



**THE METHODIST CHURCH**  
**REPORT AND ACCOUNTS**  
**(ACCRUALS BASIS)**  
for the year ended 31 August 2021

**Newport & Lower Wye Methodist**

**Circuit**

Registered Charity - Registration number

**1137596**

**Wales Synod District**

**District No / Circuit No**

**02/19**

**Ministers**

Rev Gordon GRESSWELL
Rev Les JONES
Rev Rachel FRANK
Rev Bethany WILLERS
Rev Paula PARISH-FOLEY (URC)

**Circuit Stewards**

Keith HARVEY
Jack HEALEY
Mike STRANGE
Sandra HANBURY (to Jun 21)
Mike ROBERTS
Roger BAFICO
Penny BLAKEMORE
Roger LANGFORD
Cliff RANDALL (to Jun 21)
Miriam Ham (from Jun 21)

**Circuit Treasurer**

Roger LANGFORD
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## **NEWPORT & LOWER WYE METHODIST CIRCUIT**

### **TRUSTEES ANNUAL REPORT FOR THE YEAR ENDING 31 AUGUST 2021**

#### **INTRODUCTION**

The Newport and Lower Wye Methodist Circuit is part of the Methodist Church in Britain. The Circuit acts as the umbrella body and a resource provider for eighteen Methodist Churches in our area, which covers Newport and parts of South East Wales and Herefordshire.

The Circuit also contains a Local Ecumenical Partnership Church with the URC and the Presbyterian Church of Wales at Dan-y-Graig in Risca and provides ministry and support to a Congregational Church at Pontywaun, Risca.

#### **AIMS AND ORGANISATION**

##### **Aims and organisation (including the Circuit Mission statement)**

Further to the Methodist Church's statement "Our Calling" and "Priorities for the Methodist Church", the Newport and Lower Wye Circuit has the following policy:

- To discern the will of God for us a Circuit.
- To support all of the churches within the Circuit and to engage in mission in clearly defined areas where the local Church has a vision for mission.
- To prioritise the work within the Circuit and to resource these priorities.
- To encourage ecumenical activities and have good links with other denominations in the area.

When planning our activities for the year, the Newport and Lower Wye Methodist Circuit has considered the Commission's guidance on public benefit and, in particular, the specific guidance on Charities for the advancement of religion. There is a particular emphasis on impacting on the community beyond the membership of the churches. Many of our church buildings are used by community groups requiring safe and suitable spaces for meetings and the Circuit encourages this. Many of the Churches run groups on the church premises which may not be specifically church orientated but are certainly for the public benefit – examples are Parent and Toddlers Groups, Uniformed Organisations for girls and boys, Coffee Mornings and Luncheon Clubs, Welsh Classes, Kids Theatre groups and much more, which enhance the way of life in the communities in which they are located, improve wellbeing and reduce isolation and loneliness.

The Circuit prepares a quarterly plan of services and preachers for all of our Churches.

The Circuit encourages Hospital and Prison Chaplaincy

The Circuit encourages ecumenical links within the Circuit, not least with regard to its work with and for the smaller chapels in cooperation with a Baptist rural missionary in the northern end of the Circuit, as and when appropriate.

## **REVIEW OF THE YEAR**

This year was dominated by Covid 19.

The Circuit developed ways of meeting for worship and business; mainly through the Zoom platform that has become part of everyday life. The Connexional year began in September with church buildings opening up with strict health and safety policies and diminished numbers in safe spaced environments. A further lockdown soon took occurred and many plans were once again put on hold as we carefully stepped forward into a new reality.

Our use of Zoom and other online platforms was assisted by grants from the Wales Synod, which allowed new equipment to be purchased to keep people connected. This has been well-received and numbers attending worship on Zoom enabled the praise of God to continue amongst our congregations. Smaller Chapels have been encouraged to join in using Zoom too. We have also sent out regular printed acts of worship to the many people for whom using technology is difficult.

The business of being Trustees has continued with Zoom Meetings and the occasional face-to-face meeting in safely spaced environments, but the year was certainly challenging.

In the Newport area, the Family Worker has continued to make connections, once furlough came to a close, and the Mission Developer in the Risca area has been heavily involved in the Risca Covid Group that has fed, connected, and rallied around the lonely and most vulnerable in these areas of deprivation. The Resource Centre at St David's in Ty Sign, became the epi-centre of meeting and distribution of toiletries, food, tools, and a source of encouragement to the whole community.

Monmouth saw the arrival of the Revd. Bethany Willers and her husband Joel, and they have settled into the life of the Monmouth quickly, with Bethany meeting community leaders and the Methodist Church has made extensive use of Zoom for young people and for other Churches to use, being especially appreciated by Trellech Methodist Church.

