

## **Dorking & Horsham Circuit**

### **TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2021**

#### **Introduction**

Welcome to the Annual Trustees' Report for the Dorking & Horsham Methodist Circuit. We are part of the Methodist Church of Great Britain and as such our main aim is to share the Christian Faith in our specific communities seeking to bring people into a vital and living relationship with God in Jesus Christ. What follows seeks to show how we go about that endeavour in partnership with the Churches that make up the Circuit along with other partners in the villages and towns in which we find ourselves. In all this we seek to be agents of transformation and change, bringing healing and hope into people's lives and the communities we serve.

#### **Aims and Organisation**

##### **Circuit Mission Policy - September 2015**

In order to fulfill our Methodist calling, Dorking and Horsham Methodist Circuit seeks to:

- ❖ promote forward-looking opportunities for mission and evangelism.
- ❖ promote and resource mission in the most appropriate way for each individual mission context.
- ❖ use our available resources wisely and seek other funding and partnerships to enable lay and ordained to work collaboratively in frontline mission.
- ❖ take up opportunities for working in new and creative ways whenever possible.
- ❖ empower, equip and enable lay and ordained leadership at circuit and local level.

**As of September 2015, our current strategy for implementing this is by:**

1. Continuing to support the following projects through the use of circuit funds, part taken from the assessment and part from the General Reserve Fund:
  - ✓<sup>1</sup> Leatherhead Youth and Children's Worker
  - ✓<sup>1</sup> Dorking Christian Centre Chaplain
  - ✓<sup>1</sup> St Andrews Children and Family Worker
  - ✓<sup>1</sup> St Andrews Church Centre and Cafe Manager
2. Monitoring the above projects, offering guidance and training where appropriate, so that they continue to fulfill their mission objectives.
3. Being a 'critical friend' to all the churches within the circuit by advising, encouraging and challenging them to look for and engage in mission opportunities in their own setting.
4. Responding quickly to any mission initiatives arising within the local churches.
5. Asking the CLT to regularly review those areas of circuit life which would benefit from a wider viewpoint than the local church. Namely:

## Dorking & Horsham Circuit

- a)) Safeguarding: Are all safeguarding procedures in place and appropriate training being given?
  - b)) Partnerships: Are there opportunities for working alongside or partnering other churches, networks or secular bodies?
  - c)) Staffing: Are the staffing levels of the circuit both lay and ordained, sustainable and sufficient?
  - d)) External resources: Are there resources outside the circuit, either of training or funding, which can be tapped into?
  - e)) New and emerging missional possibilities: Are there any new developments which need an imaginative response?"
6. Constantly seeking God's guidance and strength through prayer, study, worship and fellowship.
7. Revisiting and revising this strategy by Spring 2022.

### Review of the year

Through its ministers, lay employees and church members, the Circuit has provided leadership, pastoral care, Christian teaching and worship and administrative support for its constituent churches, projects, and the communities with which they are connected.

The year under review was a continuation of our journey through the global crisis that is the Coronavirus Pandemic. We have managed to maintain our connections with our various church congregations and reorganised to encourage and nurture the life of the church under vastly different circumstances. As the pandemic shifted and we were enabled to resume gathering again the various churches in the Circuit have been able to begin rebuilding and the journey continues.

As if the pandemic was not enough of a challenge we have also had to contend with a ministerial resignation, the loss of a worshipping community and the significant reduction of the membership of the other church they had pastoral charge of. Nevertheless, after some initial reorganization, the process of rebuilding was begun, and a new post was created with the keenly anticipated arrival of a Deacon appointed to the Circuit with effect from the 1<sup>st</sup> September 2021.

The Circuit supports a variety of projects and services for which lay employees have been necessary. The Circuit Leadership Team have been tasked with ensuring that each project continues to support the mission aims of the Circuit and wider Methodist Church and that the financing can be met within current projected resources. The Team have devised a format for doing this which has been accepted by the Circuit Meeting.

Training and advice is regularly given on Safeguarding. There have also been First Aid training days offered. Opportunities offered by the District and Connexional Discipleship & Ministries Learning Network are advertised and taken up where appropriate, in addition to training received from other organisations.

The CLT meet regularly to ensure the effective management of the Circuit, as well as praying together as we seek God's guidance for the future.

## **Dorking & Horsham Circuit**

### **Income trends**

Circuit Income is primarily drawn from the Assessment paid by the Circuit churches.

Other income mostly relates to contributions from the Circuit churches and external sources to support the employment costs of the lay employees for the various mission projects around the Circuit.

