

The Salisbury Methodist Circuit  
(Registered Charity no 1134362)



Trustees' Report  
And  
Financial Statements

For the year ending 31 August 2022



**SALISBURY METHODIST CIRCUIT  
TRUSTEES' ANNUAL REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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**Introduction**

The Circuit, of 9 churches, (supporting 10 congregations) spans the *land of the five rivers* around the fine cathedral city of Salisbury. From the rugged beauty of Salisbury plain in the north, to the picturesque surroundings of the New Forest National Park in the south, we are blessed with the ever-present reminder of Gods power of creation.

*The vision of the Salisbury Methodist Circuit is to know for ourselves and to share the Good News of God's love in Jesus by encouraging and enabling the people and churches of the Circuit to serve their communities and the wider world.*

We will do this by:-

- Being an effective Christian presence in our communities and demonstrating a passion for our faith
- Offering inspiring, welcoming worship and other activities
- Creating an open, caring and supportive environment for all we can reach
- Recognising, respecting and encouraging the gifts of all
- Discerning, training, developing and sharing our gifts and skills across the Circuit
- Deepening our faith and growing in discipleship
- Communicating the good news enthusiastically in ways that make sense to people today
- Embracing new opportunities and reacting positively to change

**Review of the year**

In the autumn of 2021 many of our church and circuit activities were looking forward to moving away from the restrictions imposed by Covid and the related lockdowns. However, whilst in Salisbury our work with children and young people has recovered strongly, in some churches congregations have not returned to the level they were at the start of 2020. Many of our members were/are elderly and during the past 2 years some have died and others have become house-bound due to age or a medical necessity to shield themselves from the reduced but on-going Covid risk. Two of our churches have continued to live-stream Sunday worship enabling those who need to remain at home to join with us remotely. Some of the community groups linked to our churches had ceased to function and others have taken time to rebuild their membership and activities.

The changing situation has led some congregations, particular in village environments, to explore and develop links with local churches of other Christian denominations. This is opening new opportunities as together we share resources of people and property to develop our Christian presence in those places. Bringing the best we have, we hope to achieve more working together than we can working alone whilst trying to maintain the fundamentals of our Methodist identity.

In the spring of 2022 as refugees from Ukraine were starting to arrive in Salisbury our congregation at Salisbury Methodist Church provided a base for a Community Hub working with the various agencies across the City. We provided an office facility for the organisers and a meeting place for refugees and host families. This developed to include language and translation facilities and occasional opportunities for worship, led by priests from the Ukrainian Orthodox Church. As an ecumenical and multi-agency venture this has built relationships with many local residents and organisations.

Salisbury Methodist Church also obtained registration for same-sex marriages as well as the achievement of the Bronze Eco Church Award.

Our staffing situation during the year was difficult. Our Superintendent Minister remained on extended sick leave throughout the year and retired early, due to ill health, at the end of August 2022. A second minister was placed on sick leave from the autumn of 2021 and sadly died in March 2022. A third minister took his scheduled sabbatical in the summer of 2022. We are grateful to a Supernumerary Minister from a

neighbouring circuit who continued to carry the responsibilities of Acting Superintendent throughout the year. We are also appreciative of support from a minister with a part time appointment who increased her hours and to other Supernumerary Ministers residing in the Circuit who provided pastoral, preaching and other support.

In the autumn of 2021 we were delighted to invite a new Superintendent Minister to join the Circuit from September 2022. Later in the year we learned that another Minister, retiring to the Circuit, was willing to offer a part time appointment during 2022/2023 and we were pleased to take up that offer. In the summer we were pleased to be able to appoint a Lay Pastoral Assistant to support two of our village congregations.

We end the year ready to face new opportunities with a re-built staff team and to learn from the experience that they bring.

## **Financial Review**

Circuit income is primarily drawn from the assessment paid by the circuit churches. In view of the Covid lockdown from early 2020 and the financial impact this had on our church finances we reduced the sums requested from them and agreed to draw from reserves to make up the shortfall. Lock down also reduced our travel costs but increased costs on other areas.