Chepstow Methodist Church has kept the Beacon Café open when possible and whilst it has not been as busy as before Covid, this has been a place of community meeting and has helped in building confidence for those reluctant to leave their homes. The Church has fulfilled its role as a community focussed environment. Caldicot Methodist Church has too, opening its coffee-mornings up for community use as soon as safe to do so.

Amidst all of the challenges Covid 19 has brought, the Newport and Lower Wye Methodist Circuit has continued to stay connected to its local communities, have continued as worshipping communities with new people taking part in online worship, and has, where possible, opened its doors for different groups involved in trying to get us all through the global pandemic.

## **FINANCIAL REVIEW OF THE YEAR**

### **Income Trends**

The total income of the Circuit was £327,092 in 2020-21 compared with £254,413 in 2019-20.

The Circuit's main source of funding was the assessments paid by the churches to the Circuit. These assessments are reviewed annually and a budget agreed which is intended to cover the costs of the Circuit in fulfilling its mission, whilst maintaining adequate reserves in line with the Circuit Reserves Policy. Assessments were £278,589 in 2020-21 compared with £ 251,607 in 2019-20 and £288,914 in 2018-19. Assessments on churches held up well despite the continuing effects of the coronavirus pandemic.

The Circuit received £8,400 in income from lettings in 2020-21 and did not undertake any fundraising activities of its own.

Funds of the Newport Family Worker project, totalling £13,364 and previously controlled by Trinity Methodist Church, Newport, were transferred to the Circuit on 30 November 2020. The project received £20,000 in grants in 2020-21. The Newport Family Worker project is treated as a restricted fund in the Circuit accounts.

### **Expenditure Trends**

Under Standing Orders, the Circuit must meet its financial obligations in relation to the support of its ministers, the maintenance of the manses, other running expenses and making contributions to District, Connexion and other Methodist Funds. Total expenditure during 2020-21 was £318,227 compared with £318,921 in 2019-20.

Salaries and associated costs, which form the largest single element of Circuit expenditure, were £176,740 in 2020-21 compared with £199,793 in 2019-20. The Circuit pays pensions and national insurance contributions, travelling, telephone and other expenses of ministers. In 2020-21 the Circuit had four Presbyters and employed three part-time lay employees – a Circuit administrator, a mission developer at Ty Sign and, since December 2020, a Newport family worker. The average number of staff employed was 6.8 in 2020-21, the same as in 2019-20.

A significant amount is spent each year on the manses owned by the Circuit and on other property. The Circuit pays for maintenance, insurance, council tax, water charges, etc. Total expenditure in 2020-21 was £51,436, including £10,581 on refurbishing the manse at Caldicot and £11,311 on converting the manse at TY Sign into a Mission Resource Centre. Total expenditure in 2019-20 was £36,703.

The Circuit made payments to the Wales Synod District and the Methodist Connexion of £57,929 in 2020-21, compared with £63,254 in 2019-20.

During the year, grants and donations totalling £7,633 were approved by the Circuit meeting for mission related activities and community work within the Circuit. Grants were made of £3,333 to the Newport Family Worker project and £3,000 for a toddler worker in Chepstow. Donations were made of £800 to the Leaders of Worship and Preachers Trust and £500 to the Methodist Church Fund for Property. The Circuit normally gives donations towards the cost of winter night shelters supported by churches in Newport and Crosskeys but these did not run in 2020-21.

In 2020-21, the Circuit spent £2,702 on office and administrative costs, and £21,787 on other outgoings. The latter includes the expenses of lay preachers and supernumerary (retired) ministers, who play an important role in ensuring that regular worship takes place at all the Circuit's churches, and additional provision was made for pastoral and ministerial care at Caldicot and Rogiet churches following the retirement of Rev Preben Andersen.



Overall, income in 2020-21 exceeded expenditure by £64,113. There was a capital gain of £55,000 on investment properties and a surplus of £22,172 on the Newport Family Worker project. Ignoring these items, expenditure exceeded income by £13,059. This was primarily because of the expenditure on the manses at Caldicot and Ty Sign, and the shortfall was covered from the Circuit's General Fund. (In 2019-20, overall expenditure exceeded income by £64,511.)

### **Fixed Assets: Properties**

At 31 August 2021, the Circuit had six properties (the same number as at 31 August 2020). Four manses were occupied by ministers. The manse at Caldicot was leased to a private tenant. The former manse attached to St David's Church, Ty Sign has been converted for use as a Resource Centre for mission in the Ty Sign, Risca and Crosskeys areas. The combined value of the properties at 31 August 2021 was £1,760,830 compared with £1,705,830 at 31 August 2020.

