

Annual Report and Financial Statements
for the Year Ended 31 August 2021

The Hants-Surrey Border Methodist Circuit

Charity registration number: 1137593

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
West Sussex
PO18 8NF

THE HANTS-SURREY BORDER METHODIST CIRCUIT

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THE HANTS-SURREY BORDER METHODIST CIRCUIT

Reference and Administrative Details

| | |
|------------------------------------|--|
| Charity Registration Number | 1137593 |
| Principal Office | C/o 84 Peabody Road Farnborough Hampshire GU14 6DY |
| Independent Examiner | Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham West Sussex PO18 8NF |
| Bankers | HSBC Bank Plc. Lansdowne House 74 High Street Alton Hants GU34 1EZ 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 |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Reference and Administrative Details

Trustees

| | |
|---------------------------------|-----------------------------------|
| Ashby, Aileen | Kember, David |
| Blake, Chris (to 15/06/21) | Kingston, Paul |
| Brewerton, Lindsey(to 15/06/21) | Lambert, Neil |
| Bridson, Rolfe | Lander, Carol |
| Buckett, Melvyn | Lawson, Gisela |
| Bunch, Gill (from 04/03/21) | Maw, Jackie (to 16/12/20) |
| Burgess, Kym | Micklefield, Andrew |
| Butler, Patrick | Moll, David |
| Chuter, Anne (to 15/06/21) | Moore, Ian |
| Clark, Julie | Moore, Jayne |
| Compton, Denis | Morrice, Michael (from 04/03/21) |
| Cooper, Liz | Nicholls, Judith (from (15/06/21) |
| Costello, Alan | Noakes, Alison |
| Curley, Nina | O'Sullivan, Kathy |
| Curtis, Steve | Oborski, Nick (from 17/09/20) |
| Dewey, Steve | Oborski, Thomas (from 04/03/21) |
| Fitch, Linda (to 15/06/21) | Pook, Ann |
| Gaines, Carole | Press, Sally |
| Gawthrop, Colin | Richards, Heather |
| Gawthrop, Frances | Sanderson, Alex |
| George, Liz | Sargeant, Ian |
| Gray, Neil | Sexton, Brian |
| Greig, Rita | Simpkins, Philip |
| Griffin, Beale | Simpson, Muriel |
| Hayes, Betty | Smith, Richard |
| Hoff, Gina | Smith, Sue |
| Hopkins, Michael | Ter Kuile, Gillian |
| Hunter, Christopher | Titterington, Graham |
| Jiagge, Robert | Wheeler, John |
| Johnston, Colin | Wisbey, Peter |
| Jones, Liz | |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Trustees' Report

The Trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2021.

Structure, governance and management

Nature of governing document

The charity was established by a Deed of Union (1932) and Methodist Church Act (1976) Adopted 26th August 2010.

Recruitment and appointment of trustees

Trustees selection method:

- Certain Officers and elected representatives of local churches.
- Ministers appointed to the Circuit by the Methodist Conference.
- Officers appointed to certain jobs by the Circuit Meeting.

Additional governance issues

The Hants-Surrey Border Circuit was formed on 1 September 2012 by part of the Aldershot, Farnborough & Camberley Circuit joining with the Farnham & Alton Circuit, which was then re-named to Hants-Surrey Border Circuit. The Farnham & Alton Circuit was registered as an individual charity on 26th August 2010, with Charity No. 1137593. The new circuit continues to use this number but with a change of name.

The Circuit comprises eleven churches: Aldershot, Alton, Cove, The Spire (Farnham), Fleet, Frimley Green, Hale, Hartley Wintney, North Camp, Rowledge and Elvetham Heath (LEP), as well as the Ash Vale Chapel. Work continued through the year to further develop the Circuit in order to help it effectively fulfil its purpose as mentioned below under objectives and activities.

The Circuit Assessment is reviewed annually to cover the cost of meeting the objectives and activities listed below, and is shared between each of the churches on an equitable basis. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its Ministers, six manses and Connexional requirements. The Circuit therefore needs to generate a reasonable surplus to meet these obligations and ensure that the 'reserves policies' relating to its various funds are maintained.

