which made it difficult to have the necessary conversations for a change in denominational support to take place. The circuit gave oversight to the work of a lay community outreach worker at Pontprennau, funded by the Wales Synod of the Methodist Church.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

FINANCIAL REVIEW

Principal funding sources

70% of the Circuit's unrestricted income was provided by the local churches.

Other sources of unrestricted income are from rental income and grants from the Methodist Church or Wales Synod.

Other than a small amount of interest all of the restricted income relates to the Trinity Centre which has been expended on its various projects and cannot be used for general Circuit matters. Inclusion of the Trinity Centre's results in the Circuit's accounts has been directed by the Methodist Church.

The charity's principal source of funds is the Annual Covenant Offer from each local church in the Circuit (no separate public fundraising outside churches) and these funds are used to pay stipends to ministers and salaries to lay workers (part-time administrator, and Children and Families Worker), the upkeep of manses and other Circuit property, and to support the work of the wider Methodist Church (Synod and Connexion) and small grants for Mission Projects.

Surplus funds are placed in an interest bearing account with the Central Finance Board of the Methodist Church.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

FINANCIAL REVIEW

Reserves policy

In outline, the Circuit Model Trust and Charles Trust had a combined balance of £145,219 in TMCP accounts at 31st August 2021. These funds, which derive from the sales of chapels and manses, are restricted by Conference. This restriction is an internal regulation though the funds can be used for a variety of purposes. In addition, monies of £28,178 are held by the Trinity Centre which are treated as restricted funds in these accounts.

In general, the Reserves Policy for the Circuit is to hold a minimum sum equivalent to between three and six months' average expenditure in reserve. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

In detail, the Circuit Stewards have drawn up a reserves policy which has been accepted by the Circuit Meeting in May 2014 and updated to include actual expenditure & balances as at 31st August 2021 and staffing changes.

This document includes all funds held by the Circuit Meeting as charity trustees. Our reserves policy relates to our general (un-restricted) funds which are freely available to be used for any or all of the purposes of the Circuit. Other funds are also included for the sake of clarity and openness and to show that the Circuit has policy for the management of all its money and not simply those which are defined as reserves.

Our aim is threefold:

- (1) To secure and sustain the Circuit's viability and future.
- (2) To develop the Church's work in the Cardiff area and Caerphilly.
- (3) 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.

3 Step Process:

(1) Mission Policy

The Circuit's Mission Policy is based on a document approved on 9/6/2005. Essentially it provides for:-

- (a) The ministerial oversight and pastoral care of the local churches in the Circuit and the Trinity project
- (b) The support of a paid ministry team, a lay administrator and a children and families worker for the West Cluster.
- c) The maintenance of Circuit manses.

(2) Development Aims

The Cardiff Circuit has identified four areas of development on which to concentrate its efforts:

- 2.1) Youth work: an appointed minister will have oversight of youth work in the Circuit
- 2.2) Local communities: outreach work by local churches is encouraged and supported
- 2.3) University students: ministry to the students in Cardiff is currently undertaken by the University Chaplain, which is a Synod appointment. We seek to enable an integrated approach to student work with Chaplaincy and Circuit working closely together.
- 2.4) The Trinity Project: work with asylum seekers, refugees and the culturally diverse community

(3) Financial Plans

The Circuit Assessment is reviewed annually and covers the cost of 1(a) and (b) above and is based on offers from each church towards a share in the total cost.

We make provision for our property maintenance programme by designating £21,500 per annum.

As at 31 August 2021 funds available for unrestricted purposes are £278,542 and include in the main monies held in CFB funds. Restricted funds total a further £173,397. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. The total costs for the last financial year amounted to £531,326.

Funds in deficit

There are none.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

FUTURE PLANS

The effect of the coronavirus pandemic across the circuit has been significant and much of the year under review has involved adjusting to working in new ways due to various restrictions. This meant that certain plans were unable to come to fruition, but others were taken up in their place:

[a] Churches gradually reopened from September 2020 but a return to normal levels of attendance and income has been slow and, in some cases, has still not stabilised.

[b] Many circuit activities such as worship, bible studies, business meetings and youth work, remained online during the year as the covid situation remained uncertain. This has proved both challenging and gratifying for those involved in delivering and participating in such online gatherings. Care has been taken to ensure those persons who do not have access to technology have not been too disadvantaged, and we have made use of the Methodist Church's materials for "Worship at Home" among other things to reach out by post.

[c] The work of the Pioneer Minister on the Plas Dwr housing estate has continued to develop, even with covid restrictions. Within the local guidelines packages have been delivered to new homes on the estate for Harvest, Christmas and Easter and people invited to join in online services. The local established church at Radyr has been fully involved in supporting this work.

[d] The Circuit Leadership Team and the Circuit Meeting continues to consider the circuit's future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Type of governing document: Deed of Union (1932) and Methodist Church Act (1976)

How constituted: as an unincorporated charity under an Act of Parliament

Recruitment and appointment of new trustees

Trustee selection methods: Appointed by local churches & existing trustees. Ministers are automatically trustees.

Organizational structure

1. Overall control rests with the Methodist Conference.
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of Ministers in individual Circuits.
3. Connexional decisions are passed to the Chair of the District (for Wales read Synod) and the appropriate Officers of the District for regional implementation
4. The Districts pass the control down to Circuit Level for local implementation by the Superintendent Minister, Ministerial Staff and Circuit Stewards and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the Minister, the Church Stewards and other officers and authority is delegated to Church Councils acting as Managing Trustees.
6. The Circuit Superintendent chairs meetings of the Circuit Leadership Team (Staff and Stewards all of whom are expected to attend) and the Circuit Meeting, which trustees are expected to attend. Policy decisions are taken at the Circuit Meeting.
7. The Connexional Year runs from the 1 September to 31st August

Induction and training of new trustees

Range of guidance produced by the Methodist Connexion

Leaflet "The Role of a Trustee in The Methodist Church" given to each trustee.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A review of the Risk profile has identified the following four key areas:

Property

Major risks have been considered by the Circuit Stewards. Security and safety of our churches is largely for those churches to determine. However, during the year the Welsh Government had in place specific legislation and advice for places of worship taking into account the risk from coronavirus. Churches were supported in their implementation of these regulations and the production of risk assessments specific to each building and its use at different times.

All manses and churches are the subject of quinquennial inspections and the reports on the manses are reviewed by the Superintendent and the Circuit Stewards and the church reports are reviewed by their respective trustees. A monitoring system is in place to ensure actions for Manse are complied with. A similar system is encouraged for Churches.

Safeguarding

The Circuit follows the Connexional policy on safeguarding as detailed in Creating Safer Space. A Circuit Safeguarding Officer is appointed and each Church in the Circuit has a local safeguarding officer. Safeguarding is an agenda item at the Circuit Meeting and Church Council meetings. Safeguarding Training is rolled out across the Circuit. The Circuit Meeting and Church Council meetings review their Safeguarding Policy on an annual basis and carry out an audit to check training and DBS checks are up to date. Training will remain ongoing for new people undertaking roles and for others as their current training becomes four years old. This year we commenced Advanced Safeguarding Training for over sixty people and a residual group of eight people will be trained next year. A limited group of people are now required to complete an Advanced Safeguarding Course and everyone identified as requiring the training has completed it. This training will need to be refreshed every four years.

Financial

The majority of the Circuit income comes from the individual churches in the Circuit and when churches consider their covenant offer to the Circuit they are asked to confirm their offer for the coming Connexional year and in order that we can plan staffing levels they are also asked to indicate what their offer will be in a year's time and to consider any risk that might prevent them from making their payments. The year under review has been a challenging one due to the coronavirus pandemic and, in particular, the reduction of use of church buildings generating a rental income. The circuit responded to this by having quarterly meetings with all the church treasurers to look at how finances were holding and being prepared, if necessary, to offer churches relief on their quarterly assessments. At the end of the year we agreed that the circuit would use reserves to pay for the equivalent of one minister in the next (2021-22) church year in order to give the churches some relief and an opportunity to replenish their reserves.

Human Resources

The circuit has reduced from seven to six ministers and will be considering the viability of this staffing complement over the next year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1134236

Principal address

Cyncoed Methodist Church
Westminster Crescent
Cardiff
CF23 6SE

CARDIFF METHODIST CIRCUIT

Report of the Trustees for the year ended 31 August 2021

Trustees

Mrs W Barwise

Revd C Gale

The trustees during the year were:

Rev. Catherine Gale		Chair
Rev. Kofi Amissah		
Rev. Judith Holliman		
Rev. Alana Lawrence		
Rev. Alexis Mahoney		
Rev. Paul Martin		
Rev. Irfan John		Synod Enabler
Mrs Wendy Barwise		Steward/Treasurer
Mrs Bethan Barry	from 18/11/2020	Steward
Mrs Marie Edwards		Steward
Mrs Muriel Fisher		Steward
Mr Steve McElveen	from 18/11/2020	Steward
Mrs Janet Rees		Steward
Mr Ian Walton	to 01/09/2021	Steward
Mr Paul Demery		Safeguarding Officer
Mr Martin Ronald Hunt		
Mr Stuart Cane		
Mrs Susan Morris		
Mr John Powell		
Mrs Heather Cox		
Mr Derek Perkins		
Dr. Peter Evans	to 01/05/2021	
Mr Martin Rees	to 01/11/2021	
Mrs Carol Elizabeth Plumridge		
Mr John Plumridge		
Mr Terry Wing		
Mr Roger Palmer		
Mrs Debbie Paul		
Mr Gareth John Hill		
Mrs Sandra Palmer		
Mrs Alison Valerie Hill		
Mrs Janice Perris		
Mr John Vivian Elias		
Mrs Pearl Criddle		
Mr Peter Richards		
Mr Neil Lyle		
Mrs Liz Crispie		
Mrs Diane Lesley Richards		
Mrs Susan Elizabeth Beavis		
Mrs Christina Margaret Crow		
Dr Catherine Taylor		
Mrs Sylvia Catherine Hewett		
Ms Barbara Ward		
Mrs Ann Cule	to 01/05/2021	
Mr Ray Cule	to 01/05/2021	
Mrs Christine Seaman	to 01/05/2021	
Mr Christopher Markall		
Mrs Lisa Medina		
Mrs Helen Tyler		
Mr Jim James		
Mrs Roslyn Mary Forster		
Mr Peter Smith		
Mrs Karen Smith		