### **Fund Balances**

The General Fund, at 31 August 2021, comprised the Circuit's current and deposit account balances (net of debtors and creditors) of £57,645 and the Circuit Model Trust Fund of £132,052. During 2020-21, the General Fund decreased by £43,236. Restricted, designated and endowment funds increased altogether by £52,349, so that total reserves increased by £9,113.

The overall aim of the Circuit is to have adequate reserves in the General Fund to meet unexpected expenditure. The guidance from Connexion and the Charities Commission suggests that charities should have reserves of about 50% of annual expenditure. As the majority of the income and expenditure of the Circuit is predictable, the Circuit's policy is that reserves should not fall below 40% of annual expenditure.

At 31 August 2021 the Circuit General Fund stood at 60% of annual expenditure. The overall level of the reserves is therefore satisfactory.

### **Plans for 2021-22**

Circuit financial plans for 2021-22 were prepared on the basis that there would be four full-time ordained staff. Provision was made for anticipated increases in stipends and other costs, and assessments were decreased by an average of 5.3% in agreement with the Circuit churches. In the event, one minister has left the Circuit unexpectedly, so the Circuit starts the year with three ministers, and will look to provide additional resources for pastoral and ministerial care at Chepstow, Caldicot and Rogiet.

## **BASIS OF PREPARATION AND LEGAL FRAMEWORK**

The Charity's annual report and accounts for the year ended 31 August 2021 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS) 102

Full Name of Charity: Newport & Lower Wye Methodist Circuit

Registration Charity Number: 1137596

Date of registration: 26 August 2010

Main communication address: 608 Chepstow Road, Newport, Gwent, NP19 9BZ

The members of the Newport & Lower Wye Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown at Appendix A to this report.

### **Circuit Ministers and officers in 2020-21**

Active Circuit Ministers	Rev G Gresswell (Superintendent)	
	Rev L Jones	Rev R Frank
	Rev B Willers	Rev P Rose Parish (URC)
	Rev L Healey	Rev J Rooney
Circuit Stewards	Mr K Harvey	Mr J Healey
	Mr M Strange	Mr M Roberts
	Mrs S Hanbury (to Jun 21)	Miss P Blakemore
	Mr R Bafico	Mr C Randall (to Jun 21)
	Mrs M Ham (from Jun 21)	Mr R Langford
Safeguarding Officer	Mrs A McBain	
Administrator:	Mrs P M Farr	

Mr R Langford acted as the principal officer overseeing the day-to-day financial management and accounting for the Circuit during the year.

Independent examiner Mr R J Lewin, 17 Wyelands View, Mathern, Chepstow  
Monmouthshire, NP16 6HN

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

### **Aims and organisation**

Charity objective is to act as a Resource provider within the area around Newport and the lower Wye Valley for the Methodist Church:

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit. local or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

The Circuit aims to achieve this through:

- a) The organisation and resourcing of regular public acts of worship open to members of the church and non-members alike.
- b) The teaching of Christianity through sermons, courses and small groups.
- c) The resourcing of pastoral work including visiting the sick and bereaved.
- d) Taking religious assemblies in local schools.
- e) Promotion of Christianity through the staging of events and services.
- f) Provision of chaplaincy services to the local university and other institutions.

### **Public Benefit**

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

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

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting, the Circuit Finance and Property Committee and the Circuit Policy Committee.

### **Trustee Training**

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

### **Related Parties**

The Circuit is part of the Wales Synod District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the Circuit.....

Bishpool Ringland, Broad Oak, Caldicot, Chepstow, Crosskeys, Earlswood Hope,  
Earlswood Valley, Gwehelog, Langstone, Llancloudy, Monmouth, Penycamawr, Rogiet,  
Shaftesbury Street, St David's Ty Sign, St Julian's, Trellech, Trinity Newport

Dan-Y-Graig Church (LEP) is also linked to the Circuit.

Trinity Congregational Church Pontywaun has received ministry and support from the Circuit.

### **Risk Management**

The major risks have been identified and recorded by the Circuit Finance and Property Committee with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

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

### **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 Newport & Lower Wye 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 Newport & Lower Wye 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.

### **Reserves Policy**

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 40% of normal annual expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manse and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