Our budget allowed for the receipt of rental income from 1 manse which currently is not needed to house presbyters.

Stipends rise each financial year in line with conference approved increases. The reduction in expenditure this year reflected the untimely death of one of our presbyters during the year. Our lay employees are paid not less than the 'living wage' and at a rate that is at least comparable with other salaries in the area for work of a similar nature.

In the 2021/2022 accounts :

71% of our income was provided by the local churches.

49% of expenditure was on pay and related costs

23% of expenditure was our contribution to the District, of which part is used to fund the work of the wider Methodist Church

15% of expenditure was on property.

### Fund balances

As at 31 August 2022 the net current assets of the Circuit's general and designated fund were £129k, giving approximately 6.5 months cover for expenditure. This exceeds our normal reserve and the income requested from churches in 2022/2023 is being reduced with the aim of reducing reserves again by 31 August 2023.

### Plans for 2022/2023

Circuit financial plans for the coming year have been prepared on the basis that there will be 3.2 full time ordained staff, with anticipated cost of living stipend increases, supported by a part time (0,25%) Lay Pastoral Assistant.

## **Basis of preparation and legal framework**

The Charity's annual report and accounts for the year ended 31 August 2022 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

Full Name of Charity: Salisbury Methodist Circuit

Registration Charity Number: 1134362

Date of registration: 17 February 2010

Main communication address: Bower Haven, Mount Pleasant, Stoford, Salisbury, SP2 0PP

The members of the Salisbury Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches. Full membership is shown as Appendix A to this report.

Active Circuit Ministers      Rev Mark Cheetham  
   Rev Steve Hawkes  
   Rev Anna Bishop  
   Rev Rosemary Fletcher

Circuit Stewards              Mr Ian Hardy  
   Mr Robert Taylor  
   Mr Nigel Thorne  
   Mrs Jacqueline Weddell  
   Mrs Fiona Sherman

Lay Employees:              Mrs Sarah Taylor – Administrator  
   Mrs Jacqueline Saunders – Lay Pastoral Assistant

Mr Ian Hardy acted as the principal officer overseeing the day-to-day financial management and accounting for the circuit during the year.

Independent examiner:      Mrs Hilary Thorne MAAT  
   61 Lindford Road, Salisbury, SP1 3WX

Investment Bankers:        Central Finance Board of the Methodist Church.  
   Trustees for Methodist Church purposes

Bankers:                      CAFBank Ltd

Solicitors:                    Batt Broadbent Ltd

### **Salisbury Circuit Aims and organisation**

Charity objective is to act as a Resource provider within the area around Salisbury for the Methodist Church:

"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 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
- e) The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.
- f) The teaching of Christianity through sermons, courses and small groups.
- g) The resourcing of pastoral work including visiting the sick and bereaved.

- h) Taking religious assemblies in local schools.
- i) Promotion of Christianity through the staging of events and services.
- j) Provision of chaplaincy services to the local university and other institutions.

#### **Public Benefit:**

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

#### **Structure, Governance and Management**

The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976). Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting.

#### **Trustee Training:**

A range of guidance produced by Methodist Connexion to support the effective running of the circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as trustees.

#### **Related Parties:**

"The Circuit is part of the Southampton District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the circuit: Amesbury, Bemerton, Bourne Valley, Fordingbridge, Salisbury, Sandleheath, Shrewton, Winterslow (incorporating Pitton), Woodfalls.

#### **Risk Management**

Major risks have been identified and recorded by the Leadership Team with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on congregations

#### **Safeguarding**

*Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.*

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or

young person may have been harmed, cooperating with the police and local authority in any investigation.

- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Salisbury Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Salisbury Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

### **Reserves Policy**

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 3 months' average expenditure plus a manse maintenance reserve of £20,000 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.