The global pandemic that resulted in the temporary closure of the churches for worship and use by other groups and hirers meant that church incomes were squeezed in the second half of the financial year and this lowering of incomes had to be recognised when setting the 2020 – 2021 budget.

### **Expenditure Trends**

Stipend expenditure has increased each financial year in line with Conference approved increases. Other employment costs have increased following reviews of their salaries when compared to the Living Wage from time to time.

Just under 15% of the 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 expenditure includes maintenance and repair of the Circuit Manse which has again been higher this year due to extensive works on one Manse with replacement windows throughout the property.

### **Fund Balances**

As at 31<sup>st</sup> August 2021 the net current assets of the Circuit Unrestricted Funds were £82,191 giving approximately 2.5 months cover for Expenditure from the Unrestricted Funds.

### **Plans for 2021 / 2022**

At the start of the new Connexional year the churches in the Circuit will still be slowly emerging from the effects of the closures enforced by the Covid 19 pandemic. The Assessment for this year has been set at a much lower level to avoid stressing the financial situations at some of the churches in the Circuit.

The Assessment calculations will revert to the normal method based on 25% membership and 75% income. We will be welcoming a Probationer Deacon into the Circuit Ministerial team at the beginning of the year so Stipend costs will be increased.

With the closure of Dorking Methodist Church on 31<sup>st</sup> August 2021, the Christian Centre now falls under the Trusteeship of the Circuit Meeting. The amount the Dorking Christian Centre is expected to contribute to the Circuit is broadly in line with the amount we could have expected from the Dorking Methodist Church had that continued.

The Circuit will be supporting four lay employees by making grants to the sponsoring churches. This will be the second year in a three year cycle of support for these. In addition an Administrative Support for the Superintendent will be employed with the cost being shared on a 50/50 basis with London Road Methodist Church in Horsham.

Stipend costs for 2021 – 2022 will be for one Superintendent, one Deacon, and one part time Supernumerary Minister.

Circuit Income will continue to be primarily drawn from the Assessment paid by the Circuit churches.

## **Dorking & Horsham Circuit**

Other income mostly relates to contributions from the Circuit churches and other external sources to support the employment costs of the lay employees for the various mission projects around the Circuit.

### **Trustee's Annual Report on Finance and Governance**

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

The Charity's annual report and accounts for the year ended 31 August 2019 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 (FRSSE) 2015.

Full Name of Charity: **Dorking & Horsham Methodist Circuit**

Registration Charity Number: **1135069**

Date of registration: **22<sup>nd</sup> March 2010**

Main communication address: **23 Ryecroft Drive, Horsham, West Sussex RH12 2AW**

The members of the Dorking & Horsham 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.

#### **Circuit Ministers and officers**

Active Circuit Ministers:      Rev. Gavin Hancock  
   Rev. Jan Hofmeyr  
   Rev. Kim Plumptre  
   Rev. Derek Tighe

Circuit Lay Workers:          Mrs. Susan Halliday  
   Mrs. Rosemary Johnston  
   Mr. Nicholas Joyce  
   Mrs. Janette Masters  
   Ms. Rowan Netherley  
   Mrs. Carol Stoves  
   Mrs. Clare Walker

Circuit Stewards:              Mr. Brian Frogley  
   Mrs. Angela Putland (Snr)  
   Mrs. Carol Stoves

Principal Officer:              Mr. Brian Frogley acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Independent Examiner:      Mr. Tony Canvin, 33 Kingmore, South Terrace, Littlehampton, West Sussex BN17 5LD



## **Dorking & Horsham Circuit**

**Investment Bankers:** Central Finance Board of the Methodist Church, Trustees for Methodist Church Purposes

### **Aims and Organisation**

Charity objective is to act as a Resource provider within the area from Cobham, Surrey in the north to Partridge Green, West Sussex in the south, 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.

The organisation and resourcing of regular public acts of worship open to members of the church and non-members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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 and the Circuit Property Secretary.

### **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 South East District and is also accountable to the Methodist Conference. The following Methodist Churches are linked to the circuit - Cobham United Church, Dorking Methodist

## **Dorking & Horsham Circuit**

Church, Effingham Methodist Church, Leatherhead Methodist Church, London Road Methodist Church - Horsham, Partridge Green Methodist Church, St Andrews Methodist Church - Horsham, Southwater Community Methodist Church

Other specific organisations with specific linkage include Christ Church URC – Leatherhead and St Martin's Church - Dorking.

### **Risk Management**

Risks are identified and monitored periodically and professional advice taken when necessary.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis.

