

THE METHODIST CHURCH – HIGH WYCOMBE CIRCUIT

CHARITY COMMISSION TRUSTEES ANNUAL REPORT 2021

Section B – Structure, Governance and Management

The Circuit is one of 21 Circuits in the Northampton District. The Circuit is ultimately accountable to the Methodist Conference.

Risk management is considered as part of its overall duties by the Circuit Leadership Team which takes appropriate professional advice whenever it feels that this is necessary.

The Circuit has for many years adopted a safeguarding policy in respect of children and has encouraged and indeed ensured that all Churches within the Circuit have also adopted a suitable policy. In 2012 it adopted and has since annually updated a revised policy covering both Children and Vulnerable Adults. Suitable training is arranged to support those holding office.

Section C – Objectives and Activities

The objects are set out in The Methodist Church Act 1976 (Clause 4), a synopsis of which is “advancement of religion and any charitable purpose of the Methodist Church or Church organisation (see Methodist Church Act 1976).”

The Circuit provides advice, support and resources to the 9 Churches that form the Circuit and through them undertakes a range of religious activities for the benefit of the general public/mankind.

Methodist Circuits are not defined as external grant making bodies. Surplus funds, both short term and longer term are invested with the Trustees for Methodist Church Purposes as required by Standing Orders.

The majority of the work of the Circuit, other than that undertaken by ordained ministers and paid lay workers, is undertaken by voluntary lay people.

Section D – Achievements and Performance

The Circuit has continued to support a wide range of activities undertaken by the Churches within the Circuit. In 2020-21 this has involved substantial investment in digital resources to assist churches in coping with the effects of the Covid pandemic and enable them to provide and share in online worship. In addition a one-off rebate of the quarterly assessment was implemented to shield churches from the fall in income resulting from the lockdowns.

The Circuit continues to look for areas of proven growth and where there is potential for development. This has continued the support of lay workers in two churches and the funding of the Superintendent's PA.

The Circuit has continued its commitment to fund a diaconal appointment up to at least September 2023. The appointee is developing outreach work both by encouraging and training lay people, and by working alongside ecumenical partners. In addition he is actively involved in supporting the work of local Work Place Chaplains.

Section E – Financial Review

The Circuit aims to maintain in a general fund at least three months routine expenditure to cover timing delays in receipt of funds. There are a number of other funds which support defined activities.

The other main fund is the Circuit Model Trust Money (formerly known as the Circuit Advance Fund) which is derived from the sale of redundant properties within the Circuit and its use is governed by the purposes defined in Standing Orders.

The Circuit raises funds through the Circuit assessment which is contributions from all the Churches within the Circuit to meet the agreed budget for the year.

The majority of the Circuit's expenditure is related to the employment of staff and their associated accommodation etc. expenses plus a contribution to the costs of both the District and the Connexion collected through the District Assessment.

Section F – Future Development

The Circuit continues to seek an effective strategy for its future development and direction. In 2020-2021 the Circuit engaged in a review of activities under the banner of the Connexional God for All initiative, and by the end of the year all churches had reviewed their plans for the next twelve months. The work identified through these exercises will continue to be developed as a priority and appropriate financial plans developed to enable them to be taken forward over the coming years both by the churches and the Circuit Leadership Team.

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 2020-21 £
Income							
1 Donations and legacies							0
2 Income from monetary investments		247	92			10	349
3 Income from investment properties							0
4 Assessments on Churches		189,220					189,220
5 Capital Receipts			147,827				147,827
6 Grants received		45,450					45,450
7 Other charitable income		39,954		445			40,399
8 Total income		274,872	147,918	445	-	10	423,244
Expenditure							
9 Grants and donations		68,705	30,000				98,705
10 Salaries and associated costs		154,177					154,177
11 Property maintenance		33,413					33,413
12 Connexional assessment & model trust levy							0
13 District Assessment & Levy		53,540	22,329				75,869
14 Depreciation							0
15 Office expenses		1,581					1,581
16 Other outgoings		7,123	55	445		10	7,523
17 Total charitable expenditure		318,539	52,275	445	0	10	371,268
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							0
20 Net income/(expenditure)		-43,667	95,644	0	0	0	51,977
21 Transfers between funds							0
22 Other gains/(losses)							0
23 Net movement in funds		-43,667	95,644	0	0	0	51,977
24 Total funds brought forward		67,556	441,650	50,000		2,829	562,035
25 Total funds carried forward		23,889	537,294	50,000	-	2,829	614,012