The Ash Vale Chapel continues as a "Fresh Expression" of church. This is regarded as a Circuit 'project', with a local management group being appointed by the Circuit Meeting to assume responsibility for routine maintenance of the property and day-to-day oversight of its activities. Within this framework, the Circuit continues to assume responsibility for the Ash Vale Chapel building, with expenditure on this being met from Assessment. In addition, the Circuit has sponsored the development of a Live Room and Recording Studio in part of the building, intended as a centre for the development of Christian music.

The Circuit ran a Pioneer Project at the Wellesley Development in Aldershot. The Project was a shared partnership with the Guildford Anglican Diocese with each party initially bearing 50% of the cost and the Project contributing an increasing proportion. A decision was made to close the Project from the end of 2020. The jointly owned Manse is in the process of being sold and the proceeds will be shared 50/50 with the Diocese.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Trustees' Report

Objectives and activities

Objects

The purposes of the Methodist Church are and shall be deemed to have been since the date of union the advancement of -

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;
- any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;
- any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

Summary of the objects of the charity as set out in its governing document

The Circuit's Mission Policy is set out in a separate document. Essentially, it provides for:

- the ministerial oversight and pastoral care of the local churches in the Circuit,
- the support of the ministerial team,
- and the maintenance of the Circuit manses and the Ash Vale Chapel.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Summary of the main activities undertaken for the public benefit in relation to these objects

The Circuit is the place where new initiatives and changes in the pattern of church life originate. This is where the staffing capacity and resources for ministry are organised, where fresh expressions of church or new pioneer ministries are launched, and where decisions to close churches in the interest of re-shaping mission priorities are debated.

We act as an umbrella and resourcing body for the 10 local churches, 1 LEP and 2 mission outreach projects in the Circuit, so that they can effectively fulfil their mission statements to engage with all those who seek God and/or a spiritual dimension to their lives.

We organise, provide leadership of, and administer the Circuit Meeting as the governing body of the Circuit, and provide the link upwards to District and Conference. The public are welcome to attend.

We administer the stipends and expenses of ministers and salaries and expenses of lay workers in the Circuit, provide pastoral support and, where appropriate, provide their accommodation.

We promote the well-being of Circuit churches and open access to all who wish to participate in their activities, through oversight of individual church councils and their decision-making, and in consultation with their representatives in the Circuit Meeting (who are also trustees of the Circuit).

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Trustees' Report

We prepare the quarterly Circuit preaching plan that assigns ministers and lay preachers to church services, to which all are welcome.

We encourage ecumenical work and activities with other Christian denominations and their congregations.

We periodically sponsor events within the Circuit that are open to all.

Achievements and Performance

Review of activities

Through the local churches represented in the Circuit, and the resources allocated to them, the following achievements have been made:

Continued opportunities for public worship in many of the larger towns and villages in the Circuit.

The continued ability to offer occasional services (e.g. baptisms, weddings, funerals) to both church members and others, as required.

Continued pastoral care of a wide range of age groups, both within the church membership and the wider community.

Continued participation in various community-based projects.

Continued support for the work of local charities and community groups.

The continued management and maintenance of properties required to achieve the aims and objectives of the Circuit.

A Pioneer Ministry in the new Wellesley development in Aldershot was operated in partnership with the local Anglican Diocese until a decision was made to close as from the end of 2020.

The ecumenical arts and community project based at The Chapel in Ash Vale has been enhanced by the development of a music studio which will be used as a resource for training individuals and community groups.

The closure of church buildings during Lockdown due to the Covid-19 pandemic has brought an unexpected uncertainty to the operation of the Circuit. Many of the activities of the individual churches continued on-line and individual members continued to contribute financially to the work of the churches through various electronic channels. Churches which have previously received significant income from external rentals of their facilities have been particularly challenged by this situation. Financial reserves held at local church and Circuit level have been utilised to cover expenditure where required. The Officers of the Circuit are continuing to monitor the situation and to report to the Trustees of the Circuit at regular intervals. Grants have been, and will be, given to those churches where it is needed.

