

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
FOR
STAFFORD METHODIST CIRCUIT

Crombies Accountants Limited
Chartered Accountants
34 Waterloo Road
Wolverhampton
West Midlands
WV1 4DG

STAFFORD METHODIST CIRCUIT

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 6
Statement of Trustees' Responsibilities	7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 22
Detailed Statement of Financial Activities	23

STAFFORD METHODIST CIRCUIT
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

MINISTERS

Rev. P M Salter
Rev. J Kaci

LAYWORKERS

Mrs C A Hamer
Mrs I J Wakerell

CIRCUIT STEWARDS

Dr P C Yates
Mr P W Hardy
Mrs J D Wood
Mrs J Harrison (from 20/4/21)

CIRCUIT MEETING SECRETARY

Mrs L B Reade

LOCAL PREACHERS REPRESENTATIVES

Mrs G F Ashmore
Mrs M E Winnington

CIRCUIT REPRESENTATIVES TO SYNOD

Mr P Hardy
Mrs V Bates
Dr S McCready-Shea
Mrs M E Hemingway

CHURCH REPRESENTATIVES

Barlaston

Mrs K A Ford
Mrs K M Bradburn

Berkswich

Mr D C East
Mrs C East
Mrs P Roberts
Mrs L M Westoby
Mr T A S Goodchild

Bishops Offley

Mrs M E Hemingway
Mrs J Palin
Mrs A Hardy

Eccleshall

Mrs C Harper
Mrs D H Kirkham
Mrs M Embrey

Gnosall

Mr W D Basford
Mr T H Harrison
Mrs J Jobling

Milwich

Mr R W Knight
Mrs E Hodson

STAFFORD METHODIST CIRCUIT

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Rising Brook

Mr I F Baldwin
Mrs I M Cantrill
Mrs S Watson(to 15/10)
Mrs S Francis (from 30/10)

St. John's Stone

Mrs A Dair
Mr A R Heath
Mr D C Stewart

Trinity Stafford

Miss W E Harris
Mr T Houghton
Mr A Lowe
Miss L Birch

Weston

Mrs B Gillespie
Mr C Gillespie

PRINCIPAL ADDRESS

Circuit Office
Asbury House
Merrey Road
Stafford
ST17 9LX

**REGISTERED CHARITY
NUMBER**

1135822

INDEPENDENT EXAMINER

Crombies Accountants Limited
Chartered Accountants
34 Waterloo Road
Wolverhampton
West Midlands
WV1 4DG

INVESTMENT BANKERS

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

The Trustees for Methodist Church
Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

STAFFORD METHODIST CIRCUIT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

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 Circuit produces a bi-monthly preaching plan to ensure that regular acts of worship take place at each of the 7 Methodist Churches and 3 Local Ecumenical Partnerships in its geographical area. The Stafford Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Stafford and across the borough of Stafford. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 10 Circuit churches every Sunday. Our internal structure is based on a Circuit Meeting which meets four times a year; a Local Preachers meeting which meets around four times a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which meet monthly. We endeavour to make our meetings more than just talking shops; they are the place where important decisions are made and within them, we plan our strategies and fulfill our role as Charity Trustees.

Public benefit

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

STAFFORD METHODIST CIRCUIT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

2020/2021 has again necessitated new ways of working due to the pandemic which began to affect the way we operated from March 15th 2020. The ordained staff team remains the same with two full time presbyters working alongside one administrator, two pastoral workers and two youth workers. We have worked as a team across the whole circuit with the core team of presbyters, administrator and pastoral workers meeting regularly to ensure the ministry of the church is effective. Two of our churches closed before the pandemic. We have tried to find a mission purpose for Woodseaves so the plan is to sell the building and land in the next connexional year if possible.

Rowley Street made the decision to close at the end of August 2019. We have been pursuing the possibility of selling the building. In August 2020 TMCP helped us look at the possibilities and necessary steps to sell the building but again, the pandemic has prevented advancing further. We continually tried to move the sale on but with people working from home and the pressures of the pandemic TMCP were taking 4 months to answer emails. The plan is to persevere and reach a point in 2021/2022 where the building can be sold.