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

Mrs Irene Welsby
Mr Sidney Chandler
Mrs Ann Elizabeth Bracey
Mrs Ann Thomas
Mrs Jeni Clarke to 01/05/2021
Mr Paul Raymond Knight
Mr Graham Hosgood
Mr Andrew Cross
Mrs Ann Cross
Mr Murray James Taylor
Mr Clive Carpenter
Mrs Allison Patricia Hill
Ms Gauri Taylor-Nayar
Mr Anthony Paul Thomas
Dr Maurice Arthur Wentworth
Mr Richard Hodgson to 01/09/2021
Ms Catherine Dodd
Dr Matthew Angilley from 01/04/2021
Christine Stanley from 01/05/2021
Hannah Armah Ofoe from 01/05/2021
Elizabeth Clare Blacklidge from 01/05/2021
Ann Thomas from 01/05/2021
Gillian Griffiths from 01/05/2021
Monica Symonds from 13/05/2021
Carol Pym from 13/05/2021
Peggy Lau from 01/09/2021

Auditor

Martin Waterworth Limited
Statutory Auditor
Bronwylfa
Llangunnor Road
Carmarthen
SA31 2PB

Solicitors

Merrilsede, Herbert Terrace, Penarth CF64 2AH

Advisers

Bankers - Lloyds Bank plc, PO Box 1000 BX1 1LT
Central Finance Board of the Methodist Church, 9 Bonhill Street, London EC2A 4PE
Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester M1 1JQ

Legal, Financial, Property - TMCP, Trustees for Methodist Church Purposes

Connexional Matters, Governance, Safeguarding - The Methodist Church, 25 Marylebone Rd, London, NW1 5JR

Governance, Stationing, Safeguarding - The Methodist Church in Wales, Wales Synod at Cyncoed Methodist Church, Westminster Crescent, Cyncoed, Cardiff CF23 6SE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 7 June 2022 and signed on its behalf by:

Revd C Gale - Trustee

Report of the Independent Auditor to the Trustees of Cardiff Methodist Circuit

Opinion

I have audited the financial statements of Cardiff Methodist Circuit (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In my opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard and its Provisions Available for Audits of Small Entities, whereby in common with many other entities of this size I have been used to assist with the preparation of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

My responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

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

Matters on which I am required to report by exception

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

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

Report of the Independent Auditor to the Trustees of Cardiff Methodist Circuit

Responsibilities of trustees

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

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

My responsibilities for the audit of the financial statements

I 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.

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

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

The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the trustees. However, we will plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations, but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist.

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

Use of my report

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

Martin Waterworth Limited
Statutory Auditor
Bronwylfa
Llangunnor Road
Carmarthen
SA31 2PB

7 June 2022

CARDIFF METHODIST CIRCUIT

Statement of Financial Activities for the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	43,071	43,071	34,225
Charitable activities	4				
Christian Ministry		318,322	-	318,322	341,061
Trinity Centre		-	71,541	71,541	63,235
Investment income	3	60,236	13,551	73,787	79,112
Other income		-	3,289	3,289	2,564
Total		<u>378,558</u>	<u>131,452</u>	<u>510,010</u>	<u>520,197</u>
EXPENDITURE ON					
Charitable activities	5				
Christian Ministry		340,788	170	340,958	372,727
Costs relating to rental income					
		9,389	-	9,389	10,648
Trinity Centre		-	180,979	180,979	123,165
Total		<u>350,177</u>	<u>181,149</u>	<u>531,326</u>	<u>506,540</u>
Net gains on investments		<u>40,000</u>	<u>-</u>	<u>40,000</u>	<u>70,000</u>
NET INCOME/(EXPENDITURE)		<u>68,381</u>	<u>(49,697)</u>	<u>18,684</u>	<u>83,657</u>
Transfers between funds	17	<u>(116,734)</u>	<u>116,734</u>	<u>-</u>	<u>-</u>
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		<u>245,000</u>	<u>-</u>	<u>245,000</u>	<u>905,000</u>
Net movement in funds		<u>196,647</u>	<u>67,037</u>	<u>263,684</u>	<u>988,657</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>5,086,895</u>	<u>106,360</u>	<u>5,193,255</u>	<u>4,204,598</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>5,283,542</u></u>	<u><u>173,397</u></u>	<u><u>5,456,939</u></u>	<u><u>5,193,255</u></u>

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT**Statement of Financial Position**
31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
FIXED ASSETS					
Tangible assets	12	4,195,000	-	4,195,000	3,950,000
Investment property	13	810,000	-	810,000	1,315,000
		5,005,000	-	5,005,000	5,265,000
CURRENT ASSETS					
Debtors	14	22,893	1,625	24,518	30,845
Cash at bank		323,962	198,272	522,234	338,132
		346,855	199,897	546,752	368,977
CREDITORS					
Amounts falling due within one year	15	(68,313)	(26,500)	(94,813)	(440,722)
NET CURRENT ASSETS		278,542	173,397	451,939	(71,745)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,283,542	173,397	5,456,939	5,193,255
NET ASSETS		<u>5,283,542</u>	<u>173,397</u>	<u>5,456,939</u>	<u>5,193,255</u>

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT

Statement of Financial Position - continued
31 August 2021

FUNDS	17		
Unrestricted funds:			
General fund		826,962	788,075
Manse & Churches fair value fund		3,676,944	3,431,944
Investment Property fair value fund		779,636	866,876
		5,283,542	5,086,895
Restricted funds		173,397	106,360
TOTAL FUNDS			
		5,456,939	5,193,255

The financial statements were approved by the Board of Trustees and authorised for issue on 7 June 2022 and were signed on its behalf by:

W Barwise - Trustee

C Gale - Trustee

CARDIFF METHODIST CIRCUIT

Statement of Cash Flows
for the year ended 31 August 2021

	Notes	31.8.21 £	31.8.20 £
Cash flows from operating activities			
Cash generated from operations	1	(354,873)	(837)
Interest paid		(6,524)	(12,370)
Net cash used in operating activities		<u>(361,397)</u>	<u>(13,207)</u>
Cash flows from investing activities			
Sale of investment property		545,000	-
Interest received		499	1,557
Net cash provided by investing activities		<u>545,499</u>	<u>1,557</u>
Change in cash and cash equivalents in the reporting period		<u>184,102</u>	<u>(11,650)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>338,132</u>	<u>349,782</u>
Cash and cash equivalents at the end of the reporting period		<u><u>522,234</u></u>	<u><u>338,132</u></u>

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT

Notes to the Statement of Cash Flows for the year ended 31 August 2021

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

	31.8.21 £	31.8.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	18,684	83,657
Adjustments for:		
Gain on investments	(40,000)	(70,000)
Interest received	(499)	(1,557)
Interest paid	6,524	12,370
Repayment of bridging loan	(340,000)	-
Decrease/(increase) in debtors	6,327	(1,211)
Decrease in creditors	(5,909)	(24,096)
Net cash used in operations	<u>(354,873)</u>	<u>(837)</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank	<u>338,132</u>	<u>184,102</u>	<u>522,234</u>
	<u>338,132</u>	<u>184,102</u>	<u>522,234</u>
Debt			
Debts falling due within 1 year	<u>(340,000)</u>	<u>340,000</u>	<u>-</u>
	<u>(340,000)</u>	<u>340,000</u>	<u>-</u>
Total	<u>(1,868)</u>	<u>524,102</u>	<u>522,234</u>

Notes to the Financial Statements
for the year ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Manse and churches are shown at fair value using the Revaluation Model. It is the policy to carry out a professional valuation of these properties every five years. The trustees carry out a fair value and impairment review for each reporting period (alongside any professional valuations). Where this results in a carrying value which differs materially from that at the beginning of the period, adjustment is made to the carrying value and corresponding entry in the revaluation reserve.

It is considered that the residual values of the properties at the end of their useful lives will be at a similar level as their current fair values. Costs of disposal are estimated at 5% of value. The land element is estimated at one-third of total value. The life of the buildings is estimated at 100 years. Given these factors, it is considered that any resulting depreciation would be immaterial on an annual basis.

Further justification for adopting this policy is that it gives a more meaningful result than charging an immaterial amount of depreciation on the buildings element of the properties, only to value the properties back to fair value each year informally, and every five years when professionally revalued. It is also the policy to maintain all buildings in good condition, a basis for asserting no loss in residual values.

Investment property

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Going concern

After reviewing the Circuit's future plans, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. The Circuit therefore continues to adopt the going concern basis in preparing its financial statements.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
Donations - Trinity Centre	-	43,071	43,071	34,225

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
Rents received	60,095	13,193	73,288	77,555
Deposit account interest	141	358	499	1,557
	<u>60,236</u>	<u>13,551</u>	<u>73,787</u>	<u>79,112</u>

Of the restricted rental income of £13,193 all of it, and of the restricted deposit account income £69 belong to the Trinity Centre fund. The balance of deposit account income of £289 belongs to the various TMCP accounts held by the Circuit.