### **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 Dorking & Horsham 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 Dorking & Horsham 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**

### **Dorking & Horsham Circuit**

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to two months' average expenditure from the General Budget (less transfers from Circuit Model Trust Fund) plus the total of committed expenditure from the Circuit Model Trust Fund. Additionally, there are Designated Funds: sufficient to meet the full year's cost for ministerial allowances and the training budget and unspent monies from the annual budget of £15,000 for repair and maintenance of the manse. This should be sufficient to meet any unforeseen item of major expenditure on manse 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.

## **Dorking & Horsham Circuit:**

### **Appendix A**

#### **CIRCUIT MEETING MEMBERSHIP:**

**MINISTERS**  
Rev Gavin Hancocks  
Rev Jan Hofmeyr  
Rev Kim Plumptre  
Rev Derek Tighe

**SUPERNUMERARY MINISTERS:** Rev Sue Conroy

**CIRCUIT STEWARDS**  
Mr Brian Frogley  
Mrs Angela Putland  
Mrs Carol Stoves

**CIRCUIT MEETING SECRETARY** Mrs Carolyn King

**CIRCUIT SAFEGUARDING OFFICER:**  
Vacant

**CIRCUIT PROPERTY STEWARD:** Mr Paul Bradley

**CIRCUIT LOCAL PREACHERS & WORSHIP LEADERS REPRESENTATIVES:**  
Mrs Jay Dunning  
Mr Robert Pitt

#### **CIRCUIT CHURCH REPRESENTATIVES:**

**Cobham United Church:** Mrs Jeanette Chamberlain  
Mr Brian Manners

**Dorking Methodist Church:** Miss Elizabeth Dobson  
Mr Peter Essex  
Mrs Myrtle Haire  
Mrs Sue Jamieson

**Effingham Methodist Church:** Mrs Rhona Elliott  
Mrs Pat Hammond  
Mr David Putland  
Mrs Gill Walker

**Leatherhead Methodist Church:** Mr Tim Hall  
Mr Les Prescott  
Mrs Maureen Prescott  
Mr Ron Shaw

**London Road Methodist Church – Horsham:**  
Mr David Casey  
Mr Trefor Little  
Mr Philip Reeves  
Mr John Williams



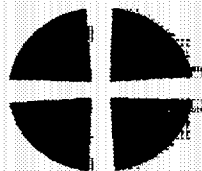
## **Dorking & Horsham Circuit:**

### **Partridge Green Methodist Church:**

Mrs Margaret Daniell  
Mrs Alison James  
Mrs Stephanie Kirkcaldy  
Mrs Jill Moore

### **St Andrews Methodist Church – Horsham:**

Mrs Daphne Baraclough  
Mr Peter Bramhill  
Mrs Rosemary Johnston  
Mrs Sue Randell



Circuit:  
Accruals Accounts:  
2020-2021

**THE METHODIST CHURCH**  
**STANDARD FORM OF ACCOUNTS**  
**ACCRUALS BASIS**  
for the year ended 31 August 2021

**Dorking and Horsham**

**Circuit**

Registered Charity - Registration number

1135069

This will apply to all Charities in Scotland and all Charities in England and Wales which are Registered Charities

South East

District: Circuit No: 36 / 10

**Ministers**

Rev. Gavin Hancock

Rev. Kath Jones (to 30 November 2020)

Rev. Ian Hofmeyr

Rev. Kim Plumptre

Rev. Derek Tigh

**Circuit Stewards**

Carol Stoves

Angela Rutland

**Circuit Treasurer**

Brian Frogley

**Statement of Financial Activities (SOFA) for the year ended 31 August 2021**

Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2020-2021
	£	£	£	£	£	£
<b>Income and Endowments</b>						
1 Donations and legacies						0
2 Income from monetary investments	1,138	-				1,138
3 Income from investment properties	6,109					6,109
4 Assessments on Churches	215,636					215,636
5 Capital Receipts						0
6 Grants received				35,435		35,435
7 Other charitable activities				60,652		60,652
8 Total from charitable activities	222,883	-	-	97,057	-	319,940
9 Other income						0
10 Total income and endowments	222,883	-	-	97,057	-	319,940
<b>Expenditure:</b>						
11 Grants and donations	-	50,000				50,000
12 Salaries and associated costs	77,612		77	115,171		187,860
13 Property maintenance and costs	16,376		71,084			87,470
14 Connexional assessment	34,247					34,247
15 District Assessment & Levy	7,089	-				7,089
15a URC M&M Contribution	17,904					17,904
16 Depreciation						0
17 Office expenses	5,147	45,040				50,187
18 Other outgoings	1,203		171	3,287		4,661
19 Total charitable expenditure	153,578	95,040	71,343	118,458	-	438,419
20 Gains/(losses) on monetary investments	-	-				-
21 Gains/(losses) on investment properties	-	-				-
22 Net income/(expenditure)	69,305	(95,040)	(71,343)	(22,401)	-	(119,479)
23 Transfers between funds	(103,416)	-	71,988	31,828	-	-
24 Other gains/(losses)	3,250	(35,500)				(32,250)
25 Net movement in funds	(30,861)	(130,540)	245	8,427	-	(151,729)
26 Total funds brought forward	1,112,191	717,198	2,668	46,772	485	1,879,312
27 Total funds carried forward	1,081,330	586,658	2,913	55,199	485	1,727,583