The worshipping life of all the churches is very important. However, the pandemic has meant we have had to make difficult decisions about the way we worship. Churches reopened tentatively in September 2020. In person worship was only be offered once a month by a preacher as several of our preachers were in the vulnerable categories. The buildings being closed has proved to be a catalyst to churches thinking about ways to safely worship. However by winter of 2020 with cases rising we again had to make the decision to close buildings. A prerecorded act of worship continued to be provided every week. These services are compiled and led by preachers ministers and members of the churches. Some churches had really embraced online worship and fellowship. This meant that people could access online, prayer meetings, fellowship groups and Sunday services. The churches have seen a growth in numbers and are more effectively reaching those who were too old and frail to attend worship. It is important to maintain and develop the worshipping life of the church as it is the catalyst for other areas of our calling. From worship flows our three other main activities within local, national and global communities; learning & caring, service and evangelism.

Our churches seek to embrace the breadth of 'Our Calling' whilst also recognising the challenges and difficulties. We are rooted in a number of different local communities, but our vision is much wider as we seek to serve the wider church and world in our work. Work in the community continues to be an important aspect of the circuit's mission. Sadly, the pandemic has meant that our buildings were not available for community use for long periods of time. The return to using our buildings by various user groups has been slow. However, this has not prevented the churches finding ways to reach out to their communities. Our youth workers continue to support the young people in a variety of ways. When considering achievements and performance it is right to pay tribute to the many people throughout the circuit who in their daily lives respond to the call of Jesus "follow me" by offering pastoral care and/or practical help, and, to the team of Local Preachers' who enable services to take place Sunday by Sunday. We operate an open-door policy and welcome all to our church communities and wider work irrespective of race, gender, ethnicity, sexuality or any kind of disability, taking seriously the challenge to love God, self and neighbour.

FINANCIAL REVIEW

Financial position

Circuit income is drawn primarily from the assessments paid by the circuit member churches, and during the year these totalled £224,627 (2020: £223,761). During the year the circuit also received donations of bank funds and redundant church properties valued at £325,000 from Rowley Street and Woodseaves churches. As a result of these exceptional items, the circuit has an overall surplus for the year of £306,563 (2020: £2,907).

Towards the middle of the financial year the CLT undertook a review of the impact that the pandemic had made upon the income of churches in the Circuit. It was clear from this, that the income of some churches, particularly those with a significant proportion of their income being from lettings, had been affected badly. In light of this, and considering the Circuit reserves were at a sufficient level to allow a response, the Circuit Meeting approved grants being made to all churches based on a formula which reflected their loss of income. These grants totalled £44,352 and were paid in two instalments before the end August, a third is approved and planned upon the sale of Rowley Street (expected in 21-22 accounts).

As at 31 August 2021, unrestricted funds, excluding Land and Buildings, stood at £301,591 (2020: £314,535) of which £266,435 (2020: 267,124) was not designated for any particular purposes. Given the ongoing Covid pandemic, the Circuit Leadership Team felt it was necessary to maintain a position of responsiveness and that it would be inappropriate to reduce the free reserves at this time. Accordingly no further transfers to designated funds have been made during the year.

STAFFORD METHODIST CIRCUIT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

Reserves policy

General

It is the Trustees policy to maintain a balance of unrestricted and undesignated funds equivalent to between three and four months average unrestricted expenditure, to cover unexpected requirement which may occur from time to time, and also to maintain a fund of between £50,000 and £75,000 to enable the Circuit to assist its churches with appropriate grants and loans.

St Johns Mission & Development Fund

This fund, set up with the Methodist share of the proceeds from the sale of the St John's Church building, has been designated for St John's use in developing its future mission plans. The fund is monitored by the Circuit Meeting to ensure that that monies will be used, both for an approved purpose and within a reasonable timescale.