4. INCOME FROM CHARITABLE ACTIVITIES

	Christian Ministry £	Trinity Centre £	31.8.21 Total activities £	31.8.20 Total activities £
Assessment from Churches	328,880	-	328,880	350,452
District share from Assessment	(61,746)	-	(61,746)	(65,068)
Synod fund from Assessment	(2,549)	-	(2,549)	(7,646)
Grants	37,500	71,541	109,041	110,561
Synod contribution to rates	2,539	-	2,539	2,255
Synod contribution to Assistant Chair	8,698	-	8,698	8,742
Pontprenau Community contribution	5,000	-	5,000	5,000
	<u>318,322</u>	<u>71,541</u>	<u>389,863</u>	<u>404,296</u>

The Assessment from churches is shown as part of the income from the charitable activity of Christian Ministry on the Statement of Financial Activities net of amounts paid to the Methodist District Fund and Synod Fund totalling £61,746 and £2,549 respectively. These amounts come out of monies collected from the churches to pay out their share to the District Fund and Synod. The resultant income is the "gross" income which belongs outright to the Circuit.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

4. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	31.8.21	31.8.20
	£	£
Circuit - Methodist/ Synod grants	37,500	47,326
Trinity Centre - General (including Methodist grants)	29,918	29,767
Trinity Centre - National/ Big Lottery for Global Gardens		
	14,308	10,783
Trinity Centre - National Lottery Property Development grant		
	27,315	22,685
	<u>109,041</u>	<u>110,561</u>

Circuit grants

A Wales Synod grant of £14,000 was received and used in the year.

Ongoing grants included £16,000 (£25,000 last year) for the PlasDwr Project (of which £6,000 was used in the year and £10,000 was unused at 31 August 2021); £10,000 (£10,000 last year) for the Children & Youth Worker and £7,500 for the Synod Mission Enabler.

Relating to earlier years, a connexional grant of £26,000 was received in 2019 towards the costs of renovating one of the manses, whereby £16,374 was used in 2019, with the balance of £9,626 used last year.

Trinity Centre grants

A grant of £20,000 from the Methodist Church Welsh Synod was paid to the Trinity Project last year, and was fully used this year.

A grant of £12,500 from Methodist Mission Grant was paid to the Trinity Project last year, but is still as yet unspent at 31 August 2021. As such no income has been recognised this year, having been treated as a deferred grant.

A grant of £27,315 from the National Lottery for the Development Project was received and fully used in the year.

The National Lottery Community Fund granted £24,976 in the year for the Global Gardens Project, of which £14,308 was used in the year and £10,668 was unspent at 31 August 2021.

Relating to earlier years, out of the original Big Lottery grant of £49,241 paid to the Trinity Project in 2018 the last tranche of £10,783 has been spent last year for the Global Gardens Project at Flaxland Allotments.

Grants of £10,000 each from the Co-op and Awards for All were received in 2019 towards the same project and were fully used last year.

A Methodist Speculative Property Grant of £10,000 was paid and used by the Trinity Project last year.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Christian Ministry Costs relating to rental income	338,158	2,800	340,958
	9,389	-	9,389
Trinity Centre	180,979	-	180,979
	<u>528,526</u>	<u>2,800</u>	<u>531,326</u>

6. SUPPORT COSTS

	Governance costs £
Christian Ministry	<u>2,800</u>

Support costs, included in the above, are as follows:

	31.8.21 Christian Ministry £	31.8.20 Total activities £
Auditors' remuneration	2,500	2,500
Auditors' remuneration for non audit work	300	300
	<u>2,800</u>	<u>2,800</u>

7. AUDITORS' REMUNERATION

	31.8.21 £	31.8.20 £
Fees payable to the charity's auditor for the audit of the charity's financial statements	<u>2,500</u>	<u>2,500</u>
Assistance with accounts preparation	<u>300</u>	<u>300</u>
Total fees payable	<u>2,800</u>	<u>2,800</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

8. TRUSTEES' REMUNERATION AND BENEFITS

Each of the ministers of the Circuit received a stipend for their services. The Circuit Administrator also received a salary for her services. Please refer to the related party note.

Trustees' expenses

Each of the ministers, the Circuit Treasurer, Administrator and any others, a total of nine trustees, have incurred expenses on behalf of the Circuit for travel and manse costs in the main, plus some administrative costs. The total amount of expenses reimbursed to trustees in this way was £13,733 (2020: £14,456)

9. STAFF COSTS

	31.8.21 £	31.8.20 £
Wages and salaries	203,001	220,933
Social security costs	14,667	17,304
Other pension costs	41,196	46,797
	<u>258,864</u>	<u>285,034</u>

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

	31.8.21	31.8.20
Ministers	6	7
Administrator	1	1
Children, Families & Youth Worker	1	1
Trinity Centre workers	2	2
	<u>10</u>	<u>11</u>

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

Of the above costs £156,710 relate to stipends paid to the ministers, £41,196 for their pension costs and £14,667 social security.

A further £18,205 relates to staff costs for the Trinity Centre paid out of its funds.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	34,225	34,225
Charitable activities			
Christian Ministry	341,061	-	341,061
Trinity Centre	-	63,235	63,235
Investment income	52,920	26,192	79,112
Other income	1,964	600	2,564
Total	<u>395,945</u>	<u>124,252</u>	<u>520,197</u>
EXPENDITURE ON			
Charitable activities			
Christian Ministry	372,554	173	372,727

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Costs relating to rental income			
	10,648	-	10,648
Trinity Centre	-	123,165	123,165
Total	383,202	123,338	506,540
Net gains on investments	70,000	-	70,000
NET INCOME	82,743	914	83,657
Transfers between funds	15,736	(15,736)	-
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	905,000	-	905,000
Net movement in funds	1,003,479	(14,822)	988,657
RECONCILIATION OF FUNDS			
Total funds brought forward	4,083,416	121,182	4,204,598
TOTAL FUNDS CARRIED FORWARD	5,086,895	106,360	5,193,255

11. RESTRICTED FUNDS

The restricted funds are split into two main categories, those held by the Circuit directly and the Trinity Centre.

The Trinity Centre is treated as a restricted fund in its own right, since it runs its own operations known as the Trinity Centre Project. It derives its own income and controls its own bank accounts and other net assets or liabilities, all of which must only be used with regard to expenditure relating to the Trinity Centre Project.

The restricted funds of the Circuit are held centrally in "Trustees for Methodist Church Purposes" accounts. There is generally little activity within these funds.

In the normal course of its operations the Circuit maintains manses and other properties and rents out any properties surplus to those used as manses. The properties are generally available for use by the charity in this way, and for this reason have been treated as fixed assets/ investments within unrestricted reserves (together with the fair value reserves for the same).

However, when a property is sold, any proceeds have to be transferred to the CMT restricted fund, out of which only another property can be purchased.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 September 2020	3,950,000	4,361	3,954,361
Revaluations	245,000	-	245,000
At 31 August 2021	4,195,000	4,361	4,199,361
DEPRECIATION			
At 1 September 2020 and 31 August 2021	-	4,361	4,361
NET BOOK VALUE			
At 31 August 2021	4,195,000	-	4,195,000
At 31 August 2020	3,950,000	-	3,950,000

Cost or valuation at 31 August 2021 is represented by:

	Freehold property £	Fixtures and fittings £	Totals £
Valuation in 2020	3,950,000	4,361	3,954,361
Valuation in 2021	245,000	-	245,000
	4,195,000	4,361	4,199,361

Land and buildings comprise Manses and two churches which have ceased to meet.

(a) For Manse properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £518,056 (2020: £518,056)

The Manses were last professionally valued at open market value by Croft Davies & Co NAEA in October/November 2020 at a total value of £3,450,000. In their considered opinion this valuation has increased to £3,695,000 at 31 August 2021.

(b) Trinity and Splott Churches in Cardiff, which have ceased to meet, were last professionally valued by Bruton Knowles RICS on 19 May 2021 at a total value of £500,000. Their historical cost has not been ascertained.

It is the considered opinion of the trustees that for both types of property these professional valuations represent a fair value at 31/08/21.

The properties are not owned outright by Cardiff Methodist Circuit but by the Trustees for Methodist Church Purposes (TMCP), but it is a requirement of the Methodist Church that the properties are included in the accounts of the Circuit.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2020	1,315,000
Disposals	(545,000)
Revaluation	40,000
At 31 August 2021	810,000
NET BOOK VALUE	
At 31 August 2021	810,000
At 31 August 2020	1,315,000

Fair value at 31 August 2021 is represented by:

	£
Valuation in 2020	1,315,000
Valuation in 2021	(505,000)
	810,000

For investment properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £30,364 (2020: £448,124).

The investment properties were last professionally valued at open market value by Croft Davies & Co NAEA in October/ November 2020 and reconsidered at 31 August 2021. It is the considered opinion of the trustees that the carrying values represent a fair value at 31/08/21.

The properties are not owned outright by Cardiff Methodist Circuit but by the Trustees for Methodist Church Purposes (TMCP), but it is a requirement of the Methodist Church that the properties are included in the accounts of the Circuit.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Other debtors	1,625	7,444
Prepayments	22,893	23,401
	24,518	30,845

Debtors include £17,801 for stipends paid in advance (2020: £17,591)

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Other loans (see note 16)	-	340,000
Accruals and deferred income	53,638	53,297
Accrued expenses	4,675	10,925
Grants paid in advance	36,500	36,500
	<u>94,813</u>	<u>440,722</u>

Creditors includes £53,638 Assessment income received in advance (2020: £53,297).