Acknowledgement of the work of volunteers

The Trustees are grateful for the considerable amount of time and resources given to the Circuit by many volunteers, without whose input the Circuit could not achieve its aims and objectives.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Trustees' Report

Financial Review

Income and expenditure

Overall, the net movement in funds for the year was (£75,896) (2020 - £61,153).

Reserves policy

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

General fund expenditure during the financial year was £291,053 (2020 - £287,019).

General fund and designated general reserve was £225,071 (2020 - £268,779).

This represents around 9 months expenditure - more than the 6 months required by the Circuit's Reserves Policy.

Other unrestricted (designated) funds are generally performing satisfactorily. Where these funds appear to be in deficit at year end, this is only a temporary situation which will be corrected once new funds are allocated from Assessments and other sources at the beginning of the next financial year.

Excluding property, the balance of the unrestricted funds stands at £430,689 (2020 - £506,585).

The end of year balance on the Circuit Model Trust Fund stands at £48,611, of which the following amounts have been earmarked:

Church on The Heath £26,611

DAF Levy £1,250

Uncommitted £20,750

The Reserve Projects fund contained the net proceeds from the sale of our Frimley Green manse. The balance was fully utilised in supporting the Wellesley pioneer mission project.

The balance of the restricted trust funds held by the Circuit is £34,400 (2019 - £34,353).

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Risk assessment

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Trustees' Report

Statement of Trustees' Responsibilities

Statement of Responsibilities


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

The law applicable to charities 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 of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Annual Report was approved by the Trustees of the Charity on 9 December 2021 and signed on its behalf by:



Nick Oborski
Circuit Superintendent

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Independent Examiner's Report to the Trustees of The Hants-Surrey Border Methodist Circuit

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 9 to 23.

Respective responsibilities of Trustees and examiner

As the charity's Trustees of The Hants-Surrey Border Methodist Circuit 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 The Hants-Surrey Border Methodist Circuit's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.


Independent examiner's statement

Since The Hants-Surrey Border Methodist Circuit's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Chartered Institute of Management Accountants, 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 Hants-Surrey Border Methodist Circuit 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 accounting 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.


.....
G W Schulz ACMA

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
West Sussex
PO18 8NF

9 December 2021

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Statement of Financial Activities for the Year Ended 31 August 2021

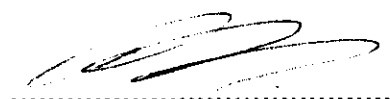
| | Note | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--|-------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Income and Endowments from: | | | | | |
| Donations and legacies | 2 | 267,400 | - | 267,400 | 397,243 |
| Charitable activities | 3 | 8,698 | - | 8,698 | 13,203 |
| Other trading activities | 4 | 29,308 | - | 29,308 | 28,870 |
| Investment income | 5 | <u>548</u> | <u>116</u> | <u>664</u> | <u>2,677</u> |
| Total income | | <u>305,954</u> | <u>116</u> | <u>306,070</u> | <u>441,993</u> |
| Expenditure on: | | | | | |
| Charitable activities | 6 | <u>(381,897)</u> | <u>(69)</u> | <u>(381,966)</u> | <u>(380,840)</u> |
| Total expenditure | | <u>(381,897)</u> | <u>(69)</u> | <u>(381,966)</u> | <u>(380,840)</u> |
| Net (expenditure)/income | | (75,943) | 47 | (75,896) | 61,153 |
| Other recognised gains and losses | | | | | |
| Gains/losses on revaluation of fixed assets for charity's own use | | <u>133,750</u> | <u>-</u> | <u>133,750</u> | <u>-</u> |
| Net movement in funds | | 57,807 | 47 | 57,854 | 61,153 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>2,762,413</u> | <u>34,353</u> | <u>2,796,766</u> | <u>2,735,613</u> |
| Total funds carried forward | 12 | <u><u>2,820,220</u></u> | <u><u>34,400</u></u> | <u><u>2,854,620</u></u> | <u><u>2,796,766</u></u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Balance Sheet as at 31 August 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 2,423,931 | 2,290,181 |
| Current assets | | | |
| Debtors | 10 | 8,665 | 38,828 |
| Cash at bank and in hand | | <u>497,370</u> | <u>470,093</u> |
| | | 506,035 | 508,921 |
| Creditors: Amounts falling due within one year | 11 | <u>(75,346)</u> | <u>(2,336)</u> |
| Net current assets | | <u>430,689</u> | <u>506,585</u> |
| Net assets | | <u>2,854,620</u> | <u>2,796,766</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 34,400 | 34,353 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>2,820,220</u> | <u>2,762,413</u> |
| Total funds | 12 | <u>2,854,620</u> | <u>2,796,766</u> |