**Statement of Financial Activities (SOFA) for the year ended 31 August 2020:**

Notes to the

previous accounts:	General Fund (Unrestricted)	Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2019-2020
	£	£	£	£	£	£

**Income and Endowments:**

11 Donations and legacies						0
2 Income from monetary investments	5,809	-				5,809
3 Income from investment properties	14,108					14,108
4 Assessments on Churches	223,813					223,813
5 Capital Receipts		717,198				717,198
6 Grants received				45,858		45,858
7 Other charitable activities				58,495		58,495
8 Total from charitable activities	243,730	717,198	-	105,353	-	1,066,281
9 Other income						0
10 Total income and endowments...	243,730	-	-	99,857	-	1,066,281

**Expenditure**

11 Grants and donations	10,000	-				10,000
12 Salaries and associated costs	112,682		666	138,311		246,659
13 Property maintenance and costs	14,674		21,434			36,108
14 Connexional assessment	32,684					32,684
15 District Assessment & Levy	6,894					6,894
15a URC/M&M Contribution	17,052					17,052
16 Depreciation						0
17 Office expenses	6,774					6,774
18 Other outgoings	1,469		1,000	2,848		5,316
19 Total charitable expenditure	202,229	-	23,100	138,159	-	361,488
20 Gains/(losses) on monetary investments	-	-	-	-	-	-
21 Gains/(losses) on investment properties	-	-	-	-	-	-
22 Net income/(expenditure)	41,501	717,198	(23,100)	(30,906)	-	704,793
23 Transfers between funds	(66,632)	-	22,802	43,830	-	-
24 Other gains/(losses)	40,425	-	-	-	-	40,425
25 Net movement in funds	15,293	717,198	(298)	13,024	-	745,217
26 Total funds brought forward	1,096,898	-	2,968	33,747	485	1,134,098
27 Total funds carried forward	1,112,191	717,198	2,669	46,772	485	1,879,335



## Balance Sheet as at 31 August 2021

Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2021	Totals 2020
	£	£	£	£	£	£	£

## Fixed Assets:

Circuit Manses & Equipment		1,030,000				1,030,000	1,030,000
Investment properties						0	0
Investments					485	485	485
<b>Total fixed assets</b>		<b>1,030,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,030,485</b>	<b>1,030,485</b>

## Current Assets:

Debtors	BS1	8,561				8,561	7,421
Loans by the Circuit						0	0
Investments with TMCP			586,658			586,658	717,198
Central Finance Board Deposits	BS2	157,688		2,911	62,034	222,633	240,753
Cash at Bank and in hand		7,331			0	7,331	8,922
<b>Total current assets</b>		<b>173,578</b>	<b>586,658</b>	<b>2,911</b>	<b>62,034</b>	<b>825,181</b>	<b>975,894</b>

## Current liabilities:

Creditors (due in under 1 year)	BS2	65,498			5,636	71,134	125,067
Grants payable within 1 year	BS2	27,000	0			27,000	0
<b>Total current liabilities</b>		<b>92,498</b>	<b>0</b>	<b>0</b>	<b>5,636</b>	<b>98,134</b>	<b>125,067</b>
<b>Net current assets/liabilities</b>		<b>81,080</b>	<b>586,658</b>	<b>2,911</b>	<b>56,398</b>	<b>727,047</b>	<b>850,827</b>

<b>Total assets less current liabilities</b>		<b>1,111,080</b>	<b>586,658</b>	<b>2,911</b>	<b>56,398</b>	<b>1,767,333</b>	<b>1,879,611</b>
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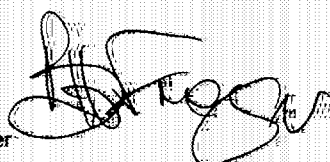
Long term liabilities (due after more than one year)							
Grants payable after 1 year	BS2	29,750				29,750	0
Loans to the Circuit						0	0
<b>Net assets</b>		<b>1,081,330</b>	<b>586,658</b>	<b>2,911</b>	<b>56,398</b>	<b>1,727,583</b>	<b>1,879,312</b>