16. LOANS

An analysis of the maturity of loans is given below:

	31.8.21	31.8.20
	£	£
Amounts falling due within one year on demand:		
Other loans	-	340,000
	<u>-</u>	<u>340,000</u>

17. MOVEMENT IN FUNDS

	At 1.9.20	Net movement	Transfers	At
	£	in funds	between	31.8.21
		£	funds	£
Unrestricted funds				
General fund	788,075	28,381	10,506	826,962
Manses & Churches fair value fund				
	3,431,944	245,000	-	3,676,944
Investment Property fair value fund				
	866,876	40,000	(127,240)	779,636
	<u>5,086,895</u>	<u>313,381</u>	<u>(116,734)</u>	<u>5,283,542</u>
Restricted funds				
Charles Street Trust	50,837	70	(63)	50,844
Circuit Model Trust	2,529	49	91,797	94,375
Trinity Centre	52,994	(49,816)	25,000	28,178
	<u>106,360</u>	<u>(49,697)</u>	<u>116,734</u>	<u>173,397</u>
TOTAL FUNDS	<u>5,193,255</u>	<u>263,684</u>	<u>-</u>	<u>5,456,939</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	378,558	(350,177)	-	28,381
Manses & Churches fair value fund				
	-	-	245,000	245,000
Investment Property fair value fund				
	-	-	40,000	40,000
	<u>378,558</u>	<u>(350,177)</u>	<u>285,000</u>	<u>313,381</u>
Restricted funds				
Charles Street Trust	172	(102)	-	70
Circuit Model Trust	117	(68)	-	49
Trinity Centre	131,163	(180,979)	-	(49,816)
	<u>131,452</u>	<u>(181,149)</u>	<u>-</u>	<u>(49,697)</u>
TOTAL FUNDS	<u>510,010</u>	<u>(531,326)</u>	<u>285,000</u>	<u>263,684</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	759,596	12,743	15,736	788,075
Manses & Churches fair value fund				
	2,971,580	905,000	(444,636)	3,431,944
Investment Property fair value fund				
	352,240	70,000	444,636	866,876
	<u>4,083,416</u>	<u>987,743</u>	<u>15,736</u>	<u>5,086,895</u>
Restricted funds				
Charles Street Trust	50,837	333	(333)	50,837
Circuit Model Trust	2,577	(48)	-	2,529
Daniel Pigott Model Trust	571	-	(571)	-
Maisie Holbrook Model Trust	14,796	36	(14,832)	-
Trinity Centre	52,401	593	-	52,994
	<u>121,182</u>	<u>914</u>	<u>(15,736)</u>	<u>106,360</u>
TOTAL FUNDS	<u>4,204,598</u>	<u>988,657</u>	<u>-</u>	<u>5,193,255</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	395,945	(383,202)	-	12,743
Manses & Churches fair value fund				
	-	-	905,000	905,000
Investment Property fair value fund				
	-	-	70,000	70,000
	<u>395,945</u>	<u>(383,202)</u>	<u>975,000</u>	<u>987,743</u>
Restricted funds				
Charles Street Trust	435	(102)	-	333
Circuit Model Trust	22	(70)	-	(48)
Daniel Pigott Model Trust	1	(1)	-	-
Maisie Holbrook Model Trust	36	-	-	36
Trinity Centre	123,758	(123,165)	-	593
	<u>124,252</u>	<u>(123,338)</u>	<u>-</u>	<u>914</u>
TOTAL FUNDS	<u><u>520,197</u></u>	<u><u>(506,540)</u></u>	<u><u>975,000</u></u>	<u><u>988,657</u></u>

18. RELATED PARTY DISCLOSURES

The main costs of the Circuit are the payment of stipends to the ministers and for the provision of Manses for them, the very modus operandi of the organisation. The six ministers are named as the first six on the list of trustees in the Trustees' Report.

During the year stipends totalling £128,465 were paid equally to five of the ministers at £25,693 each and £28,245 for the Superintendent Minister, C Gale. Pension contributions totalling £41,196 were also paid on their behalf, paid equally at £6,866 each.

The utility costs of all the manses totalled £33,982 and maintenance £19,920, most of which relates to those provided for the ministers. It would serve no purpose to divide these individually between the ministers.

The Administrator, L Medina (Trustee) was paid a salary of £9,773 and pension contributions of £586 were paid on her behalf.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2021

19. OTHER FUNDS NOT INCLUDED IN ACCOUNTS

During the year funds totalling £6,982 were collected and paid over to the Methodist Church Connexional Funds as follows:

The Mission in Britain Fund	£2,319
Fund for the Support of Presbyters & Deacons	£910
The Property Fund	£1,910
The World Mission Fund	£1,843

CARDIFF METHODIST CIRCUIT

Detailed Statement of Financial Activities **for the year ended 31 August 2021**

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations - Trinity Centre	-	43,071	43,071	34,225
Investment income				
Rents received	60,095	13,193	73,288	77,555
Deposit account interest	141	358	499	1,557
	60,236	13,551	73,787	79,112
Charitable activities				
Assessment from Churches	328,880	-	328,880	350,452
District share from Assessment	(61,746)	-	(61,746)	(65,068)
Synod fund from Assessment	(2,549)	-	(2,549)	(7,646)
Grants	37,500	71,541	109,041	110,561
Synod contribution to rates	2,539	-	2,539	2,255
Synod contribution to Assistant Chair	8,698	-	8,698	8,742
Pontprennau Community contribution	5,000	-	5,000	5,000
	318,322	71,541	389,863	404,296
Other income				
Sundry income	-	3,289	3,289	2,564
Total incoming resources	378,558	131,452	510,010	520,197
EXPENDITURE				
Charitable activities				
Stipends & salaries	184,796	18,205	203,001	220,933
Social security	14,667	-	14,667	17,304
Pensions	41,196	-	41,196	46,797
Manse utilities	33,982	-	33,982	35,471
Manse repairs/furnishings	19,920	-	19,920	33,434
Manses rented out repairs	5,099	-	5,099	-
Staff travel	3,005	-	3,005	6,449
Telephone & internet	5,974	-	5,974	5,868
Circuit office costs	1,064	-	1,064	1,266
Ministerial support/relocation allowance	-	-	-	1,200
Staff & LP training & development	518	-	518	143
Pulpit supplies	659	-	659	785
Printing, stationery, postages	2,983	-	2,983	3,736
Property quinquennials	6,414	-	6,414	2,118
Sundries	354	-	354	1,308
St Paul's Loudon Square expenses	326	-	326	103
Splott costs	392	-	392	375
Carried forward	321,349	18,205	339,554	377,290

This page does not form part of the statutory financial statements

CARDIFF METHODIST CIRCUIT**Detailed Statement of Financial Activities
for the year ended 31 August 2021**

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
Charitable activities				
Brought forward	321,349	18,205	339,554	377,290
Agent costs deducted from rent	4,290	-	4,290	3,816
Mission and Outreach	1,002	-	1,002	3,048
Legal and professional costs	7,026	-	7,026	-
Synod Mission Enabler	7,186	-	7,186	-
District levies	-	63	63	65
TMCP charges	-	107	107	108
Accommodation costs Trinity Centre	-	22,816	22,816	38,448
Administrative & project costs Trinity Centre	-	139,958	139,958	68,595
Loan interest	6,524	-	6,524	12,370
	347,377	181,149	528,526	503,740
Support costs				
Governance costs				
Auditors' remuneration	2,500	-	2,500	2,500
Auditors' remuneration for non audit work	300	-	300	300
	2,800	-	2,800	2,800
Total resources expended	350,177	181,149	531,326	506,540
Net income	28,381	(49,697)	(21,316)	13,657

Accounts

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2020
for
CARDIFF METHODIST CIRCUIT

Martin Waterworth
Bronwylfa
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB

CARDIFF METHODIST CIRCUIT

Contents of the Financial Statements **for the year ended 31 August 2020**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 11
Statement of Financial Activities	12
Statement of Financial Position	13 to 14
Statement of Cash Flows	15
Notes to the Statement of Cash Flows	16
Notes to the Financial Statements	17 to 26
Detailed Statement of Financial Activities	27 to 28

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Cardiff Methodist Circuit is the primary unit in which the local Methodist churches within Cardiff and Caerphilly express and experience their interconnection in the Body of Christ, for purposes of mission, mutual encouragement and help. It is in the Circuit that the ministers are stationed and local preachers are trained, admitted and exercise their calling. The purposes of the Circuit include the effective deployment of the resources of ministry, which include people, property and finance, as they relate to the Methodist churches in Cardiff & Caerphilly to churches of other denominations and to participation in the life of the communities served by the Circuit, including local schools and colleges and in ecumenical work in the area.

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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

Significant activities

(i) The Circuit produces a quarterly preaching plan to ensure regular Acts of Worship take place at each of the Methodist Churches and Local Ecumenical Partnerships in its geographical area. These are open to all people without charge. Worship is also provided for Young People at Youth Space.

The Circuit aims to maintain Student Work based at Cathays (which is our nearest church to the majority of the University's faculties and also an area where many students live).

The Circuit aims to encourage the nurture of and witness to families through the local churches and also to young people through Youth Space.

The Children & Family Work offers an opportunity to nurture the witness of families and young people.

(ii) To deliver worship to every church in the circuit each week.

(iii) We deliver worship by appointing Ministers and training Local Preachers. There is also a regular meeting of all preachers to encourage in service development.