The financial statements on pages 9 to 23 were approved by the Trustees, and authorised for issue on 9 December 2021 and signed on their behalf by:



 Nick Oborski
 Circuit Superintendent

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

Statement of compliance

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

Basis of preparation

The Hants-Surrey Border 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 notes.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are only included in the SOFA when the charity has unconditional entitlement to the resources.

Gift aid

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Individual fixed assets costing £1,500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a reducing balance over their estimated useful lives. The rates applied per annum are as follows:

| Asset class | Depreciation method and rate |
|-------------------------------|-------------------------------------|
| Fixtures, fittings, equipment | 25% reducing balance |

No depreciation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

2 Income from donations and legacies

| | Unrestricted funds Designated £ | General £ | Total 2021 £ | Total 2020 £ |
|-------------------------|---------------------------------------|----------------|--------------------|--------------------|
| Donations and legacies; | | | | |
| Circuit assessments | - | 233,968 | 233,968 | 349,038 |
| Gifts & donations | 11,437 | - | 11,437 | 26,553 |
| Grants received | 21,995 | - | 21,995 | 21,652 |
| | <u>33,432</u> | <u>233,968</u> | <u>267,400</u> | <u>397,243</u> |

3 Income from charitable activities

| | Unrestricted funds Designated £ | General £ | Total 2021 £ | Total 2020 £ |
|--------------------|---------------------------------------|--------------|--------------------|--------------------|
| Contractual income | <u>3,807</u> | <u>4,891</u> | <u>8,698</u> | <u>13,203</u> |

4 Income from other trading activities

| | Unrestricted funds Designated £ | Total funds £ | Total 2020 £ |
|------------------------|--|---------------------|--------------------|
| Property rental income | <u>29,308</u> | <u>29,308</u> | <u>28,870</u> |
| | <u>29,308</u> | <u>29,308</u> | <u>28,870</u> |

5 Investment income

| | Unrestricted funds Designated £ | General £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--|---------------------------------------|--------------|--------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | | | |
| Interest receivable on bank deposits | <u>241</u> | <u>307</u> | <u>116</u> | <u>664</u> | <u>2,677</u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

6 Expenditure on charitable activities

| | Note | Unrestricted funds Designated £ | General £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--------------------------------|------|---------------------------------------|----------------|--------------------------|--------------------|--------------------|
| Activities & projects | | 7,346 | - | - | 7,346 | 23,319 |
| Bank charges | | - | 32 | - | 32 | - |
| Gifts & grants | | 3,650 | 10,167 | - | 13,817 | 255 |
| Insurance | | 194 | 6,039 | - | 6,233 | 5,703 |
| Mission service | | - | 58,325 | - | 58,325 | 61,304 |
| Office costs | | - | 1,744 | - | 1,744 | 1,182 |
| Printing, postage & stationery | | - | 1,822 | - | 1,822 | 1,508 |
| Quinquennial expenses | | - | 475 | - | 475 | 600 |
| Refurbishment & repairs | | 24,692 | 73 | - | 24,765 | 22,799 |
| Rent & rates | | 1,750 | 11,553 | - | 13,303 | 12,950 |
| Repairs & maintenance | | 10,837 | - | - | 10,837 | 6,095 |
| South East District | | 1,245 | 12,007 | - | 13,252 | 14,314 |
| Miscellaneous | | 6,473 | 1,083 | - | 7,556 | 3,169 |
| Telephone | | 395 | 2,454 | - | 2,849 | 3,441 |
| Training | | - | 282 | - | 282 | 330 |
| Travel & subsistence | | - | 2,024 | - | 2,024 | 4,989 |
| Utility costs | | 3,794 | 1,712 | - | 5,506 | 4,625 |
| Visiting speakers | | - | - | - | - | 325 |
| Water rates | | 335 | 1,763 | - | 2,098 | 1,703 |
| Relocation & removals | | - | 575 | - | 575 | 3,996 |
| Legal & professional fees | | 5,867 | 786 | 69 | 6,722 | 2,876 |
| Independent examination | | - | 1,200 | - | 1,200 | 1,680 |
| Staff costs | 8 | 24,266 | 176,937 | - | 201,203 | 203,677 |
| | | <u>90,844</u> | <u>291,053</u> | <u>69</u> | <u>381,966</u> | <u>380,840</u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