### **Tasks for the year 2022/2023**

- Welcome our incoming Superintendent Minister and other Circuit Staff. Establish how we maximise the benefits of the skill and experience of new and existing team members.
- Continue to support those churches who are building ecumenical links with churches of other Christian denominations and help them build a more dynamic Christian presence in their localities.
- Encourage our Lay Employees and Volunteers, helping them develop their gifts and talents and equipping them with the resources they need to build the Community of God.
- Plan for further changes in staffing resources from September 2023.
- Encourage our church congregations to work more closely together, sharing worship and benefitting from each other's experience.
- Develop plans for the effective use of our property resources for Mission
- Expand our team of Circuit Stewards and look at succession planning.
- Help churches identify and develop new opportunities for Mission and Outreach.

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

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
		£	£	£	£	£	£
<b>Income</b>							
1 Donations and legacies							0
2 Income from monetary investments		497	1,187				1,684
3 Income from investment properties	3	12,806		994			13,800
4 Assessments on Churches	4	150,625					150,625
5 Capital Receipts	5						0
6 Grants received	6	44,111					44,111
7 Other charitable income	7	975		1,102			2,077
<b>8 Total income</b>		<b>209,014</b>	<b>1,187</b>	<b>2,096</b>	<b>-</b>	<b>-</b>	<b>212,297</b>
<b>Expenditure</b>							
9 Grants and donations	8	3,500	18,000				21,500
10 Salaries and associated costs	9	133,893					133,893
11 Property maintenance	10	2,583		38,012			40,595
12 Connexional assessment & model trust levy	11	38,188					38,188
13 District Assessment & Levy	11	7,160	16,745				23,905
14 Depreciation							0
15 Office expenses	12	1,982	969				2,951
16 Other outgoings	13	3,371		7,242			10,613
<b>17 Total charitable expenditure</b>		<b>190,677</b>	<b>35,714</b>	<b>45,254</b>	<b>0</b>	<b>0</b>	<b>271,645</b>
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							
<b>20 Net income/(expenditure)</b>		<b>18,337</b>	<b>-34,527</b>	<b>-43,158</b>	<b>0</b>	<b>0</b>	<b>-59,348</b>
21 Transfers between funds		28,000	- 73,340	45,340			0
22 Other gains/(losses)	14						
<b>23 Net movement in funds</b>		<b>46,337</b>	<b>-107,867</b>	<b>2,182</b>	<b>0</b>	<b>0</b>	<b>-59,348</b>
24 Total funds brought forward		55,945	339,938	24,914			420,797
<b>25 Total funds carried forward</b>		<b>102,282</b>	<b>232,071</b>	<b>27,096</b>	<b>-</b>	<b>-</b>	<b>361,449</b>



Name of Circuit: SALISBURY		CIRCUIT NO: 26/12						
Balance Sheet as at 31 August 2022								
		General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2021/22	Totals 2020/21
	Notes to the Accounts	£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment	BS1	1,718,729					1,718,729	1,718,729
Investment properties	BS1	306,271					306,271	306,271
Investments							0	0
Total fixed assets		2,025,000	0	0	0	0	2,025,000	2,025,000
Current Assets								
Debtors	BS2	9,652					9,652	9,347
Loans by the Circuit							0	0
Investments with TMCP			232,071				232,071	339,938
Central Finance Board Deposits	BS3	104,713		24,066			128,779	71,940
Cash at Bank and in hand	BS3	18,070		3,030			21,100	26,987
Total current assets		132,435	232,071	27,096	0	0	391,602	448,212
Current liabilities								
Creditors (due in under 1 year)	BS4	30,153					30,153	27,415
Grants payable within 2021-22							0	
Total current liabilities		30,153	0	0	0	0	30,153	27,415
Net current assets/liabilities		102,282	232,071	27,096	0	0	361,449	420,797
Total assets less current liabilities		2,127,282	232,071	27,096	0	0	2,386,449	2,445,797
Long term liabilities (due after more than one year)								
Grants payable after 2021-22							0	0
Loans to the Circuit							0	0
							0	0
Net assets		2,127,282	232,071	27,096	0	0	2,386,449	2,445,797
Funds of the Circuit								
General Fund (Unrestricted)	BS5	2,127,282					2,127,282	2,080,945
Circuit Model Trust Fund (Unrestricted)			232,071				232,071	339,938
Designated Funds (Unrestricted)				27,096			27,096	24,914
Total Unrestricted Funds							2,386,449	2,445,797
Restricted Funds					0		0	
Endowment Funds						0	0	
Total Funds		2,127,282	232,071	27,096	0	0	2,386,449	2,445,797
Signed								
								