## Funds of the Circuit:

General Fund (Unrestricted)		1,081,330				1,081,330	1,112,191
Circuit Model Trust Fund (Unrestricted)			586,658			586,658	717,198
Designated Funds (Unrestricted)				2,911		2,911	2,665
<b>Total Unrestricted Funds</b>						<b>1,670,899</b>	<b>1,832,054</b>
Restricted Funds					56,398	56,398	46,772
Endowment Funds						485	485
<b>Total Funds</b>		<b>1,081,330</b>	<b>586,658</b>	<b>2,911</b>	<b>56,398</b>	<b>1,727,583</b>	<b>1,879,312</b>

Signed

Circuit Treasurer



## Notes to the Accounts

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

**iii Basis**

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

**iv Content**

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

**v FRS 102 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 requirement of Reg.8(5) by following SORP (FRS 102) 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 2021, 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 included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources; the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

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

The Circuit acts as agent in the collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church - "Connexional Funds". These transactions are not reflected in the SOFA because they are the income of the Connexion. Instead the transactions are disclosed in the Notes to the Accounts as required by SORP (FRS 102).

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 on Notes where the value is considered material.

## **ix Expenditure**

Expenditure is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay-out resources.

## **x Grants**

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year and from existing funds the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

## **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 £1,000.

The freehold property is shown in the accounts at 2015 deemed values, which comprised the insurance rebuild costs at that time and an estimated land component value of £183,000. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that they had reached the end of their useful economic life by the year-end) to be not less than their current value. Any depreciation would not be material. The properties have been reviewed for impairment.

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

## **xiii Monetary Investments**

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

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

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are recognised 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 Methodist Connexional Funds**

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to The Methodist Church Fund most of the sum received from 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 controlled and administered by The Methodist Church. These are detailed in Note 12 below.

## **xvi Funds**

The trustees have adopted a policy for all unrestricted reserves which is attached as a separate document.

## **xvii Endowment funds**

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

## **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 hands of ministers.

## **xix Transition to FRS 102**

The transition date as defined by FRS 102 was 1 September 2015.

## 2 Glossary of terms

**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;

**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;

**FRS:** Financial Reporting Standard;

**HMR:** 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 Methodist 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 Investment Property

During this year it became necessary to serve the required six months notice to the tenant then occupying the 41 Butlers Road, Horsham manse as the house was required by a Deacon and her family from mid August 2021 and major modification work was required to be carried out. Notice was served late December 2020 and the tenant vacated the property on 3rd April 2021. Rental income less the letting agent's regular charge is shown as income from investment properties. Rental income less the letting agent's regular charge is shown as income from investment properties.

### 4 Assessments on Churches

At the commencement of the year the Circuit was comprised of 8 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. The Circuit aims to cover all its net core costs from the Assessment. During the year the Southwater Community Methodist Church closed but the remaining Assessment contributions for the year were covered by funds recovered by the Circuit. Dorking Methodist Church also closed on 31st August 2021 leaving 6 churches still active at the beginning of the 2021 - 2022 financial year.

This contribution from each church is determined annually by the Circuit using a formulaic method which takes account of the relative number of members in each church and its relative income (after deduction of certain actual and notional expenses). Assessments on Churches are collected quarterly in advance and are treated as pre-payments on a receivable basis.

### 5 Grants Receivable

	General Fund	Circuit Model Trust Fund	Restricted Funds	Total	2020
<b>Southwater Youth Worker</b>					
Southwater Parish Council			11,530	11,530	17,000
Horsham & Slinfold URC and Synod			7,500	7,500	7,500
<b>Leatherhead Youth &amp; Children's Worker</b>					
District/Advance Fund			-	-	-
Leatherhead URC			1,074	1,074	3,700
<b>Dorking Christian Centre Cook</b>					
Mole Valley DC			16,300	16,300	17,658
<b>Totals</b>	-	-	36,405	36,405	45,858