7 Trustees remuneration and expenses

8 Trustees received remuneration and benefits amounting to £176,507 (2020 - 7 Trustees £167,499). No trustees were paid for acting as a trustee.

6 Trustees received reimbursement of expenses amounting to £6,243 (2020 - 7 Trustees £6,937). All relate to reimbursement of expenses incurred on behalf of the Circuit.

8 Staff costs

The aggregate payroll costs were as follows:

| | 2021 £ | 2020 £ |
|--|-------------------------|-------------------------|
| Staff costs during the year were: | | |
| Wages and salaries | 161,936 | 165,268 |
| Social security costs | 10,775 | 10,444 |
| Pension costs | <u>28,492</u> | <u>27,965</u> |
| | <u><u>201,203</u></u> | <u><u>203,677</u></u> |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

| | 2021 No | 2020 No |
|-------|--------------------------|--------------------------|
| Staff | <u><u>5</u></u> | <u><u>5</u></u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

9 Tangible fixed assets

| | Land and buildings £ | Total £ |
|-----------------------|----------------------------|------------------|
| Cost | | |
| At 1 September 2020 | 2,290,181 | 2,290,181 |
| Revaluations | <u>133,750</u> | <u>133,750</u> |
| At 31 August 2021 | 2,423,931 | 2,423,931 |
| Depreciation | | |
| At 31 August 2021 | <u>-</u> | <u>-</u> |
| Net book value | | |
| At 31 August 2021 | <u>2,423,931</u> | <u>2,423,931</u> |
| At 31 August 2020 | <u>2,290,181</u> | <u>2,290,181</u> |

The property was previously included in the financial statements at building insurance value. On the 1st September 2015 (being the date of transition to FRS102), the Trustees opted to state the property at deemed historical cost representing each property's gross carrying value as at 1st September 2015 being that property's insurance reinstatement value, as notified by Methodist Insurance Plc at the renewal date. The value of the land element of the property is deemed to be one third of the total carrying value. If acquired after 1st September 2015, the cost of acquisition is taken. No depreciation is provided because the Trustees consider the current residual fair value of the properties in their present condition is not less than its deemed cost and in the absence of any evidence of impairment, any depreciation provision for the buildings component of the properties would be considered immaterial.

10 Debtors

| | 2021 £ | 2020 £ |
|----------------|--------------|---------------|
| Accrued income | <u>8,665</u> | <u>38,828</u> |

11 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|-----------------|---------------|--------------|
| Accruals | 1,978 | 2,336 |
| Deferred income | <u>73,368</u> | <u>-</u> |
| | <u>75,346</u> | <u>2,336</u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