Ian Hardy								
Circuit Treasurer								

# The Salisbury Methodist Circuit

Notes to the accounts for the year ending 31 August 2022

## 1. Basis of accounting and accounting policies i

### Accounting Standard

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (Charities SORP (FRS 102)).

### ii Public benefit entity

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

### iii Basis

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

### iv Content

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

### v FRS102 SORP 2015

These accounts are compliant with FRS 102 and with the FRS 102 SORP 2015. The accounts have been prepared in accordance with applicable charity law in England this being the Charities Act 2011 and SI 2008/629 (Charities Accounting and Reporting Regulations) and, pending the making of replacement Regulations specific to SORP 2015 in accordance with Reg.8(4)(d) of SI 2008/629, the charity trustees have departed from the requirements of Reg.(8)(5) by following SORP (FRS102) instead of SORP 2005 to the extent necessary to give a true and fair view in the circumstances.

### vi Going concern

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

### vii Consolidation

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

### viii Income recognition

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

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

The Circuit acts as agent in two matters:

- the collection from churches and payment over of their contributions to various Funds controlled and administered by the Methodist Church – “Connexional Funds”
- the administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion

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

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

**ix Expenditure**

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

**x Grants**

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

**xi VAT**

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

**xii Tangible fixed assets**

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

The freehold and /or long leasehold residential property is shown in the accounts at deemed historical cost representing each property's gross carrying value as at 1 September 2015, being that property's insurance reinstatement value as assessed by the representative of Methodist Insurance plc in 2010 and subsequently adjusted up to and including 31 August 2015 or, if acquired after that date, at its insurance reinstatement value at the date of acquisition. No depreciation is provided because the trustees consider the current residual value of the property in its present condition to be not less than its historical cost and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would be immaterial.

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

The Circuit has made use of the deemed cost option on transitioning to FRS 102, as outlined above.

**xiii(a) Monetary investments**

The Circuit's investments are in monetary assets classified as being financial instruments under FRS 102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 20 below.

### **xiii(b) Investment Property**

From time to time the Circuit may hold residential property (formerly manse) which is surplus to its current staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of two years, the property is classified as Investment Property (whether let out or not) and any lets are at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives. Any such cases are specified in Note 3 below

### **xiv Receivables and Payables: Bank and Cash (Basic Financial Instruments)**

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

### **xv Loans as Basic Financial Instruments**

Where concessionary loans (i.e. free of interest) are made to the Circuit to further its charitable purposes, and are repaid after more than one year, they are initially recognised as the amount paid, with the carrying value adjusted in subsequent years to reflect payment and any accrued interest, adjusted for any impairment, if necessary.

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

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

### **xvi Methodist Connexional Funds**

The Methodist Church Connexion raises assessments against the Circuits and these are paid quarterly to their Districts. The Circuit raises assessments against the Churches in the Circuit. The District quarterly remits to the Methodist Church Fund most of the sum received from the Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds administered by The Methodist Church. These are detailed in Note 20 below.

### **xvii Funds**

The trustees have adopted a policy for all unrestricted reserves.

### **xviii Ministers' manse costs**

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

## **2 Glossary of terms.**

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

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

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

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

**CLT (Circuit Leadership Team):** A group (comprising mostly but not exclusively) of Circuit Trustees responsible for the day to day administration and policy formation of the Circuit. Generally, the CLT comprises the Presbyters and Deacons stationed within the Circuit and the Circuit Stewards.