### 6 Other Income

	General Fund	Circuit Model Trust Fund	Restricted Funds	Total	2020
<b>Southwater Youth Worker</b>					
Southwater Community Methodist Church			5,125	5,125	4,528
<b>Leatherhead Youth &amp; Children's Worker</b>					
Leatherhead Methodist Church			17,000	17,000	7,500
<b>Circuit / LRMC / PGMC Administrator</b>					
London Road Methodist Church			631	631	-
<b>Southwater Family &amp; Childrens Worker</b>					
Southwater Community Methodist Church			1,385	1,385	5,540
<b>St Andrews Family &amp; Childrens Worker</b>					
St Andrews Methodist Church			2,768	2,768	3,250
<b>Southwater / St Andrew's Administrator</b>					
Southwater Community Methodist Church			-	-	929
St Andrew's Methodist Church			2,936	2,936	678
<b>St Andrews Caretaker / Cleaner</b>					
St Andrews Methodist Church			741	741	-
<b>St Andrew's Managers</b>					
St Andrews Methodist Church			418	418	-
<b>Dorking Christian Centre Managers</b>					
Dorking Methodist Church			23,696	23,696	29,688
<b>Dorking Christian Centre Saturday Cook</b>					
Dorking Methodist Church			433	433	2,531
<b>Leatherhead Administrator</b>					
Leatherhead Methodist Church			5,520	5,520	4,857
<b>Totals</b>	-	-	69,652	69,652	59,495

## 7 Grants and Donations

The Circuit has made commitments to provide specific funding for certain lay worker mission projects as set out in the following tables. The commitments are met by utilising funds in the Circuit Model Trust Fund that have been transferred into the General Fund. A new three year cycle of funding commenced on 1st September 2020.

The projects are run by Circuit churches but the corresponding lay workers are employed by the Circuit and these grants and donations are shown as internal transfers from the General Fund to the Restricted Funds.

Grantee/Donor	General Fund				
	Unpaid b/fwd	New this year	Paid this year (external)	Paid this year (Internal transfer)	Unpaid c/fwd
<b>Youth Workers</b>					
Southwater	-	11,000	-	11,000	-
<b>Youth &amp; Children's Workers</b>					
Leatherhead	-	30,000	-	10,000	20,000
<b>Family &amp; Children's Workers</b>					
Southwater	-	1,875	-	1,875	-
St Andrew's	-	15,000	-	6,250	8,750
<b>Dorking Christian Centre Chaplain</b>	-	24,000	-	2,000	22,000
<b>St Andrew's Managers</b>	-	12,000	-	6,000	6,000
<b>Circuit Administrator</b>	-	978	-	978	-
<b>Soul Space</b>	-	-	-	-	-
<b>Small projects</b>	-	-	-	-	-
<b>Totals</b>	-	94,853	-	38,103	56,750

Grantee/Donor	Circuit Model Trust Fund				
	Unpaid b/fwd	New this year	Paid this year (external)	Paid this year (Internal transfer)	Unpaid c/fwd
	-	-	-	-	-
<b>Cobham Regeneration Project</b>	-	50,000	50,000	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<b>Totals</b>	-	50,000	50,000	-	-

The Circuit has committed itself to funding a building and refurbishment project at Cobham United Church. The commitment is for £500,000 of which £50,000 has been paid to them.

In addition, there are three Designated Funds for manse repairs, general training and unused ministerial allowances (see Note 8 below). Transfers were made during the year to these Designated Funds from the General Fund as shown in the table below.

Item	Transfers			
	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted Funds
Grant funding from General Fund	(38,103)	-	-	38,103
Grant funding from CMTF	-	-	-	-
Stipend Support 2020-2021	-	-	-	-
Stipend Support 2021 - 2022	-	-	-	-
Release of Southwater F&CW balance	6,275	-	-	(6,275)
Manse repairs	(71,100)	-	71,100	-
General training	(171)	-	171	-
Ministerial allowances	(317)	-	317	-
Totals	103,416	-	71,588	31,828

Item	Gains/(losses)			
	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted Funds
Release grant provision	-	-	-	-
New grant provision	(56,750)	-	-	-
Release stipend provision 2020-21	60,000	-	-	-
Provision for stipend support 2021 - 22	-	(35,500)	-	-
Manse Revaluation	-	-	-	-
Totals	3,250	(35,500)	-	-

## 8 Salaries and associated costs

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted Funds	Total
	(2) Full time + 1 Part time Presbyters)			(3) Full time and 7 part time lay employees)	
Stipends /salaries	47,040	-	-	123,767	170,807
National Insurance Contributions	3,860	-	-	7,327	11,187
Pensions	111,831	-	-	5,632	17,463
Reclaims from HMRC JRS scheme				(23,541)	(23,541)
Distribution of reclaims to churches etc.				2,986	2,986
Ministerial travel	3,591	-	-	-	3,591
Ministerial allowances	1,366	-	77	-	1,443
Other ministerial expenses	-	-	-	-	-
Removal costs	3,924	-	-	-	3,924
		-	-	-	-
		-	-	-	-
Totals	71,612	-	77	116,171	187,860

Ministerial allowances to cover books and training costs are provided in the sum of up to £350 each year for each Presbyter. Any unused sums up to £350 for each Presbyter are carried forward to future years.