12 Funds

| | Balance at 1 September 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Other recognised gains/(losses) £ | Balance at 31 August 2021 £ |
|----------------------------|---|----------------------------|----------------------------|----------------|--|--------------------------------------|
| Unrestricted funds | | | | | | |
| <i>General</i> | | | | | | |
| General funds | 225,339 | 239,166 | (291,053) | 8,770 | - | 182,222 |
| <i>Designated</i> | | | | | | |
| General Reserve | 43,440 | 49 | (640) | - | - | 42,849 |
| Manse Property Res. Value | 1,539,699 | - | - | - | 133,750 | 1,673,449 |
| Manse Property Repair Res. | 21,074 | 137 | (27,408) | 35,000 | - | 28,803 |
| Church Property Res. | 750,482 | - | - | - | - | 750,482 |
| Benevolent Fund | 35 | 30 | - | - | - | 65 |
| The Chapel | 17,183 | 5,837 | (9,648) | - | - | 13,372 |
| The Wellspring | 2,068 | 5,278 | (7,346) | - | - | - |
| Broomleaf | - | 28,860 | (9,673) | (19,187) | - | - |
| North Camp Lay Worker Fund | 12,063 | 11,995 | (12,862) | - | - | 11,196 |
| AUE Community Worker | 17,300 | 10,000 | (11,667) | (15,633) | - | - |
| AUE Shared Manse | 4,885 | 3,807 | (6,577) | - | - | 2,115 |
| Mission Support | 65,235 | - | (3,000) | 4,821 | - | 67,056 |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

| | Balance at 1 September 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Other recognised gains/(losses) £ | Balance at 31 August 2021 £ |
|---------------------------------|---|----------------------------|----------------------------|-----------------|--|--------------------------------------|
| Special Gifts | - | 610 | (650) | 40 | - | - |
| Circuit Model Trust Fund | 49,792 | 164 | (1,345) | - | - | 48,611 |
| Reserve Projects Acc. | 13,818 | 21 | (28) | (13,811) | - | - |
| | <u>2,537,074</u> | <u>66,788</u> | <u>(90,844)</u> | <u>(8,770)</u> | <u>133,750</u> | <u>2,637,998</u> |
| Total unrestricted funds | 2,762,413 | 305,954 | (381,897) | - | 133,750 | 2,820,220 |
| Restricted funds | | | | | | |
| Alma Adley Legacy | <u>34,353</u> | <u>116</u> | <u>(69)</u> | <u>-</u> | <u>-</u> | <u>34,400</u> |
| Total funds | <u><u>2,796,766</u></u> | <u><u>306,070</u></u> | <u><u>(381,966)</u></u> | <u><u>-</u></u> | <u><u>133,750</u></u> | <u><u>2,854,620</u></u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

The Designated funds are represented by the Charity's cash reserves and fixed assets investments and are to be expended as detailed above:

- General reserves comprise: the accumulated and set aside general funds as a specific reserve.
- Manse property reserves comprise two parts being: The asset value of the manses and the funds set aside to refurbish & maintain them.
- Church property reserves comprises: The value of The Chapel on the balance sheet.
- The Benevolent fund: Money received to be used for benevolent purposes.
- The Chapel: Income, expenditure and balances connected with The Chapel, Ash Vale project.
- The Wellspring: Income, expenditure and balances connected with The Wellspring, Wellesley project.
- North Camp Lay Worker Fund: Funds received and paid in connection with NCMC community worker.
- Broomleaf Fund - funds received and paid in connection with the letting of the Broomleaf Road manse. End of year balances are transferred to the Mission Support Fund, which is available for use by local churches to support specific outreach projects.
- AUE Manse Fund - funds received and paid in connection with the purchase and operation of a new manse on the Aldershot Urban Extension, which are to be shared with other denominations through a formal sharing agreement.
- AUE Community Worker Fund - funds received and paid in connection with the employment of a community worker for the AUE project, again shared with other denominations through a formal sharing agreement.
- AUE Local Fund - local income generated and expenditure incurred by the Wellesley Pioneer Project.
- The CMTF (Circuit Model Trust Fund) fund derives from sales of chapels and manses and its use is restricted by Conference. The restriction is an internal regulation, although the fund can be used for a variety of purposes. Some money held in the MTF has been earmarked by the trustees for anticipated property costs & mission projects, in the next 2 to 3 years.
- The Reserves Projects fund holds the proceeds of the sale of the former Queensway manse pending its use in the purchase of the AUE manse, with any residual balances being reserved for use in meeting operational expenses of the Wellesley project.