Property Refurbishment Fund

Manse refurbishments are carried out at irregular intervals, usually to coincide with a change in Minsters, and can therefore fluctuate wildly from year to year. This fund, which will ensure that adequate provision is made for future costs, will be capped at a maximum of £25,000.

Redundant Property Fund

The Circuit received a considerable and extraordinary income in the year from the transfer of the assets of two churches which had ceased to meet, namely Rowley Street and Woodseaves. It was decided that, rather than absorbing these into the General Fund, a specific unrestricted fund be set up to manage and report the income and expenditure for these properties. This has been named the 'Redundant Property Fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

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).

Induction and training of new trustees

A range of guidance is 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 Wolverhampton & Shrewsbury District and is also accountable to the Methodist Conference.

The following Methodist Churches/LEP's are linked to the circuit: Barlaston, Berkswich, Bishops Offley, Eccleshall, Gnosall, Milwich (LEP), Rising Brook, St Johns, Stone (LEP), Trinity (LEP), Weston.

Risk management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and will be recorded.

STAFFORD METHODIST CIRCUIT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Stafford Methodist 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 Stafford Methodist 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.

Approved by order of the board of trustees on 23 June 2022 and signed on its behalf by:

Rev P M Salter - Trustee

STAFFORD METHODIST CIRCUIT

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
STAFFORD METHODIST CIRCUIT

Independent examiner's report to the trustees of Stafford Methodist Circuit

I report to the charity trustees on my examination of the accounts of Stafford Methodist Circuit (the Trust) for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountant which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Ian Cattell FCA
Chartered Accountant
Crombies Accountants Limited
Chartered Accountants
34 Waterloo Road
Wolverhampton
West Midlands
WV1 4DG

23 June 2022

STAFFORD METHODIST CIRCUIT

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	353,846	18,746	372,592	18,544
Charitable activities					
Assessments on Churches	5	224,627	-	224,627	223,761
Rents received		11,016	-	11,016	11,076
Other trading activities	3	2,082	4,856	6,938	-
Investment income	4	<u>698</u>	<u>-</u>	<u>698</u>	<u>2,373</u>
Total		592,269	23,602	615,871	255,754
EXPENDITURE ON					
Charitable activities					
	6				
District Assessment & Levy		44,007	-	44,007	44,833
Support costs		7,147	-	7,147	5,559
Stipends,salaries,NIC & Pensions		137,156	29,094	166,250	161,860
URC Mission & Ministry		8,621	-	8,621	6,787
Office Expenses		20,405	-	20,405	4,686
Telephone & Travelling Expenses		6,076	-	6,076	9,665
Property Expenses		12,449	-	12,449	19,457
Grants to churches		44,352	-	44,352	-
Total		<u>280,213</u>	<u>29,094</u>	<u>309,307</u>	<u>252,847</u>
NET INCOME/(EXPENDITURE)		312,056	(5,492)	306,564	2,907
RECONCILIATION OF FUNDS					
Total funds brought forward		914,535	16,603	931,138	928,231
TOTAL FUNDS CARRIED FORWARD		<u><u>1,226,591</u></u>	<u><u>11,111</u></u>	<u><u>1,237,702</u></u>	<u><u>931,138</u></u>

The notes form part of these financial statements

STAFFORD METHODIST CIRCUIT

BALANCE SHEET
31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	925,000	-	925,000	600,000
CURRENT ASSETS					
Debtors	14	7,581	-	7,581	7,369
Cash at bank	15	<u>333,233</u>	<u>11,111</u>	<u>344,344</u>	<u>367,254</u>
		340,814	11,111	351,925	374,623
CREDITORS					
Amounts falling due within one year	16	<u>(39,223)</u>	-	<u>(39,223)</u>	<u>(43,485)</u>
NET CURRENT ASSETS		<u>301,591</u>	<u>11,111</u>	<u>312,702</u>	<u>331,138</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,226,591</u>	<u>11,111</u>	<u>1,237,702</u>	<u>931,138</u>
NET ASSETS		<u><u>1,226,591</u></u>	<u><u>11,111</u></u>	<u><u>1,237,702</u></u>	<u><u>931,138</u></u>
FUNDS	18				
Unrestricted funds				1,226,591	914,535
Restricted funds				<u>11,111</u>	<u>16,603</u>
TOTAL FUNDS				<u><u>1,237,702</u></u>	<u><u>931,138</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2022 and were signed on its behalf by:

P W Hardy - Trustee

STAFFORD METHODIST CIRCUIT

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>295,969</u>	<u>(18,120)</u>
Net cash provided by/(used in) operating activities		<u>295,969</u>	<u>(18,120)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(325,000)	-
Interest received		<u>698</u>	<u>2,373</u>
Net cash (used in)/provided by investing activities		<u>(324,302)</u>	<u>2,373</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(28,333)	(15,747)
Cash and cash equivalents at the beginning of the reporting period	2	<u>363,905</u>	<u>379,652</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>335,572</u></u>	<u><u>363,905</u></u>

The notes form part of these financial statements

STAFFORD METHODIST CIRCUIT

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	306,564	2,907
Adjustments for:		
Interest received	(698)	(2,373)
(Increase)/decrease in debtors	(212)	207
Decrease in creditors	<u>(9,685)</u>	<u>(18,861)</u>
Net cash provided by/(used in) operations	<u><u>295,969</u></u>	<u><u>(18,120)</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Notice deposits (less than 3 months)	344,344	367,254
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(8,772)</u>	<u>(3,349)</u>
Total cash and cash equivalents	<u><u>335,572</u></u>	<u><u>363,905</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank	367,254	(22,910)	344,344
Bank overdraft	<u>(3,349)</u>	<u>(5,423)</u>	<u>(8,772)</u>
	<u>363,905</u>	<u>(28,333)</u>	<u>335,572</u>
Total	<u><u>363,905</u></u>	<u><u>(28,333)</u></u>	<u><u>335,572</u></u>

The notes form part of these financial statements

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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.

Going concern

In common with many entities the effects of the Covid -19 Pandemic have had an impact on the activities of the Circuit and its member Churches. However based upon the monetary assets and human resources available at 31 August 2021, the trustees believe that the Circuit is a going concern.

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.

Income

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

Expenditure

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

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year 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.

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, of which the land component is deemed to be £150,000. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material. From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation

for 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. Any expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, that is likely to enhance sales 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.

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs

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

The Circuit is a member of the Connexional pension scheme (MMPS) which covers presbyters and deacons of the Methodist Church. The contribution rates are set each year by the Methodist Conference. The MMPS is a multi-employer scheme and in accordance with the guidance issued by the Charity Commission, the Circuit accounts for these contributions as if it were a defined contribution scheme. The Circuit also has four lay employees enrolled in a defined contribution pension scheme administered by The Pension Trust. Employer contributions are made into this scheme on behalf of employees who are members.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations and transfers	366,346	18,544
Gift aid	<u>6,246</u>	<u>-</u>
	<u><u>372,592</u></u>	<u><u>18,544</u></u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Other income	<u>6,938</u>	<u>-</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>698</u>	<u>2,373</u>

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

5. INCOME FROM CHARITABLE ACTIVITIES

		2021	2020
	Activity	£	£
Assessment on churches	Assessments on Churches	224,627	223,761
Lettings-non-investment property	Rents received	9,240	9,240
Office space	Rents received	<u>1,776</u>	<u>1,836</u>
		<u>235,643</u>	<u>234,837</u>

Assessments on Churches

At the beginning of the year, the Circuit comprised of 10 churches and each was assessed for a contribution to meet the overall net costs of the Circuit. For several years the Circuit has been engaged in a plan to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method used takes account, to varying degrees, of membership, attendance and income, utilising an annual cap on the size of individual annual adjustments.