Balance Sheet as at 31 August 2021

		General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2020/21	Totals 2019/20	
Notes to the Accounts		£	£	£	£	£	£	£	
Fixed Assets									
Circuit Manses & Equipment		3,359,625					3,359,625	3,026,690	R
Investment properties							0	0	R
Investments							0	0	
Total fixed assets		3,359,625	0	0	0	0	3,359,625	3,026,690	
Current Assets									
Debtors							0	0	S
Loans by the Circuit							0	0	
Investments with TMCP			426,358			2,830	429,188	444,480	
Central Finance Board Deposits		28,212		50,000			78,212	144,619	T
Cash at Bank and in hand		80,619					80,619	61,908	
Total current assets		108,831	426,358	50,000	0	2,830	588,019	651,006	
Current liabilities									
Creditors (due in under 1 year)							0	0	U
Grants payable within 2018-19							0	0	V
Total current liabilities		0	0	0	0	0	0	0	
Net current assets/liabilities		108,831	426,358	50,000	0	2,830	588,019	651,006	
Total assets less current liabilities		3,468,456	426,358	50,000	0	2,830	3,947,645	3,677,696	
Long term liabilities (due after more than one year)									
Grants payable after 2018-19							0	0	V
Loans to the Circuit							0	0	
							0	0	
Net assets		3,468,456	426,358	50,000	0	2,830	3,947,645	3,677,696	W
Funds of the Circuit									
General Fund (Unrestricted)		3,468,456					3,468,456	3,183,216	W
Circuit Model Trust Fund (Unrestricted)			426,358				426,358	441,650	
Designated Funds (Unrestricted)				50,000			50,000	50,000	
Total Unrestricted Funds							3,944,815	3,674,867	
Restricted Funds					0		0	0	
Endowment Funds						2,830	2,830	2,829	
Total Funds		3,468,456	426,358	50,000	0	0	3,947,645	3,677,696	

Signed



Circuit Treasurer

The Methodist Church - High Wycombe Circuit

Statement of Financial Activities

for the Year ended 31st August 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds 2020 £
INCOMING RESOURCES					
Circuit Assessments		189,220		189,220	186,651
Manse Rental Income	7	37,140		37,140	37,140
Grants Received	2	45,450		45,450	50,666
Bank and Trust Interest		247		247	950
Special Collections			445	445	8,470
Sundry Income		2,814		2,814	1,246
Total incoming resources		274,872	445	275,317	285,123
RESOURCES EXPENDED					
Stipends, National Insurance & Pensions		142,668		142,668	139,447
Lay Workers & Supernumerary	6	5,700		5,700	5,220
District Assessment		53,540		53,540	51,863
Manse repairs and maintenance	9	33,413		33,413	69,838
Travel		2,267		2,267	2,047
Administration		1,581		1,581	1,630
Quinquennial inspections		5,712		5,712	0
Telephones and internet		3,543		3,543	3,079
Training		0		0	893
Pulpit supply and plans		0		0	251
Grants and Donations	8	68,705		68,705	13,228
Collection paid over			445	445	8,470
Removal costs		0		0	0
Other expenditure		1,411		1,411	8,992
Depreciation		0		0	0
Total resources expended		318,539	445	318,983	304,958
NET INCOMING RESOURCES		(43,667)	0.00	(43,667)	(19,834)
INCREASE / (DECREASE) IN VALUE OF FUNDS					
Manse revaluation	5	332,936		332,936	107,992
Model Trust Fund	3	(15,329)		(15,329)	238,042
Other Trust Funds	4	38		38	179
NET MOVEMENT IN FUNDS		273,977	0	273,977	326,378
FUNDS BROUGHT FORWARD		3,608,539	0	3,608,539	3,282,161
FUNDS CARRIED FORWARD		3,882,516	0	3,882,516	3,608,539

The Methodist Church - High Wycombe Circuit

Balance Sheet at 31st August 2021

	Notes	2021 £	2020 £
Tangible Fixed Assets		3,359,625	3,026,690
Current Assets:			
Trustees for Methodist Church Purposes		429,188	444,480
Central Finance Board		78,212	144,619
HSBC		28,080	26,503
CAF Bank Cash		32,481	15,349
CAF Bank Gold		20,058	20,056
Stipends paid in advance		11,994	11,487
Manse rental fees paid in advance		0	0
Sundry debtors		0	0
Manse Refurbishments paid in advance		0	0
		<u>3,959,638</u>	<u>3,689,183</u>
Less Current Liabilities:			
Circuit assessments prepaid		46,936	48,153
Manse Rental Income		0	0
Manse repair and maintenance reserve	9	50,000	50,000
Accrued manse maintenance expenses		0	0
Accrued General Expenses		0	0
Accrued Quinquennial costs		0	0
Accrued special collection		0	2,305
Sundry liabilities		0	0
		<u>96,936</u>	<u>100,458</u>
		<u><u>3,862,702</u></u>	<u><u>3,588,725</u></u>
FINANCED BY:			
Unrestricted Funds:			
General Fund		23,889	67,556
Manse Refurbishment Fund		50,000	50,000
Manse Fund	5	3,359,625	3,026,690
Model Trust Fund	3	<u>399,055</u>	<u>414,384</u>
		3,832,569	3,558,629
Other Funds			
Trust 17252 Chilton Memorial Trust Fund	4	2,830	2,829
Trust 12975 (Sale of Land) Fund	4	6,191	6,183
Trust 20825 Alma Stevens bequest	4	<u>21,112</u>	<u>21,084</u>
		30,133	30,096
TOTAL FUNDS		<u><u>3,862,702</u></u>	<u><u>3,588,725</u></u>

The Methodist Church - High Wycombe Circuit

Notes to the Accounts for the year ended 31st August 2021

1. Accounting policies

a) Basis of accounting

The Accounts have been prepared under the Historic Cost Convention except where assets have been stated at valuation. This is in accordance with applicable accounting standards and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

b) Valuation of Manses

The six manses owned by the Circuit have been valued on the basis of the market values of comparable properties situated in their respective areas, taking account of the change in house prices during the year.

c) Designation of Funds according to Charity Law

The General Fund is an unrestricted fund.