## Pensions

Ministers are members of the Methodist Ministers' Pension Scheme (MPPS) which is a defined benefit scheme. The Connexion accounts for this scheme is in deficit but a plan for the removal of the deficit has been proposed and is being implemented.

The Circuit's lay employees have the option of joining a pension scheme which the Circuit has arranged with The Pensions Trust. This is a defined contributions scheme (although there are some legacy defined benefit scheme liabilities for 3 former members and 1 current member of the scheme). The Circuit contributes to this scheme as employer and, although there are some deficit liabilities in respect of former members, the plan that is being implemented to remove that deficit imposes no contribution requirement on the Circuit. Accordingly, there is no value included in the accounts for that contingent liability.

## Payments to trustees

Payments to Presbyteral trustees are shown in the table above. Non-Presbyteral trustees receive no travel expenses and no other expense payments in the exercise of their duties save for reimbursement of costs incurred on behalf of the Circuit for specific projects or events (primarily manse repairs and maintenance).



## 9 Property maintenance and costs

The Circuit is Managing Trustee for 3 manse, 2 of which are occupied by ministers stationed in the Circuit. One manse (Butlers Road, Horsham) was being let on a commercial basis but the tenant was given notice in December 2020 to enable refurbishment to take place and make way for a Deacon and her family to take up residency in August 2021. The Circuit insures all the manse and when it is housing a minister or deacon the Circuit is responsible for the payment of Council Tax and Water charges.

The cost of ongoing maintenance, repairs and improvements to all the properties is funded through a Designated Manse Fund and a transfer of £111,000 was made from the General Fund. The level of transfer is reviewed by the trustees each year and this year an additional transfer of £60,100 was made to reflect the additional costs of refurbishment of the Butlers Road, Horsham manse.

The Circuit pays for the quinquennial structural surveys on each manse and each church in the Circuit.

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted Funds	Total
Property maintenance:					
Leatherhead	-	-	1,107	-	1,107
Ryecroft Drive, Horsham	-	-	3,635	-	3,635
Butlers Road, Horsham	-	-	65,582	-	65,582
Cobham	-	-	770	-	770
Insurance:	3,593	-	-	-	3,593
Council Tax:	8,992	-	-	-	8,992
Water Rates:	1,871	-	-	-	1,871
Structural surveys	1,920	-	-	-	1,920
<b>Totals</b>	<b>16,876</b>	<b>-</b>	<b>71,094</b>	<b>-</b>	<b>87,470</b>

## 10 Office expenses

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted Funds	Total
Phones and Internet	1,889	-	-	-	1,889
Printing, office supplies etc	1,353	-	-	-	1,353
Employment administration costs	1,621	-	-	-	1,621
Charitable donation for Independent Examination	200	-	-	-	200
Bank charges	84	-	-	-	84
District Advance Fund Levy	-	45,040	-	-	45,040
<b>Totals</b>	<b>5,147</b>	<b>45,040</b>	<b>-</b>	<b>-</b>	<b>50,187</b>

The employment administration costs relate to the charge made by the central payroll bureau of the Methodist Church which the Circuit uses for paying its lay employees. This figure also includes the Circuit's share of the Apprenticeship Levy payable by the Methodist Church.

The trust administration charge is levied by TMCP for investing the Circuit Model Trust Fund.

## 11 Other outgoings

	General Fund	Circuit Model Trust Fund	Designated Funds	Restricted Funds	Total
Lay employment expenses and costs	-	-	-	3,287	3,287
Supernumerary fees and other travel costs	1,203	-	-	-	1,203
Training	-	-	171	-	171
<b>Totals</b>	<b>1,203</b>	<b>-</b>	<b>171</b>	<b>3,287</b>	<b>4,661</b>

Various of the lay employees incur costs which are payable from the Restricted Funds held by the Circuit instead of by the churches where their work is based. This includes the cost of providing holiday and sickness cover for the cook at the Dorking Christian Centre.

The Circuit meets the travel costs of all non-stipendiary Ministers and Local Preachers preaching at Circuit churches and the cost of preaching fees payable to Supernumerary Ministers.

## 12 Methodist Connexional Funds

The monies shown below are passed to the Circuit by churches and their members for various Connexional Funds as set out in Note 1(Xv) and remitted to those funds. These figures are for information only and are not included elsewhere in the accounts.