The Children and Families work is achieved through the employment of a Lay Worker who works alongside volunteers with the churches of the West Cluster delivering accessible worship and other youth work. This is currently funded by the Circuit and appropriate training is offered.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees of the Methodist Church had due regard to the public benefit guidance published by the Charity Commission in compliance with its duties under section 17 of the Charities Act 2011. This guidance sets out 2 key principles:

1. The organisation must have an identifiable benefit
2. The benefit must be to the public or a section of the public.

The church exists, inter alia to:

1. Increase awareness of God's presence and to celebrate God's love;
2. Help people to learn and grow as Christians, through mutual support and care; and
3. Be a good neighbour to people in need and challenge injustice.

The trustees consider that for these reasons the charity meets these public benefit requirements.

Grantmaking

Subject to funds being available Circuit Grants are made to churches for property schemes of a development nature. A small amount is set aside in the budget towards Mission Projects.

Volunteers

Many of the jobs in the circuit/circuit churches are done by volunteers, and although formal records are not kept as to the number of hours contributed, it must be said that work relies to a great extent on the contribution of volunteers (to whom the trustees express their thanks and gratitude).

ACHIEVEMENT AND PERFORMANCE

Charitable activities

(a) The role of the Superintendent being separated over the past five years has allowed space for open conversations about the life of the circuit to take place. The lack of direct church responsibilities has allowed the Superintendent to allocate time to developing the lay and ordained leadership of the circuit. However, during the year under review the circuit took the decision that the next Superintendent minister should have the pastoral charge of at least one church. This change in policy is due to financial considerations (the circuit has further agreed to reduce from seven to six ministers from September 2020) and also in the understanding that ministers themselves receive care from congregations, as well as giving care to others.

(b) Trinity Centre has been looking at its longer-term viability and has commenced discussions on improving the premises to benefit existing and potential users. These have been successful, and the Centre drew up detailed plans to aid consultation. As a result, in 2017/2018 the Circuit agreed to the Trinity centre moving to the next stage which was to bring a design to fruition which obtains planning permission. In 2018/2019 work on this continued and the Trinity Centre commenced fund raising to raise £117,500 to cover this stage of the work. During the year almost £60,000 was raised and grant applications were made to cover the balance of the costs. Over the past year the costs of the project have escalated as a result of the need to take into account the Grade II listed heritage status of the Trinity Church building. However, this has resulted in a parallel aim of the project to develop the Trinity Centre as a place of heritage interest, in addition to the established outreach work with refugees and asylum seekers. During the year we were informed of the Methodist Church's decision not to award any grants for building projects for the foreseeable future. This has meant that the Trinity Centre Executive has had to revisit the funding requirements and grant applications for this important project.

[c] In early 2019 a Baptist Minister was appointed to the Church of the Resurrection for 5 years to engage primarily with outreach to the community. It was agreed that the requirements of Church of the Resurrection and Pontprennau were so different that each should have a different minister appointed to it. In the case of Pontprennau the ecumenical partners agreed that the Superintendent of the Cardiff Circuit take responsibility for the church for eight months until the end of August 2019 to allow time for appropriate options to be considered.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

FINANCIAL REVIEW

Principal funding sources

70% of the Circuit's unrestricted income was provided by the local churches.

Other sources of unrestricted income are from rental income and grants from the Methodist Church or Wales Synod.

Other than a small amount of interest all of the restricted income relates to the Trinity Centre which has been expended on its various projects and cannot be used for general Circuit matters. Inclusion of the Trinity Centre's results in the Circuit's accounts has been directed by the Methodist Church.

The charity's principal source of funds is the Annual Covenant Offer from each local church in the Circuit (no separate public fundraising outside churches) and these funds are used to pay stipends to ministers and salaries to lay workers (part-time administrator, and Children and Families Worker), the upkeep of manses and other Circuit property, and to support the work of the wider Methodist Church (Synod and Connexion) and small grants for Mission Projects.

Surplus funds are placed in an interest bearing account with the Central Finance Board of the Methodist Church.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

FINANCIAL REVIEW

Reserves policy

In outline, the Circuit Model Trust and Charles Trust had a combined balance of £53,366 in TMCP accounts at 31st August 2020. These funds, which derive from the sales of chapels and manses, are restricted by Conference. This restriction is an internal regulation though the funds can be used for a variety of purposes. In addition, monies of £52,994 are held by the Trinity Centre which are treated as restricted funds in these accounts.

In general, the Reserves Policy for the Circuit is to hold a minimum sum equivalent to between three and six months' average expenditure in reserve. This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

In detail, the Circuit Stewards have drawn up a reserves policy which has been accepted by the Circuit Meeting in May 2014 and updated to include actual expenditure & balances as at 31st August 2020 and staffing changes.

This document includes all funds held by the Circuit Meeting as charity trustees. Our reserves policy relates to our general (un-restricted) funds which are freely available to be used for any or all of the purposes of the Circuit. Other funds are also included for the sake of clarity and openness and to show that the Circuit has policy for the management of all its money and not simply those which are defined as reserves.

Our aim is threefold:

- (1) To secure and sustain the Circuit's viability and future.
- (2) To develop the Church's work in the Cardiff area and Caerphilly.
- (3) 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.

3 Step Process:

(1) Mission Policy

The Circuit's Mission Policy is based on a document approved on 9/6/2005. Essentially it provides for:-

- (a) The ministerial oversight and pastoral care of the local churches in the Circuit and the Trinity project
- (b) The support of a paid ministry team, a lay administrator and a children and families worker for the West Cluster.
- c) The maintenance of Circuit manses.

(2) Development Aims

The Cardiff Circuit has identified five areas of development on which to concentrate its efforts:

- 2.1) Youth work: an appointed minister will have oversight of youth work in the Circuit
- 2.2) Local communities: outreach work by local churches is encouraged and supported
- 2.3) University students: ministry to the students in Cardiff is currently undertaken by the University Chaplain, which is a Synod appointment. We seek to enable an integrated approach to student work with Chaplaincy and Circuit working closely together.
- 2.4) CEEMC: we have a long-term commitment to the Cardiff East ecumenical area. As part of our support we provide a manse with the CEEMP providing a contribution towards this.
- 2.5) The Trinity Project: work with asylum seekers, refugees and the culturally diverse community

(3) Financial Plans

The Circuit Assessment is reviewed annually and covers the cost of 1(a) and (b) above and is based on offers from each church towards a share in the total cost.

We make provision for our property maintenance programme by designating £21,500 per annum.

As at 31 August 2020 funds available for unrestricted purposes are £161,895 and include in the main monies held in CFB funds. These funds do not take into account a bridging loan of £340,000 which has been repaid from the sale of properties post year-end. Restricted funds total a further £106,360. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. The total costs for the last financial year amounted to £506,540.

Funds in deficit

There are none.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

FUTURE PLANS

The effect of the coronavirus pandemic across the circuit has been significant and much of the year under review has involved adjusting to working in new ways due to various restrictions. This meant that certain plans were unable to come to fruition, but others were taken up in their place:

[a] The Circuit's three year budgeting process was dealt a blow by covid restrictions and all churches being closed from the middle of March 2020. Only one church reopened in August 2020 when government guidelines allowed, with others due to follow in September. Treasurers from all the churches in the circuit have met on a regular quarterly basis throughout the pandemic to look at each church's financial position and ability to contribute to the circuit. This has allowed any church suffering from reduced income from freewill offering and/or rental income to be supported by others as need has arisen. It has enabled conversations about use of circuit and church reserves in this time of crisis, as well as ensuring the circuit has been able to continue to function effectively.

[b] Many circuit activities such as worship, bible studies, business meetings and youth work, have moved online. This has proved both challenging and gratifying for those involved in delivering and participating in such online gatherings. Care has been taken to ensure those persons who do not have access to technology have not been too disadvantaged, and we have made use of the Methodist Church's materials for "Worship at Home" among other things to reach out by post.

[c] The work of the Pioneer Minister on the Plas Dwr housing estate has developed, even with covid restrictions. Within the local guidelines packages have been delivered to new homes on the estate for Harvest, Christmas and Easter and people invited to join in online services. The local established church at Radyr has been fully involved in supporting this work.

[d] Plans to review the circuit's mission were hampered by the effects of covid and its restrictions, not least because so much time was required to ensure worship and pastoral care continued under significantly altered circumstances. Towards the end of the year under review the Circuit Leadership Team began the work of reviewing the circuit's mission and ministry to look at future priorities and resourcing.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Type of governing document: Deed of Union (1932) and Methodist Church Act (1976)

How constituted: as an unincorporated charity under an Act of Parliament

Recruitment and appointment of new trustees

Trustee selection methods: Appointed by local churches & existing trustees. Ministers are automatically trustees.

Organizational structure

1. Overall control rests with the Methodist Conference.
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of Ministers in individual Circuits.
3. Connexional decisions are passed to the Chair of the District (for Wales read Synod) and the appropriate Officers of the District for regional implementation
4. The Districts pass the control down to Circuit Level for local implementation by the Superintendent Minister, Ministerial Staff and Circuit Stewards and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the Minister, the Church Stewards and other officers and authority is delegated to Church Councils acting as Managing Trustees.
6. The Circuit Superintendent chairs meetings of the Circuit Leadership Team (Staff and Stewards all of whom are expected to attend) and the Circuit Meeting, which trustees are expected to attend. Policy decisions are taken at the Circuit Meeting.
7. The Connexional Year runs from the 1 September to 31st August

Induction and training of new trustees

Range of guidance produced by the Methodist Connexion

Leaflet "The Role of a Trustee in The Methodist Church" given to each trustee.