**CMTF:** Circuit Model Trust Fund

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

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

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

**DAF:** District Advance Fund.

**FRS:** Financial Reporting Standard

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

**Lay employees:** Personnel employed by the Circuit on generally accepted commercial employment terms.

**MMPS:** Methodist Ministers' Pension Scheme.

**Pensions Trust:** The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its Lay Employees.

**Presbyters (including Superintendent):** Probationer or Ordained Ministers and/or Deacons who have pastoral and administrative responsibility for the Churches within the Circuit.

**SOFA:** Statement of Financial Activities.

**SORP:** Statement of Recommended Practice.

**TMCP:** Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including legacies, Endowments and Accumulated Funds.

### **3 Income from Investment Property (SOFA 3)**

The trustees have determined that the property at 7 Normandy Way, Fordingbridge is unlikely to be returned to use as manses in the foreseeable future and have therefore classified the same as Investment Properties. Letting income of £13,800 (£12,806 in the General Fund and £994 in designated funds) is shown gross of fees and commission.

### **4 Assessments on Churches (SOFA 4)**

The Circuit comprises of 9 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment account is taken of the voluntary giving received by each church and the average attendance at Sunday services. The initial assessment is then moderated to take account of local circumstances. The Circuit aims to cover all its net core costs from the Assessment.

### **5 Capital Receipts (SOFA 5)**

Nil

## 6 Grants received (SOFA 6)

Grants totalling £20,644 were received from the District towards the cost of employing an administrator and additional costs incurred due to the ill health of presbyters.

A contingency grant of £23,467 was received from Methodist Connexional Funds to cover part of the stipend costs of a Presbyterian on long term sick leave.

## 7 Other income (SOFA 7)

Compensation of £975 was received from BT following service disruptions. Contributions of £997 were received from attendees at our outreach project and £105 towards the cost of providing tablets to those needing to access on-line worship. (see note 13b)

## 8 Grants and Donations (SOFA 9)

The Grants listed below were made during the year.

Grantee	General Fund £	Circuit Model Trust Fund £	Purpose
Salisbury Methodist Church		9,000	Assist with employment costs of lay family/outreach worker
Bemerton Methodist Church		9,000	Assist with employment costs of lay outreach worker
Winterslow Methodist Church	2,500		Roof repairs
Shrewton Methodist Church	1,000		Support for the Day Centre
Totals	<b>3,500</b>	<b>18,000</b>	

## 9 Stipends, Salaries and Associated Costs (SOFA 10)

**Stipends** were paid to 4 Presbyters (3.4 fte) and **salaries** were paid to 2 part time lay employee (0.2 fte)

	General Fund	2021
Ministers	£	£
Stipends	84,208	93,588
National Insurance Contributions	7,133	7,796
Apprenticeship Levy	449	458
Pension Fund Contributions	21,957	23,802
Telephone & Broadband	3,254	2,167
Travelling	6,550	2,557
Sundry Expenses	0	0
Relocation costs	5,182	0
<b>Sub Total</b>	<b>128,733</b>	<b>130,368</b>
Lay Employees		
Salaries	4,818	12,872
National Insurance Contributions	95	765
Apprentice Levy	27	67
Pension Fund Contributions	220	756
Telephone	0	0
Travelling	0	0
<b>SubTotal</b>	<b>5,160</b>	<b>14,460</b>
<b>Total Stipends, salaries &amp; related costs</b>	<b>133,893</b>	<b>144,828</b>

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage.

**Pension:**

Most ordained presbyters are members of the Methodist Ministers' Pension Scheme (MPPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist Ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions the terms 'employer' and 'employee' are used as they would be in an employing body. The Connexion accounts for the MPPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MPPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented.

Lay Employees are contractually employees and have the option of joining a pension scheme which the Circuit has arranged with TPT Retirement Solutions (formerly The Pensions Trust). This is a defined contribution scheme and Circuit contributes as employer to this scheme.