Property Rentals

The Circuit's manse in Widecombe Avenue is currently let on a short-term basis. It is still anticipated that it may again be required to house a Minister in the next 1 to 2 years. Following the closure of Woodseaves Methodist Church on 31 December 2018, the premises continued to be let out to a local Playgroup on a short-term basis.

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
District Assessment & Levy	44,007	-	-	44,007
Support costs	4,747	-	2,400	7,147
Stipends,salaries,NIC & Pensions	166,250	-	-	166,250
URC Mission & Ministry	8,621	-	-	8,621
Office Expenses	20,405	-	-	20,405
Telephone & Travelling Expenses	6,076	-	-	6,076
Property Expenses	12,449	-	-	12,449
Grants to churches	<u>-</u>	<u>44,352</u>	<u>-</u>	<u>44,352</u>
	<u>262,555</u>	<u>44,352</u>	<u>2,400</u>	<u>309,307</u>

District Assessment & Levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMTF at 31 August in the previous accounting year

URC Mission & Ministry

Two churches in the Circuit - St John's and Trinity, are Methodist/URC Local Eccumenical Partnerships. The URC Synod makes an annual charge relating to its general costs and specifically to the cost of ministry provided to the two churches concerned, where applicable. In the year to 31 August 2021: NIL (2020: NIL) of a URC Minister's time was allocated in respect of the URC presence within the Circuit and this cost, together with other URC costs allocated on a deemed 50/50 Methodist/URC membership, is regarded as a Circuit cost. The total cost for the year ended 31st August 2021 was £8,620.50 (2020: £6,787).

Property Costs

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

6. CHARITABLE ACTIVITIES COSTS - continued

The Circuit is Managing Trustee for 3 manses or former manses. In addition to one manse which houses one of the Circuit's Ministers, one former manse is used as the Circuit Office, whilst another is let on a short-term basis pending it being brought back into use as a manse. A further manse in the Circuit is owned by the URC and is maintained jointly under a sharing agreement.

7. GRANTS PAYABLE

	2021	2020
	£	£
Grants to churches	<u>44,352</u>	<u>-</u>

The total grants paid to institutions during the year was as follows:

	2021	2020
	£	£
Donations to Churches	<u>44,352</u>	<u>-</u>

8. SUPPORT COSTS

	Governance costs
	£
Support costs	<u>2,400</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Certain trustees are remunerated as employees of the Circuit. All payments to trustees are at normal market rates and are subject to review by independent members of the trustee body. Total annual amounts paid to trustees were as follows:

Stipends and salaries - £102,015

Employer's national insurance contributions - £8,399

Employer's contributions to defined benefit pension scheme - £1,818

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

10. STAFF COSTS

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (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 (one manse in the Circuit is owned by the United Reformed Church (URC) and is maintained jointly under a sharing agreement). The value of Council Tax and water charges is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

10. STAFF COSTS - continued

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

	2021	2020
Methodist Presbyters	2	2
Lay employees	<u>6</u>	<u>6</u>
	<u>8</u>	<u>8</u>

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	18,544	18,544
Charitable activities			
Assessments on Churches	223,761	-	223,761
Rents received	11,076	-	11,076
Investment income	<u>2,373</u>	<u>-</u>	<u>2,373</u>
Total	237,210	18,544	255,754
EXPENDITURE ON			
Charitable activities			
District Assessment & Levy	44,833	-	44,833
Support costs	5,259	300	5,559
Stipends, salaries, NIC & Pensions	133,547	28,313	161,860
URC Mission & Ministry	6,787	-	6,787
Office Expenses	4,686	-	4,686
Telephone & Travelling Expenses	9,401	264	9,665
Property Expenses	19,457	-	19,457
Total	<u>223,970</u>	<u>28,877</u>	<u>252,847</u>
NET INCOME/(EXPENDITURE)	13,240	(10,333)	2,907
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>901,295</u>	<u>26,936</u>	<u>928,231</u>
TOTAL FUNDS CARRIED FORWARD	<u>914,535</u>	<u>16,603</u>	<u>931,138</u>

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

12. FUNDS

The funds held constitute:

Unrestricted Funds

General Fund

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit.