The Manse Fund is an unrestricted designated fund.

The Chilton Memorial Trust Fund is a Permanent Endowment.

The Model Trust Fund, Trust (Sale of Land) Fund, and the Alma Stevens bequest are unrestricted funds.

2. Grants Received

£30,000 was taken from the Model Trust Fund to cover the cost of employing the Deacon. A further £15,450 was taken to fund projects under the God for All digital initiative.

3. Model Trust Fund (formerly the Circuit Advance Fund)

Movements on the Model Trust Fund during the year were as follows:

	2021	2020
	£	£
Balance brought forward	414,384	176,342
Interest received (net of TMCP charges)	49	2,619
Net proceeds of sale of properties	454,191	271,740
Less amounts drawn to support mission and outreach:		
Diaconal appointment	-30,000	-30,000
Circuit - Any Other Purpose	-434,936	0
Less District Levy	-4,632	-6,317
Balance Carried Forward	<u>399,055</u>	<u>414,384</u>

4. Other Trust Funds.

These comprise monies which were originally donated, collected or allocated for a specific, purpose.

Movements during the year were as follows:

	2021	2020
a) Chilton Memorial Trust 17252 (permanent endowment)		
Balance brought forward	2,829	2,829
Interest credited (net of TMCP charge)	4	19
Interest paid to Circuit	-3	-19
Balance carried forward	<u>2,830</u>	<u>2,829</u>
b) Trust 12975 (sale of land)		
Balance brought forward	6,183	6,142
Interest credited (net of TMCP charge)	8	41
Balance carried forward	<u>6,191</u>	<u>6,183</u>

Trust 12975 resulted from the sale of land by the former Bourne End Methodist Church. Following the closure of the Church, the Trust was transferred to the Circuit and the capital is available to the circuit as laid down in standing orders.

c) Trust 20825 Alma Stevens bequest

Balance brought forward/Capital Transferred	21,084	20,945
Interest credited (net of TMCP charge)	29	138
Interest paid to Circuit	0	0
	<u>21,112</u>	<u>21,084</u>

Trust 20825 was a bequest to Naphill Methodist Church. Following the closure of the church in July 2018 the Trust was transferred to the Circuit and is now available to the Circuit as laid down in standing orders.

The Methodist Church - High Wycombe Circuit

Notes to the Accounts for the year ended 31st August 2021

5. Tangible Fixed Assets - Manses

	2021	2020
Balance brought forward	3,026,689	2,918,698
Increase/Decrease in valuation	332,936	107,992
Balance carried forward	3,359,625	3,026,689

The value of the manses owned by the circuit has been revalued using the Nationwide House price index for August as in previous years. The year on year change was +11.0%

6. Lay workers and supernumeraries

The Circuit has not directly employed any layworkers during the year, but has funded the Superintendent's PA.

7. Manse Rental Income

Both surplus manses were occupied for the whole of the year.

8. Grants and Donations

A grant was made in support of the Flackwell Heath Young Families Worker, and for the Marlow Youth Worker. As in previous years, a donation was made to support the work of Wycombe Homeless Connection. Most churches were granted funding for digital projects under the God For All initiative. In order to assist church finances over the period when most were closed a refund of one quarter of the Circuit Assessment was made. During the lockdown period the Circuit funded the streaming of Circuit Services from Marlow. The details of the grants are:

£2,250.00 Flackwell Heath Families Worker
£3,200.00 Marlow Youth Worker
£1,548.41 for WebTV for lockdown streaming
£11,261.65 for God for All digital projects
£48,445.00 for refunded Circuit Assessments
£2,000 to Wycombe Homeless Connection

9. Manse Repairs and the Manse Reserve

The Manse Reserve Fund has been maintained at £50,000.

Independent Examiner's Unqualified Report to the Trustees of The Methodist Church - High Wycombe Circuit

Respective responsibilities of Trustees and Examiner

As the charity trustees, you are responsible for the preparation of the accounts; you consider that the audit requirements of Section 43(2) of the Charities Act 1993 (the Act) do not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 43(7)(b) of the Act, whether particular matters have come to my attention.

Basis of Independent Examiner's Report

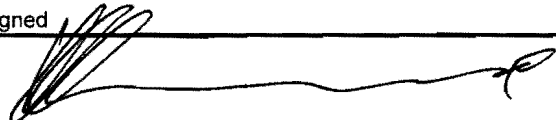
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

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 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act 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.

Signed



Date

19 NOV 2021