**9a Cost of Superintendent, Presbyters and Trustees.**

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

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

**Payments to Trustees**

It is generally not Circuit policy to reimburse non-presbyteral members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties although certain travelling and administration costs may be reimbursed in relation to specific projects.

The travel costs of Presbyters who attend CLT and Circuit Meetings is included within their overall travel expenses (see note 9) and is not separately determined.

**10 Property Expenses. (SOFA 11)**

The Circuit is Managing Trustee for 4 manses, 3 of which are occupied by ministers stationed in the Circuit. One manse (7 Normandy Way) is let on Assured Shorthold Tenancy. The Circuit is responsible for insurance of the properties and, with the exception of the let manse, Council Tax and water charges.

Total expenditure on property was £38,012

**Expenditure on Manse**

Manse	Council Tax	Water	Insurance	Maintenance	Fees and Legal	Total	2021
1 Sycamore Drive	2,881	390		16,590		19,861	5,090
9 New Zealand Ave	3,040	618		5,685		9,343	4,363
76a Countess Road	3,029	431		1,346		4,806	7,253
7 Normandy Way	0	0		3,008	994	4,002	1,758
65 Winterslow Road	0	0				0	96
Unallocated			2,488			2,488	1,984
	<b>8,950</b>	<b>1,439</b>	<b>2,488</b>	<b>26,629</b>	<b>994</b>	<b>40,500</b>	<b>20,544</b>

**Other property Expenses**

£95 Quinquennial Inspection of manse (balance for work done in 2020/2021)

### 11 Connexional and District Assessment and Levy (SOFA 12 & 13)

The District Assessment is calculated relative to the staffing (Presbyter and Mission staff only) of all Circuits in the Southampton District.

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

	General	CMTF	Total	2021
District Expenses	7,160		7,160	6,673
Methodist Church Fund	38,188		38,188	34,955
Levy on CMTF		16,745	16,745	6,561
<b>Totals</b>	<b>45,348</b>	<b>16,745</b>	<b>62,093</b>	<b>48,189</b>

### 12 Office & Administration costs (SOFA 15)

Costs include those incurred by presbyters in respect of their home offices and those of other circuit office holders

	General £	CMTF £	Total £	2021
Publications, including Conference Minutes	581		581	484
Postage	5		5	952
Stationery	889		889	1,503
Website and IT services	413		413	413
Bank charges	94		94	85
CMTF administration charge		969	969	362
<b>Total</b>	<b>1,982</b>	<b>969</b>	<b>2,951</b>	<b>3,799</b>

### 13 Other Outgoings (SOFA

#### 13(a) General Fund

	General	2021
Preaching Fees	1,275	981
Training	0	40
Catering	57	0
Misc	2,039	221
<b>Total</b>	<b>3,371</b>	<b>1,242</b>

#### 13(b) Designated Funds

13(b)(1) The Circuit runs an outreach project on a large housing estate, renting space in a community building for 2 half days per week. Costs are charged to a designated unrestricted fund set up several years to support mission and outreach initiatives.

Outgoings	Designated (unrestricted fund)	2021
Rent	1,056	0
Equipment	151	0
Consumables	797	0
Printing & Advertising	258	64
Staging seasonal events		0
<b>Total</b>	<b>2262</b>	<b>64</b>
<b>Income</b>		
Sale of refreshments	818	0
Donations	179	0
<b>Total</b>	<b>997</b>	<b>0</b>



13 (b)(3) The Circuit provided tablets to elderly members of churches who wished to follow our streamed services during lockdown but did not the required facilities

<b>Outgoings</b>	<b>Designated (unrestricted fund)</b>	<b>2021</b>
Tablets and sim charges	4,980	1,927
<b>Total</b>	<b>4,980</b>	<b>1,927</b>
<b>Income</b>		
Contributions from tablets	105	100
Donation plus gift aid	0	623
<b>Total</b>	<b>105</b>	<b>723</b>

#### 14 Other gains(losses)

Nil for 2021/2022

#### BS1 Manses and Other properties.

Buildings comprise 3 manses and 1 investment property.