Circuit Model Trust Fund

This consists of income from churches. They have wide purposes as defined by the Trustees for Methodist Church Purposes (TMCP). Permission must be sought from TMCP to call on money for specific building projects or to support the mission in general.

Property Refurbishment Fund

This fund is used by the trustees as a provision for future refurbishments and major repairs as at the balance sheet date and is categorized as unrestricted designated fund. There was no movement in this fund.

St John's M&D Fund

This fund, set up with the Methodist share of the proceeds from the sale of the St John's Church building, has been designated for St John's use in developing its future mission plans. The fund is monitored by the Circuit Meeting to ensure that monies will be used, both for an approved purpose and within a reasonable timescale.

Superintendent's Discretionary Fund

The fund is for discretionary spend in cases of local needs and is categorized as unrestricted designated fund. There was no movement in this fund.

Redundant property fund

These monies have been ring fenced for the development of redundant churches whose assets were transferred to the circuit.

Restricted Funds

Children's Worker Fund

Funds are received from private donations for the employment of a Schools Worker, employed by the Circuit but based in Berkswich Church.

13. TANGIBLE FIXED ASSETS

	Residential land £	Manse £	Other buildings £	Totals £
COST				
At 1 September 2020	150,000	175,000	275,000	600,000
Additions	-	-	325,000	325,000
At 31 August 2021	150,000	175,000	600,000	925,000
NET BOOK VALUE				
At 31 August 2021	150,000	175,000	600,000	925,000
At 31 August 2020	150,000	175,000	275,000	600,000

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Prepayments	<u>7,581</u>	<u>7,369</u>

15. CASH AT BANK AND IN HAND

	General fund £	Circuit Model Trust £	Designated Fund £
Central Finance Board	86,871	4,208	43,506
CAF bank	36,294	-	-
Trustees for Methodist Church purposes	-	133,470	-
Lloyds Bank	<u>832</u>	<u>-</u>	<u>-</u>
Total	<u>123,997</u>	<u>137,678</u>	<u>43,506</u>

	Redundant property fund £	Childrens worker fund £	2021 Total funds £	2020 Total funds £
Central Finance Board	-	11,111	145,696	157,674
Natwest Bank	1,334	-	1,334	4,126
CAF bank	-	-	36,294	67,304
HSBC Bank	1,718	-	1,718	-
Trustees for Methodist Church purposes	-	-	133,470	137,678
Lloyds Bank	-	-	832	472
CBF Church of England Fund	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Total	<u>28,052</u>	<u>11,111</u>	<u>344,344</u>	<u>367,254</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 17)	8,772	3,349
Funds held for churches	(5,191)	(4,779)
Accounts examination	2,400	720
Assessments in advance	33,242	41,989
Travelling expenses	-	266
Other	<u>-</u>	<u>1,940</u>
	<u>39,223</u>	<u>43,485</u>

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

17. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank overdrafts	<u>8,772</u>	<u>3,349</u>

18. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	729,446	(28,319)	701,127
Circuit Model Trust	137,678	-	137,678
Designated Fund	47,411	(3,905)	43,506
Redundant property fund	<u>-</u>	<u>344,280</u>	<u>344,280</u>
	914,535	312,056	1,226,591
Restricted funds			
Childrens worker fund	<u>16,603</u>	<u>(5,492)</u>	<u>11,111</u>
TOTAL FUNDS	<u>931,138</u>	<u>306,564</u>	<u>1,237,702</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	237,353	(265,672)	(28,319)
Designated Fund	1,004	(4,909)	(3,905)
Redundant property fund	<u>353,912</u>	<u>(9,632)</u>	<u>344,280</u>
	592,269	(280,213)	312,056
Restricted funds			
Childrens worker fund	<u>23,602</u>	<u>(29,094)</u>	<u>(5,492)</u>
TOTAL FUNDS	<u>615,871</u>	<u>(309,307)</u>	<u>306,564</u>