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A review of the Risk profile has identified the following four key areas:

Property

Major risks have been considered by the Circuit Stewards. Security and safety of our churches is largely for those churches to determine. All manses and churches are the subject of quinquennial inspections and the reports on the manses are reviewed by the Superintendent and the Circuit Stewards and the church reports are reviewed by their respective trustees. A monitoring system is in place to ensure actions for Manses are complied with. A similar system is encouraged for Churches.

Safeguarding

The Circuit follows the Connexional policy on safeguarding as detailed in Creating Safer Space. A Circuit Safeguarding Officer is appointed and each Church in the Circuit has a local safeguarding officer. Safeguarding is an agenda item at the Circuit Meeting and Church Council meetings. Safeguarding Training is rolled out across the Circuit. The Circuit Meeting and Church Council meetings review their Safeguarding Policy on an annual basis and carry out an audit to check training and DBS checks are up to date. Training will remain ongoing for new people undertaking roles and for others as their current training becomes four years old. This year we commenced Advanced Safeguarding Training for over sixty people and a residual group of eight people will be trained next year. A limited group of people are now required to complete an Advanced Safeguarding Course and everyone identified as requiring the training has completed it. This training will need to be refreshed every four years.

Financial

The majority of the Circuit income comes from the individual churches in the Circuit and when churches consider their covenant offer to the Circuit they are asked to confirm their offer for the coming Connexional year and in order that we can plan staffing levels they are also asked to indicate what their offer will be in a year's time and to consider any risk that might prevent them from making their payments. We consider that there are sufficient resources to cover any shortfall that might arise in the coming year. During the year we commenced conversations on developing a three year budget and assessment process. The budgeting process has been implemented and the aim is to extend that to a five year budget within the next two years. It has been more difficult to encourage churches to make assessment offers for three years ahead, however some progress has been made with some churches providing the information in the current year. It is hoped that more churches will move to making three years assessments as they see the process evolving.

Human Resources

In 2018-19 we were unable to fill one of the three appointments created by ministers moving on. From 1st of September 2019 we have been able to appoint another minister which will bring our compliment up to the full number. In 2018 - 2019 we have been a training circuit for a student minister in training at the Queens Foundation which helped cover the staffing shortfall. Staffing remains constant and barring unforeseen circumstances there should be no significant risk.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1134236

Principal address

Cyncoed Methodist Church
Westminster Crescent
Cardiff
CF23 6SE

CARDIFF METHODIST CIRCUIT

Report of the Trustees for the year ended 31 August 2020

Trustees

The trustees during the year were:

Rev. Catherine Gale		Chair
Rev. Kofi Amissah		
Rev. Judith Holliman	from 01/09/2019	
Rev. Alana Lawrence		
Rev. Alexis Mahoney		
Rev. Paul Martin		
Rev. Irfan John		Synod Enabler
Mrs Wendy Barwise		Steward/Treasurer
Mrs Bethan Barry	from 18/11/2020	Steward
Mrs Marie Edwards		Steward
Mrs Muriel Fisher	from 27/11/2019	Steward
Mr Steve McElveen	from 18/11/2020	Steward
Mrs Janet Rees		Steward
Mr Ian Walton		Steward
Mr Paul Demery		Safeguarding Officer
Mr Martin Hunt		
Mr Stuart Cane		
Mrs Sue Morris		
Mr John Powell		
Mrs Heather Cox		
Mr Derek Perkins		
Dr. Peter Evans		
Mr Martin Rees		
Mrs Carol Plumridge		
Mr John Plumridge		
Mr Terry Wing		
Mr Roger Palmer		
Mrs Debbie Paul		
Mr Gareth Hill		
Mrs Sandra Palmer		
Mrs Alison Hill		
Mrs Janice Perris		
Mr John Elias		
Mrs Pearl Criddle		
Mr Peter Richards		
Mr Neil Lyle		
Mrs Liz Crispie		
Mrs Diane Richards		
Mrs Susan Beavis		
Mrs Christina Crow		
Dr Catherine Taylor		
Mrs Catherine Hewett	from 27/02/2020	
Ms Barbara Ward		
Mrs Ann Cule		
Mr Ray Cule		
Mrs Christine Seaman	from 01/09/2020	
Mr Christopher Markall	from 01/09/2019	
Mrs Lisa Medina		
Mrs Helen Tyler		
Mr Jim James		
Mrs Ros Forster		
Mr Peter Smith		
Mrs Karen Smith		
Mrs Irene Welsby		
Mr Sid Chandler		
Mrs Ann Bracey		

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

Mrs Ann Thomas
Mrs Jeni Clarke
Mr Paul Knight
Mr Graham Hosgood
Mr Andrew Cross
Mrs Ann Cross
Mr Murray Taylor
Mr Clive Carpenter
Mrs Allison Hill
Ms Gauri Taylor-Nayar
Mr Anthony Thomas
Dr Maurice Wentworth
Mr Richard Hosgood
Ms Catherine Dodd
Miss Emma Drain to 01/09/2020 Steward
Ms. Judith Powell to 01/09/2020 Steward/Treasurer
Mrs Amanda Stewart to 01/01/2020
Mrs Angharad Williams to 01/01/2020
Mrs. Anne Freeman to 01/01/2020
Mr Ian Thomas to 01/09/2020
Mrs Gillian Phillips to 27/11/2019
Mrs Pamela Fisher to 01/09/2020
Mrs Enid Jones to 27/02/2020
Mr Colin Jones to 27/02/2020
Mr Thomas Oborski to 01/09/2020
Revd Nick Oborski to 01/09/2020 Chair

Auditors

Martin Waterworth
Bronwylfa
Llangunnor Road
Carmarthen
Dyfed
SA31 2PB

Solicitors

Merrilsede, Herbert Terrace, Penarth CF64 2AH

Advisers

Bankers - Lloyds Bank plc, PO Box 1000 BX1 1LT
Central Finance Board of the Methodist Church, 9 Bonhill Street, London EC2A 4PE
Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester M1 1JQ

Legal, Financial, Property - TMCP, Trustees for Methodist Church Purposes

Connexional Matters, Governance, Safeguarding - The Methodist Church, 25 Marylebone Rd, London, NW1 5JR

Governance, Stationing, Safeguarding - The Methodist Church in Wales, Wales Synod at Cyncoed Methodist Church, Westminster Crescent, Cyncoed, Cardiff CF23 6SE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

CARDIFF METHODIST CIRCUIT

Report of the Trustees **for the year ended 31 August 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 28 June 2021 and signed on its behalf by:

Revd C Gale - Trustee

Report of the Independent Auditors to the Trustees of Cardiff Methodist Circuit

Opinion

We have audited the financial statements of Cardiff Methodist Circuit (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and its Provisions Available for Audits of Small Entities, whereby in common with many other entities of this size we have been used to assist with the preparation of 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.

Conclusions relating to going concern

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

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

Other information

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

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

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

Matters on which we are required to report by exception

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

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

Report of the Independent Auditors to the Trustees of Cardiff Methodist Circuit

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

Use of our report

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

Martin Waterworth

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Bronwylfa

Llangunnor Road

Carmarthen

Dyfed

SA31 2PB

28 June 2021

CARDIFF METHODIST CIRCUIT**Statement of Financial Activities
for the year ended 31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	31.8.20 Total funds £	31.8.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	34,225	34,225	57,166
Charitable activities	4				
Christian Ministry		341,061	-	341,061	299,815
Trinity Centre		-	63,235	63,235	24,398
Investment income	3	52,920	26,192	79,112	93,431
Other income		1,964	600	2,564	4,859
Total		395,945	124,252	520,197	479,669
EXPENDITURE ON					
Charitable activities	5				
Christian Ministry		372,554	173	372,727	382,440
Costs relating to rental income					
		10,648	-	10,648	7,677
Trinity Centre		-	123,165	123,165	88,020
Total		383,202	123,338	506,540	478,137
Net gains on investments		70,000	-	70,000	105,000
NET INCOME		82,743	914	83,657	106,532
Transfers between funds	17	15,736	(15,736)	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		905,000	-	905,000	-
Net movement in funds		1,003,479	(14,822)	988,657	106,532
RECONCILIATION OF FUNDS					
Total funds brought forward		4,083,416	121,182	4,204,598	4,098,066
TOTAL FUNDS CARRIED FORWARD		5,086,895	106,360	5,193,255	4,204,598

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT**Statement of Financial Position**
31 August 2020

	Notes	Unrestricted funds £	Restricted funds £	31.8.20 Total funds £	31.8.19 Total funds £
FIXED ASSETS					
Tangible assets	12	3,950,000	-	3,950,000	3,520,000
Investment property	13	1,315,000	-	1,315,000	770,000
		5,265,000	-	5,265,000	4,290,000
CURRENT ASSETS					
Debtors	14	26,045	4,800	30,845	29,634
Cash at bank		200,072	138,060	338,132	349,782
		226,117	142,860	368,977	379,416
CREDITORS					
Amounts falling due within one year	15	(404,222)	(36,500)	(440,722)	(464,818)
		(178,105)	106,360	(71,745)	(85,402)
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
		5,086,895	106,360	5,193,255	4,204,598
NET ASSETS					
		5,086,895	106,360	5,193,255	4,204,598

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT

Statement of Financial Position - continued
31 August 2020

FUNDS	17		
Unrestricted funds:			
General fund		788,075	759,596
Manses & Churches fair value fund		3,431,944	2,971,580
Investment Property fair value fund		866,876	352,240
Restricted funds		5,086,895	4,083,416
		106,360	121,182
TOTAL FUNDS		5,193,255	4,204,598