	Residential Land	Manses	Investmen t Property	Plant, machinery & Motor Vehicles	Fixtures, fittings & equipmen t	Total
	£	£	£	£	£	£
Balance brought forward	935,003	783,726	306,271	0	0	2,025,000
Adjustment (+)						
Revaluations (+/-)						
Disposals (-)						
Transfers (+/-)						
<b>Balance carried forward</b>	<b>935,003</b>	<b>783,726</b>	<b>306,271</b>	<b>0</b>	<b>0</b>	<b>2,025,000</b>

#### Accumulated Depreciation

Basis	N/A	N/A	N/A	SL	SL
Rate					3 Years

Balance brought forward					0	0
Depreciation charge for year						
Impairment provisions						
Revaluations						
Disposals						
Transfers						
<b>Balance carried forward</b>					<b>0</b>	<b>0</b>

#### Net Book Value

Brought forward	935,003	783,726	306,271		0	2,025,000
<b>Carried forward</b>	<b>935,003</b>	<b>783,726</b>	<b>306,271</b>		<b>0</b>	<b>2,025,000</b>

## BS2 Debtors & Prepayments

It is expected that all sums shown as debtors at 1 September 2022 will be received during the following year. Similarly it is expected that payments in advance at 1 September 2022 will be expended in 2022-2023

	General	Designated	Total	2021
Debtors	0	0	0	0
Prepayments				
Stipends, Pension NI	9,652	0	9,652	9,347
Other prepayments	0	0		
Totals	9,652	0	9,652	9,347

## BS3 Central Finance Board (CFB) and Bank balances

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

	General	Designated	Total	2021
Central Finance Board	104,713	24,066	128,779	71,940
CAFBank Ltd	18,070	2,500	20,570	26,457
Cash in Hand		30	30	30
Hamptons Int*		500	500	500
Totals	122,783	27,096	149,879	98,927

\*Hamptons International are our letting agents for the Investment Property

## BS4 Creditors, Accruals and Income in advance

It is expected that all sums accrued at 31 August 2022 will be paid during the year 2022-2023

	General	Designated	Total	2021
Creditors				
Assessments in advance	21,294		21,294	21,084
Unpaid expenses	8,229	630	8,859	6,331
Totals	29,523	630	30,153	27,415

## BS5 Description of Funds

### Unrestricted Funds

	Balance at 31 Aug 2022	2021
General Fund	2,127,282	2,080,945

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 99% of this fund is held as freehold property being manses for the ministers and investment property and, from time to time, redundant chapels in the Circuit. Grants made during the year are shown at paragraph 8. The Circuit Meeting is aware that grant applications must demonstrate public benefit and this is true for this fund.

	Balance at 31 Aug 2022	2021
Circuit Model Trust Fund	232,071	339,938

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

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

#### Designated Funds

	Balance at 31 Aug 2022	2021
Manse Fund	11,020	9,699
Mission Fund	14,258	13,397
Youth Fund	1,818	1,818
<b>Total</b>	<b>27,096</b>	<b>24,914</b>

**Manse**- Receives an annual transfer from the General Fund and against this is charged routine maintenance, repairs, council tax, water charges and, as the need arises, refurbishment.

**Mission** – Established with rental income from investment properties and, by decision of the Circuit Trustees, has a cap of £20,000. It is available to provide seed funding for new mission and outreach initiatives within the Circuit.

**Youth** – Receives an annual transfer from the General Fund as required. The purpose is to encourage activities for children and young people including attendance at District and Connexional youth events.

**There are no restricted or endowment funds.**

#### BS6 Related Parties

Related parties include the Methodist Connexion, The Southampton District and Churches within the Circuit, CFB and TMCP. All financial transactions with these related parties are reported in these accounts.

#### BS7 Agency Collections and Payments

The Circuit acts as agent in either collection or facilitation of the monies tabulated below. The sums sent to the Circuit by churches were remitted direct to the organisations or funds shown and do not appear elsewhere in these accounts.