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	712,759	16,687	729,446
Circuit Model Trust	141,348	(3,670)	137,678
Designated Fund	<u>47,188</u>	<u>223</u>	<u>47,411</u>
	901,295	13,240	914,535
Restricted funds			
Childrens worker fund	26,936	(10,333)	16,603
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>928,231</u>	<u>2,907</u>	<u>931,138</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	235,807	(219,120)	16,687
Circuit Model Trust	1,180	(4,850)	(3,670)
Designated Fund	<u>223</u>	<u>-</u>	<u>223</u>
	237,210	(223,970)	13,240
Restricted funds			
Childrens worker fund	18,544	(28,877)	(10,333)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>255,754</u>	<u>(252,847)</u>	<u>2,907</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	712,759	(11,632)	701,127
Circuit Model Trust	141,348	(3,670)	137,678
Designated Fund	47,188	(3,682)	43,506
Redundant property fund	<u>-</u>	<u>344,280</u>	<u>344,280</u>
	901,295	325,296	1,226,591
Restricted funds			
Childrens worker fund	26,936	(15,825)	11,111
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>928,231</u>	<u>309,471</u>	<u>1,237,702</u>

STAFFORD METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	473,160	(484,792)	(11,632)
Circuit Model Trust	1,180	(4,850)	(3,670)
Designated Fund	1,227	(4,909)	(3,682)
Redundant property fund	<u>353,912</u>	<u>(9,632)</u>	<u>344,280</u>
	829,479	(504,183)	325,296
Restricted funds			
Childrens worker fund	42,146	(57,971)	(15,825)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>871,625</u></u>	<u><u>(562,154)</u></u>	<u><u>309,471</u></u>

19. CONTINGENT LIABILITIES

No Contingent liabilities were identified at 31st August 2021.

20. RELATED PARTY DISCLOSURES

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Churches within the Circuit:

Barlaston
Berkswich
Bishops Offley
Eccleshall
Gnosall
Milwich (Anglican/Methodist)
Rising Brook
Rowley Street (closed 31.08.2019)
St Johns, Stone (Methodist/URC)
Trinity, Stafford (Methodist/URC)
Weston
Woodseaves (closed 31.12.2018)

STAFFORD METHODIST CIRCUIT

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and transfers	366,346	18,544
Gift aid	<u>6,246</u>	<u>-</u>
	372,592	18,544
Other trading activities		
Other income	6,938	-
Investment income		
Deposit account interest	698	2,373
Charitable activities		
Assessment on churches	224,627	223,761
Lettings-non-investment property	9,240	9,240
Office space	<u>1,776</u>	<u>1,836</u>
	<u>235,643</u>	<u>234,837</u>
Total incoming resources	615,871	255,754
EXPENDITURE		
Charitable activities		
Stipends and allowances	151,546	134,696
Social security	10,675	10,295
Pensions	3,593	16,869
Telephone	3,619	3,376
Insurance, Council tax etc	15,563	10,111
Repairs and maintenance	12,449	9,346
Sundries	4,914	3,477
Travelling expenses	2,457	6,289
Youth/Children's work	155	522
Training	288	870
Office expenses	4,668	4,686
URC mission and ministry	8,621	6,787
District assessment	44,007	44,833
Grants to churches	<u>44,352</u>	<u>-</u>
	306,907	252,157
Support costs		
Governance costs		
Accountancy and legal fees	<u>2,400</u>	<u>690</u>
Total resources expended	<u>309,307</u>	<u>252,847</u>
Net income	<u><u>306,564</u></u>	<u><u>2,907</u></u>

This page does not form part of the statutory financial statements