The financial statements were approved by the Board of Trustees and authorised for issue on 28 June 2021 and were signed on its behalf by:

W Barwise - Trustee

C Gale - Trustee

CARDIFF METHODIST CIRCUIT

Statement of Cash Flows for the year ended 31 August 2020

	Notes	31.8.20 £	31.8.19 £
Cash flows from operating activities			
Cash generated from operations	1	(837)	14,677
Interest paid		(12,370)	-
Net cash (used in)/provided by operating activities		(13,207)	14,677
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(450,000)
Interest received		1,557	2,379
Net cash provided by/(used in) investing activities		1,557	(447,621)
Cash flows from financing activities			
New loans in year		-	340,000
Net cash provided by financing activities		-	340,000
Change in cash and cash equivalents in the reporting period		(11,650)	(92,944)
Cash and cash equivalents at the beginning of the reporting period		349,782	442,726
Cash and cash equivalents at the end of the reporting period		338,132	349,782

The notes form part of these financial statements

CARDIFF METHODIST CIRCUIT

Notes to the Statement of Cash Flows for the year ended 31 August 2020

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

	31.8.20 £	31.8.19 £
Net income for the reporting period (as per the Statement of Financial Activities)	83,657	106,532
Adjustments for:		
Depreciation charges	-	136
Gain on investments	(70,000)	(105,000)
Interest received	(1,557)	(2,379)
Interest paid	12,370	-
(Increase)/decrease in debtors	(1,211)	14,409
(Decrease)/increase in creditors	(24,096)	979
Net cash (used in)/provided by operations	<u>(837)</u>	<u>14,677</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank	349,782	(11,650)	338,132
	<u>349,782</u>	<u>(11,650)</u>	<u>338,132</u>
Debt			
Debts falling due within 1 year	(340,000)	-	(340,000)
	<u>(340,000)</u>	<u>-</u>	<u>(340,000)</u>
Total	<u>9,782</u>	<u>(11,650)</u>	<u>(1,868)</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Manse and churches are shown at fair value using the Revaluation Model. It is the policy to carry out a professional valuation of these properties every five years. The trustees carry out a fair value and impairment review for each reporting period (alongside any professional valuations). Where this results in a carrying value which differs materially from that at the beginning of the period, adjustment is made to the carrying value and corresponding entry in the revaluation reserve.

It is considered that the residual values of the properties at the end of their useful lives will be at a similar level as their current fair values. Costs of disposal are estimated at 5% of value. The land element is estimated at one-third of total value. The life of the buildings is estimated at 100 years. Given these factors, it is considered that any resulting depreciation would be immaterial on an annual basis.

Further justification for adopting this policy is that it gives a more meaningful result than charging an immaterial amount of depreciation on the buildings element of the properties, only to value the properties back to fair value each year informally, and every five years when professionally revalued. It is also the policy to maintain all buildings in good condition, a basis for asserting no loss in residual values.

Investment property

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Going concern

After reviewing the Circuit's future plans, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. The Circuit therefore continues to adopt the going concern basis in preparing its financial statements.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.8.20 Total funds £	31.8.19 Total funds £
Donations - Trinity Centre	-	34,225	34,225	57,166

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.20 Total funds £	31.8.19 Total funds £
Rents received	52,300	25,255	77,555	91,052
Deposit account interest	620	937	1,557	2,379
	<u>52,920</u>	<u>26,192</u>	<u>79,112</u>	<u>93,431</u>

Of the restricted rental income of £25,255 all of it, and of the restricted deposit account income £443 belong to the Trinity Centre fund. The balance of deposit account income of £494 belongs to the various TMCP accounts held by the Circuit.

4. INCOME FROM CHARITABLE ACTIVITIES

	Christian Ministry £	Trinity Centre £	31.8.20 Total activities £	31.8.19 Total activities £
Assessment from Churches	350,452	-	350,452	343,735
District share from Assessment	(65,068)	-	(65,068)	(62,576)
Synod fund from Assessment	(7,646)	-	(7,646)	(9,103)
Grants	47,326	63,235	110,561	40,772
Synod contribution to rates	2,255	-	2,255	2,888
Synod contribution to Assistant Chair	8,742	-	8,742	8,497
Pontprennau Community contribution	5,000	-	5,000	-
	<u>341,061</u>	<u>63,235</u>	<u>404,296</u>	<u>324,213</u>

The Assessment from churches is shown as part of the income from the charitable activity of Christian Ministry on the Statement of Financial Activities net of amounts paid to the Methodist District Fund and Synod Fund totalling £65,068 and £7,646 respectively. These amounts come out of monies collected from the churches to pay out their share to the District Fund and Synod. The resultant income is the "gross" income which belongs outright to the Circuit.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

4. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	31.8.20	31.8.19
	£	£
Circuit - Methodist/ Synod grants	47,326	16,374
Trinity Centre - General (including Methodist grants)	29,767	2,154
Trinity Centre - Big Lottery for Global Gardens		
	10,783	22,244
Trinity Centre - National Lottery Property Development grant		
	22,685	-
	<u>110,561</u>	<u>40,772</u>

Circuit grants

A connexional grant of £26,000 was received last year towards the costs of renovating one of the manses. Of this grant £16,374 was used last year, with the balance of £9,626 used in this year.

Ongoing grants included £25,000 for the PlasDwr Project and £10,000 for the Children & Youth Worker.

Trinity Centre grants

Out of the original Big Lottery grant of £49,241 paid to the Trinity Project in 2018 the last tranche of £10,783 has been spent this year for the Global Gardens Project at Flaxland Allotments.

Grants of £10,000 each from the Co-op and Awards for All were received last year towards the same project but were deferred as not having been spent until this year when fully used.

Grants of £20,000 from the Methodist Church Welsh Synod and £12,500 from Methodist Mission Grant have been paid to the Trinity Project in the year, but are unspent at 31 August 2020. As such no income has been recognised this year, having been treated as deferred grants.

A Methodist Speculative Property Grant of £10,000 was paid and used by the Trinity Project in the year.

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Christian Ministry	369,927	2,800	372,727
Costs relating to rental income			
	10,648	-	10,648
Trinity Centre	123,165	-	123,165
	<u>503,740</u>	<u>2,800</u>	<u>506,540</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

6. SUPPORT COSTS

		Governance costs
		£
Christian Ministry		2,800
		<u>2,800</u>

Support costs, included in the above, are as follows:

	31.8.20 Christian Ministry £	31.8.19 Total activities £
Auditors' remuneration	2,500	2,500
Auditors' remuneration for non audit work	300	-
	<u>2,800</u>	<u>2,500</u>

7. AUDITORS' REMUNERATION

	31.8.20 £	31.8.19 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
Assistance with accounts preparation	300	-
	<u>300</u>	<u>-</u>
Total fees payable	<u>2,800</u>	<u>2,500</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Each of the ministers of the Circuit received a stipend for their services. The Circuit Administrator also received a salary for her services. Please refer to the related party note.

Trustees' expenses

Each of the ministers, the Circuit Treasurer, Administrator and others, a total of eleven trustees, have incurred expenses on behalf of the Circuit for travel and manse costs in the main, plus some administrative costs. The total amount of expenses reimbursed to trustees in this way was £14,456 (2019: £21,548)

9. STAFF COSTS

	31.8.20 £	31.8.19 £
Wages and salaries	220,933	190,239
Social security costs	17,304	14,584
Other pension costs	46,797	39,007
	<u>285,034</u>	<u>243,830</u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

9. STAFF COSTS - continued

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

	31.8.20	31.8.19
Ministers	7	6
Administrator	1	1
Children, Families & Youth Worker	1	1
Trinity Centre workers	2	2
	11	10

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

Of the above costs £177,604 relate to stipends paid to the ministers, £46,797 for their pension costs and £17,304 social security.

A further £16,122 relates to staff costs for the Trinity Centre paid out of its funds.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	57,166	57,166
Charitable activities			
Christian Ministry	299,815	-	299,815
Trinity Centre	-	24,398	24,398
Investment income	64,620	28,811	93,431
Other income	4,139	720	4,859
Total	368,574	111,095	479,669
EXPENDITURE ON			
Charitable activities			
Christian Ministry	382,237	203	382,440
Costs relating to rental income			
	7,677	-	7,677
Trinity Centre	-	88,020	88,020
Total	389,914	88,223	478,137
Net gains on investments	105,000	-	105,000
NET INCOME	83,660	22,872	106,532
Transfers between funds	329	(329)	-
Net movement in funds	83,989	22,543	106,532
RECONCILIATION OF FUNDS			
Total funds brought forward	3,999,427	98,639	4,098,066

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	4,083,416	121,182	4,204,598

11. RESTRICTED FUNDS

The restricted funds are split into two main categories, those held by the Circuit directly and the Trinity Centre.

The restricted funds of the Circuit are held centrally in "Trustees for Methodist Church Purposes" accounts. There is generally little activity within these funds.

The Trinity Centre is treated as a restricted fund in its own right, since it runs its own operations known as the Trinity Centre Project. It derives its own income and controls its own bank accounts and other net assets or liabilities, all of which must only be used with regard to expenditure relating to the Trinity Centre Project.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 September 2019	3,520,000	4,361	3,524,361
Revaluations	905,000	-	905,000
Reclassification	(475,000)	-	(475,000)
At 31 August 2020	3,950,000	4,361	3,954,361
DEPRECIATION			
At 1 September 2019 and 31 August 2020	-	4,361	4,361
NET BOOK VALUE			
At 31 August 2020	3,950,000	-	3,950,000
At 31 August 2019	3,520,000	-	3,520,000

Land and buildings comprise Manses and two churches which have ceased to meet.