The Restricted funds are represented by the Charity's cash reserves and are to be expended as specified above:

- Alma Adley fund derives from a legacy received by Aldershot Farnborough & Camberley Methodist Circuit and part was transferred to the Hants-Surrey Border Circuit and associated interest applied.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

| | Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 August 2020 £ |
|----------------------------|---|----------------------------|----------------------------|----------------|--------------------------------------|
| Unrestricted funds | | | | | |
| <i>General</i> | | | | | |
| General Funds | 169,518 | 358,947 | (287,019) | (16,107) | 225,339 |
| <i>Designated</i> | | | | | |
| General Reserve | 43,269 | 236 | (65) | - | 43,440 |
| Manse Property Res. Value | 1,539,699 | - | - | - | 1,539,699 |
| Manse Property Repair Res. | 12,198 | 32 | (26,156) | 35,000 | 21,074 |
| Church Property Res. | 750,482 | - | - | - | 750,482 |
| Benevolent Fund | 205 | 30 | (200) | - | 35 |
| The Chapel | 15,890 | 9,018 | (7,725) | - | 17,183 |
| The Wellspring | 7,515 | 17,872 | (23,319) | - | 2,068 |
| Broomleaf | 18,184 | 28,840 | (5,283) | (41,741) | - |
| North Camp Lay Worker Fund | 9,660 | 13,781 | (11,378) | - | 12,063 |
| AUE Community Worker | 14,060 | 10,000 | (13,652) | 6,892 | 17,300 |
| AUE Local | 6,892 | - | - | (6,892) | - |
| AUE Shared Manse | 6,953 | 2,376 | (4,444) | - | 4,885 |
| Mission Support | 23,494 | - | - | 41,741 | 65,235 |
| Special Gifts | - | - | (107) | 107 | - |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

| | Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 August 2020 £ |
|---------------------------------|---|----------------------------|----------------------------|-----------------|--------------------------------------|
| Circuit Model Trust Fund | 50,735 | 427 | (1,370) | - | 49,792 |
| Reserve Projects Acc. | <u>32,732</u> | <u>140</u> | <u>(54)</u> | <u>(19,000)</u> | <u>13,818</u> |
| | <u>2,531,968</u> | <u>82,752</u> | <u>(93,753)</u> | <u>16,107</u> | <u>2,537,074</u> |
| Total unrestricted funds | 2,701,486 | 441,699 | (380,772) | - | 2,762,413 |
| Restricted | | | | | |
| Alma Adley Legacy | <u>34,127</u> | <u>294</u> | <u>(68)</u> | <u>-</u> | <u>34,353</u> |
| Total funds | <u><u>2,735,613</u></u> | <u><u>441,993</u></u> | <u><u>(380,840)</u></u> | <u><u>-</u></u> | <u><u>2,796,766</u></u> |

THE HANTS-SURREY BORDER METHODIST CIRCUIT

Notes to the Financial Statements for the Year Ended 31 August 2021

13 Analysis of net assets between funds

| | Unrestricted funds | | Restricted funds | Total funds at 31 August 2021 |
|-----------------------|--------------------|------------------|------------------|-------------------------------|
| | General | Designated | | |
| | £ | £ | £ | £ |
| Tangible fixed assets | - | 2,423,931 | - | 2,423,931 |
| Current assets | 257,568 | 214,067 | 34,400 | 506,035 |
| Current liabilities | (75,346) | - | - | (75,346) |
| Total net assets | <u>182,222</u> | <u>2,637,998</u> | <u>34,400</u> | <u>2,854,620</u> |

| | Unrestricted funds | | Restricted funds | Total funds at 31 August 2020 |
|-----------------------|--------------------|------------------|------------------|-------------------------------|
| | General | Designated | | |
| | £ | £ | £ | £ |
| Tangible fixed assets | - | 2,290,181 | - | 2,290,181 |
| Current assets | 227,675 | 246,893 | 34,353 | 508,921 |
| Current liabilities | (2,336) | - | - | (2,336) |
| Total net assets | <u>225,339</u> | <u>2,537,074</u> | <u>34,353</u> | <u>2,796,766</u> |