Fund or Organisation	Amount facilitated £
Methodist Church Fund for property	300
Methodist Church Mission in Britain Fund	75
Methodist Church World Mission Fund	266

#### BS8 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year end.

#### BS9 Independent Examiner

The Independent Examiner examined the Circuit Accounts without charge and provided no additional services to the Circuit during the year.


Name of Circuit: Salisbury

No: 26/12

## Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of treasurer .....



Date... 14.10.2022

Name and address of treasurer: Mr Ian Hardy,  
Bower Haven, Mount Pleasant, Stoford, Salisbury, SP2 0PP

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were/will \* be presented to the Circuit meeting held on: 8 March 2023

Signature of the Chair of the meeting: .....



Name of the Chair of the meeting: Rev. Mark Chetham

Date 8/3/2023

## Independent Examiner's Report to the Trustees of the Salisbury Circuit

Charity Number 1134362

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Salisbury Methodist Circuit for the year ended 31 August 2022 set out on pages ... to .... As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

\* delete or circle as appropriate

Name of Circuit: Salisbury

No: 26/12

### Independent Examiner's Statement

[The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (*insert name of applicable listed body*)]. *Delete [ ] if not applicable.*

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below\*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination *Delete if not applicable i.e. all R&P accounts*
- the trustees' annual report is not consistent with the accounts *Delete if not applicable i.e. all R&P accounts.*

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

I have/have not\* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner ..... 

Name of independent examiner: ..... H. J. THORNE

Relevant professional qualification of independent examiner: ..... MAAT

Name of firm (where appropriate): .....

Address: ..... 61 LINDFORD ROAD BISHOPDOWN. SALISBURY

..... Post Code: SP1 3WX

Date: ..... 12.12.2022

\* delete or circle as appropriate

September 2022

## Appendix A

### Salisbury Methodist Circuit Meeting Membership

Ministers:	Revd. David Hookins (chair) -until 31 August 2022 Revd. Bryan Coates (Acting chair) -until 31 August 2022 Revd, Dr Mark Cheetham (chair)- from 1 September 2022 Revd. Steve Hawkes Revd. Anna Bishop Revd. Paul Rees -until 6 March 2022
Supernumerary Ministers:	Revd. Cecil King Revd. Christopher Jones Revd. Margaret Jones Revd. Rosemary Fletcher - from 1 September 2022
Lay Pastoral Assistant	Mrs Jacqueline Saunders – from 1 July 2022
Circuit Stewards:	Mr Ian Hardy (Treasurer) Mr Robert Taylor Mrs Jacqueline Weddell Mrs Fiona Sherman
Circuit Local Preachers & Worship Leaders representatives:	Mrs Valerie Liversidge Mr Bernard Robert Mr Malcolm Spencer
Circuit Appointed:	Mrs Grace E Chick (Methodist Women in Britain) Mrs Diana Nobel (Safeguarding Officer) Mrs Dawn Heslington (Secretary) Mr Nicholas Rutt (Circuit website manager)
Circuit Church Representatives:	
Amesbury:	Mrs Liz Rose Mrs Gillian Cook Mr Derek Fisher – from 1 September 2022
Bemerton:	Mrs Janet Hardy Mrs Moira Burton Mrs Barbara Spencer – until 31 August 2022 Mrs Sue Holmes – from 1 September 2022
Bourne Valley:	Mrs Joy Davey Mr Brian Homer
Fordingbridge:	Mrs Christine Jones Miss Isabel Brown
Pitton:	Mrs Sarah Sankey
Salisbury:	Mr David Booth Mrs Carolyn Clarke Mr Jim Gillings Mrs Beverley Turner
Sandleheath:	Mr Melvyn Clark Mrs Valerie Allpress

Shrewton:

Mrs Lilian M Foynes  
Mrs Dianne Robinson

Winterslow:

Mr Duncan Moody  
Mr Ivan Moody

Woodfalls:

Mr Graham Tanner  
Mrs Anita Tanner  
Mrs Muriel Dibden