(a) For Manse properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £518,056 (2019: £548,420)

The Manses were last professionally valued at open market value by Croft Davies & Co NAEA in October/November 2020 at a total value of £3,450,000.

(b) Trinity and Splott Churches in Cardiff, which have ceased to meet, were last professionally valued by Bruton Knowles RICS on 19 May 2021 at a total value of £500,000. Their historical cost has not been ascertained.

It is the considered opinion of the trustees that for both types of property these professional valuations represent a fair value at 31/08/20.

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2019	770,000
Revaluation	70,000
Reclassification	475,000
At 31 August 2020	1,315,000
NET BOOK VALUE	
At 31 August 2020	1,315,000
At 31 August 2019	770,000

For investment properties which existed prior to 1 September 2000 their historical cost has not been ascertained. Subsequent cost of purchases and improvements amounts to £448,124 (2019: £417,760).

The investment properties were last professionally valued at open market value by Croft Davies & Co NAEA in October/ November 2020. It is the considered opinion of the trustees that the carrying values represent a fair value at 31/08/20.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.20	31.8.19
	£	£
Other debtors	7,444	6,438
Prepayments	23,401	23,196
	30,845	29,634

Debtors include £17,591 for stipends paid in advance (2019: £19,938)

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.20	31.8.19
	£	£
Other loans (see note 16)	340,000	340,000
Accruals and deferred income	53,297	79,463
Accrued expenses	10,925	3,875
Grants paid in advance	36,500	41,480
	440,722	464,818

Creditors includes £53,297 Assessment income received in advance (2019: £79,463).

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

16. LOANS

An analysis of the maturity of loans is given below:

	31.8.20 £	31.8.19 £
Amounts falling due within one year on demand:		
Other loans	340,000	340,000

17. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	759,596	12,743	15,736	788,075
Manses & Churches fair value fund				
	2,971,580	905,000	(444,636)	3,431,944
Investment Property fair value fund				
	352,240	70,000	444,636	866,876
	4,083,416	987,743	15,736	5,086,895
Restricted funds				
Charles Street Trust	50,837	333	(333)	50,837
Circuit Model Trust	2,577	(48)	-	2,529
Daniel Pigott Model Trust	571	-	(571)	-
Maisie Holbrook Model Trust	14,796	36	(14,832)	-
Trinity Centre	52,401	593	-	52,994
	121,182	914	(15,736)	106,360
TOTAL FUNDS	4,204,598	988,657	-	5,193,255

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	395,945	(383,202)	-	12,743
Manses & Churches fair value fund				
	-	-	905,000	905,000
Investment Property fair value fund				
	-	-	70,000	70,000
	<u>395,945</u>	<u>(383,202)</u>	<u>975,000</u>	<u>987,743</u>
Restricted funds				
Charles Street Trust	435	(102)	-	333
Circuit Model Trust	22	(70)	-	(48)
Daniel Pigott Model Trust	1	(1)	-	-
Maisie Holbrook Model Trust	36	-	-	36
Trinity Centre	123,758	(123,165)	-	593
	<u>124,252</u>	<u>(123,338)</u>	<u>-</u>	<u>914</u>
TOTAL FUNDS	<u><u>520,197</u></u>	<u><u>(506,540)</u></u>	<u><u>975,000</u></u>	<u><u>988,657</u></u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
Unrestricted funds				
General fund	780,607	(21,340)	329	759,596
Manses & Churches fair value fund				
	2,971,580	-	-	2,971,580
Investment Property fair value fund				
	247,240	105,000	-	352,240
	<u>3,999,427</u>	<u>83,660</u>	<u>329</u>	<u>4,083,416</u>
Restricted funds				
Charles Street Trust	50,837	329	(329)	50,837
Circuit Model Trust	2,626	(49)	-	2,577
Daniel Pigott Model Trust	567	4	-	571
Maisie Holbrook Model Trust	14,700	96	-	14,796
Trinity Centre	29,909	22,492	-	52,401
	<u>98,639</u>	<u>22,872</u>	<u>(329)</u>	<u>121,182</u>
TOTAL FUNDS	<u><u>4,098,066</u></u>	<u><u>106,532</u></u>	<u><u>-</u></u>	<u><u>4,204,598</u></u>

CARDIFF METHODIST CIRCUIT

Notes to the Financial Statements - continued for the year ended 31 August 2020

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	368,574	(389,914)	-	(21,340)
Investment Property fair value fund				
	-	-	105,000	105,000
	368,574	(389,914)	105,000	83,660
Restricted funds				
Charles Street Trust	431	(102)	-	329
Circuit Model Trust	22	(71)	-	(49)
Daniel Pigott Model Trust	5	(1)	-	4
Maisie Holbrook Model Trust	125	(29)	-	96
Trinity Centre	110,512	(88,020)	-	22,492
	111,095	(88,223)	-	22,872
TOTAL FUNDS	479,669	(478,137)	105,000	106,532

18. RELATED PARTY DISCLOSURES

The main costs of the Circuit are the payment of stipends to the ministers and for the provision of Manses for them, the very modus operandi of the organisation. The seven ministers are named as the first seven on the list of trustees in the Trustees' Report.

During the year stipends totalling £177,604 were paid equally to six of the ministers at £25,017 each and £27,502 for the Superintendent Minister, N Orborski. Pension contributions totalling £46,796 were also paid on their behalf, paid equally at £6,685 each.

The utility costs of all the manses totalled £35,471 and maintenance £33,434, most of which relates to those provided for the ministers. It would serve no purpose to divide these individually between the ministers.

The Administrator, L Medina (Trustee) was paid a salary of £9,816 and pension contributions of £571 were paid on her behalf.

19. OTHER FUNDS NOT INCLUDED IN ACCOUNTS

During the year funds totalling £7,507 were collected and paid over to the Methodist Church Connexional Funds as follows:

The Mission in Britain Fund	£1,285
Fund for the Support of Presbyters & Deacons	£860
The Property Fund	£2,690
The World Mission Fund	£2,672

CARDIFF METHODIST CIRCUIT

Detailed Statement of Financial Activities **for the year ended 31 August 2020**

	Unrestricted funds £	Restricted funds £	31.8.20 Total funds £	31.8.19 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations - Trinity Centre	-	34,225	34,225	57,166
Investment income				
Rents received	52,300	25,255	77,555	91,052
Deposit account interest	620	937	1,557	2,379
	52,920	26,192	79,112	93,431
Charitable activities				
Assessment from Churches	350,452	-	350,452	343,735
District share from Assessment	(65,068)	-	(65,068)	(62,576)
Synod fund from Assessment	(7,646)	-	(7,646)	(9,103)
Grants	47,326	63,235	110,561	40,772
Synod contribution to rates	2,255	-	2,255	2,888
Synod contribution to Assistant Chair	8,742	-	8,742	8,497
Pontprennau Community contribution	5,000	-	5,000	-
	341,061	63,235	404,296	324,213
Other income				
Sundry income	1,964	600	2,564	4,859
Total incoming resources	395,945	124,252	520,197	479,669
EXPENDITURE				
Charitable activities				
Stipends & salaries	204,811	16,122	220,933	190,239
Social security	17,304	-	17,304	14,584
Pensions	46,797	-	46,797	39,007
Manse utilities	35,471	-	35,471	31,292
Manse repairs/furnishings	33,434	-	33,434	70,013
Manses rented out repairs	-	-	-	3,151
Staff travel	6,449	-	6,449	11,471
Telephone & internet	5,868	-	5,868	6,936
Circuit office costs	1,266	-	1,266	2,338
Removal expenses	-	-	-	6,257
Ministerial support/relocation allowance	1,200	-	1,200	983
Staff & LP training & development	143	-	143	302
Pulpit supplies	785	-	785	701
Printing, stationery, postages	3,736	-	3,736	2,525
Property quinquennials	2,118	-	2,118	2,149
Sundries	1,308	-	1,308	3,329
St Paul's Loudon Square expenses	103	-	103	4,929
Carried forward	360,793	16,122	376,915	390,206

This page does not form part of the statutory financial statements

CARDIFF METHODIST CIRCUIT**Detailed Statement of Financial Activities
for the year ended 31 August 2020**

	Unrestricted funds £	Restricted funds £	31.8.20 Total funds £	31.8.19 Total funds £
Charitable activities				
Brought forward	360,793	16,122	376,915	390,206
Sploott costs	375	-	375	852
Agent costs deducted from rent	3,816	-	3,816	4,526
Mission and Outreach	3,048	-	3,048	111
Legal and professional costs	-	-	-	7,574
District levies	-	65	65	66
TMCP charges	-	108	108	137
Accommodation costs Trinity Centre	-	38,448	38,448	31,320
Administrative & project costs Trinity Centre	-	68,595	68,595	40,709
Depreciation of tangible fixed assets	-	-	-	136
Loan interest	12,370	-	12,370	-
	<u>380,402</u>	<u>123,338</u>	<u>503,740</u>	<u>475,637</u>
Support costs				
Governance costs				
Auditors' remuneration	2,500	-	2,500	2,500
Auditors' remuneration for non audit work	300	-	300	-
	<u>2,800</u>	<u>-</u>	<u>2,800</u>	<u>2,500</u>
Total resources expended	<u>383,202</u>	<u>123,338</u>	<u>506,540</u>	<u>478,137</u>
Net income/(expenditure)	<u><u>12,743</u></u>	<u><u>914</u></u>	<u><u>13,657</u></u>	<u><u>1,532</u></u>