Balance brought forward from last year

Offerings/Gifts - received for Methodist Connexional Funds

Offerings/Gifts - passed to Methodist Connexional Funds

Balance carried forward

2020-2021	2019-2020
0	0
1,568.00	3,036.00
700.00	3,036.00
868.00	0.00

**BS1 Debtors**

Deductions are made from Circuit monies in August in respect of stipends due for the month of September after the end of the accounting year. These are shown as debtors in the balance sheet.

**BS2 Analysis of current assets and liabilities and provisions**

Circuit churches pay their Assessments in August for the coming financial year, along with their contributions towards the costs of some of the lay employees during the coming year. A transfer has also been made from the Circuit Model Trust Fund during August in respect of the grants and donations agreed for the coming year and a portion of the stipend costs. These payments and transfers are analysed below into the various funds along with the liabilities and provisions...

	Designated fund balances:
Manse repair fund	11
Ministerial allowances	1,400
Training fund	1,500
<b>Total</b>	<b>2,911</b>

Restricted Funds	Lay employee fund balances	Payments received in advance	Transfers received in advance	Creditors due in 1 year
Circuit /LRMC/PGMC Administrator	-	786	-	786
Dorking Christian Centre Chaplain	9,670	-	-	-
Dorking Christian Centre Cook	1,394	-	-	-
Dorking Christian Centre Managers	1,717	-	-	-
Dorking Christian Centre Saturday Cook	-	-	-	-
Leatherhead Administrator	-	1,300	-	1,300
Leatherhead YCW	6,055	3,750	-	3,750
Southwater RCW	-	-	-	-
Southwater Youth Worker	26,474	-	-	-
St Andrew's Administrator	-	-	-	-
St Andrew's Community Centre Missioner	4,058	-	-	-
St Andrews RCW	6,832	-	-	-
St Andrews Caretaker / Cleaner	-	-	-	-
<b>Totals</b>	<b>56,199</b>	<b>5,836</b>	<b>-</b>	<b>5,836</b>

General Fund current and future grant liabilities	Unpaid at 31 August 2021 (see Note 7)	Advance transfers	Grants payable 2021-2022	Grants payable after 2021-2022
Circuit/LRMC/PGMC Administrator	-	-	-	-
Dorking Christian Centre Chaplain	22,000	-	8,000	14,000
Leatherhead YCW	20,000	-	10,000	10,000
Southwater RCW	-	-	-	-
Southwater Youth Worker	-	-	-	-
St Andrew's Community Centre Missioner	6,000	-	4,000	2,000
St Andrews RCW	8,750	-	5,000	3,750
<b>Totals</b>	<b>56,750</b>	<b>-</b>	<b>27,000</b>	<b>29,750</b>

General Funds	Fund balance	Payments received in advance	Transfers received in advance	Creditors due in 1 year
Balance of CFB deposits	92,188	-	-	-
Circuit Assessment	-	29,998	-	29,998
Stipend costs 2021 - 2022	-	-	35,500	35,500
<b>Totals</b>	<b>92,188</b>	<b>29,998</b>	<b>35,500</b>	<b>65,498</b>

## DECLARATIONS

### Treasurer

I confirm that I have prepared these accruals-based accounts from the records of the Circuit and that they include all funds under the control of the Circuit Meeting

Signature of Treasurer



Date

15-March 2022

Name

Brian Frogley

Address

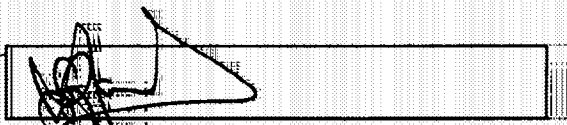
9 Ramsey Close, Horsham, West Sussex RH12 5AF

### Presentation to the Circuit Meeting for approval.

I confirm that the Accounts have been presented to the Circuit Meeting on and were approved.

17 March 2022

Signature of the Chair of the meeting



Name of the Chair of the meeting

Revd. Gavin Hancock

Date

17/3/2022

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

Dorking and Horsham

Circuit

The Circuit's Trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The Trustees consider that an audit is not necessary for this year under Section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011;
- follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the Charities Act 2011; and
- state whether particular matters have come to my attention.

## Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts; seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

## Independent Examiner's Statement

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached;

(3) 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.

Name:

Tony CANNON

Signature:



Relevant Professional qualification or body:

Address:

13 KINGSWAY, SOUTH TERRACE  
LITTLEHAMPTON  
WEST SUSSEX BN17 5LD

Date:

22 Feb 2022