## 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 £	Total 2019-20 £
<b>Income</b>								
1 Donations and legacies	4						0	0
2 Income from monetary investments		92	564	17	169		842	2,806
3 Income from investment properties	5	8,400					8,400	0
4 Assessments on Churches	6	278,589					278,589	251,607
5 Capital Receipts	7						0	0
6 Grants received	8	3,927			20,000		23,927	0
7 Other charitable income	9	1,970			13,364		15,334	0
8 <b>Total income</b>		<b>292,978</b>	<b>564</b>	<b>17</b>	<b>33,533</b>	<b>-</b>	<b>327,092</b>	<b>254,413</b>
<b>Expenditure</b>								
9 Grants and donations	10	7,633					7,633	10,049
10 Salaries and associated costs	11	165,544			11,196		176,740	199,793
11 Property maintenance	12	51,436					51,436	36,703
12 Connexional assessment & model trust levy	13	45,582					45,582	47,322
13 District Assessment & Levy	13	6,417	5,930				12,347	15,932
14 Depreciation							0	0
15 Office expenses	14	2,268	337		97		2,702	3,092
16 Other outgoings	15	21,787					21,787	6,030
17 <b>Total charitable expenditure</b>		<b>300,667</b>	<b>6,267</b>	<b>0</b>	<b>11,293</b>	<b>0</b>	<b>318,227</b>	<b>318,921</b>
18 Gains/(losses) on monetary investments	16		156			92	248	(3)
19 Gains/(losses) on investment properties	18	55,000					55,000	0
20 <b>Net income/(expenditure)</b>		<b>47,311</b>	<b>(5,547)</b>	<b>17</b>	<b>22,240</b>	<b>92</b>	<b>64,113</b>	<b>(64,511)</b>
21 Transfers between funds	17		(30,000)		30,000		0	0
22 Other gains/(losses)	18						0	199,963
23 <b>Net movement in funds</b>		<b>47,311</b>	<b>(35,547)</b>	<b>17</b>	<b>52,240</b>	<b>92</b>	<b>64,113</b>	<b>135,452</b>
24 Total funds brought forward		1,771,164	168,607	809	50,319	702	1,991,601	1,856,149
25 <b>Total funds carried forward</b>		<b>1,818,475</b>	<b>133,060</b>	<b>826</b>	<b>102,559</b>	<b>794</b>	<b>2,055,714</b>	<b>1,991,601</b>

## Balance Sheet as at 31 August 2021

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Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2020/21	Totals 2019/20
	£	£	£	£	£	£	£

## Fixed Assets

Circuit Manses & Equipment	19	1,325,830				1,325,830	1,705,830
Investment properties	19	435,000				435,000	0
Investments	20		1,008		617	1,625	1,377
<b>Total fixed assets</b>		<b>1,760,830</b>	<b>1,008</b>	<b>0</b>	<b>617</b>	<b>1,762,455</b>	<b>1,707,207</b>

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## Current Assets

Debtors	21	11,251				11,251	12,800
Loans by the Circuit						0	0
Investments with TMCP	20		132,052		78,529	210,758	216,394
Central Finance Board Deposits	23	64,230			24,030	88,260	72,187
Cash at Bank and in hand	23	30,933		826		31,759	28,120
<b>Total current assets</b>		<b>106,414</b>	<b>132,052</b>	<b>826</b>	<b>102,559</b>	<b>342,028</b>	<b>329,501</b>

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## Current liabilities

Creditors (due in under 1 year)	24	48,769				48,769	45,107
Grants payable within 2021-22						0	0
<b>Total current liabilities</b>		<b>48,769</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,769</b>	<b>45,107</b>
<b>Net current assets/liabilities</b>		<b>57,645</b>	<b>132,052</b>	<b>826</b>	<b>102,559</b>	<b>293,259</b>	<b>284,394</b>

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<b>Total assets less current liabilities</b>		<b>1,818,475</b>	<b>133,060</b>	<b>826</b>	<b>102,559</b>	<b>794</b>	<b>2,055,714</b>	<b>1,991,601</b>
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## Long term liabilities

(due after more than one year)								
Grants payable after 2021-22						0	0	0
Loans to the Circuit						0	0	0
						0	0	0
<b>Net assets</b>		<b>1,818,475</b>	<b>133,060</b>	<b>826</b>	<b>102,559</b>	<b>794</b>	<b>2,055,714</b>	<b>1,991,601</b>

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## Funds of the Circuit

Funds of the District									
General Fund (Unrestricted)		1,818,475					1,818,475		1,771,164
Circuit Model Trust Fund (Unrestricted)			133,060				133,060		168,607
Designated Funds (Unrestricted)				826			826		809
<b>Total Unrestricted Funds</b>							<b>1,952,361</b>		<b>1,940,580</b>
Restricted Funds						102,559		102,559	50,319
Endowment Funds							794	794	702
<b>Total Funds</b>		<b>1,818,475</b>	<b>133,060</b>	<b>826</b>	<b>102,559</b>	<b>794</b>	2,055,714		<b>1,991,601</b>

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Signed

*R.H.*  
R. T. LANGFORD

Circuit Treasurer

10/2/22

## Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2021 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of treasurer ..... *RJH*Date *10 February 2022*

Name and address of treasurer ... Roger John Langford .....

Spindlewood, 122 Hereford Road, Monmouth ..... Post Code...NP25 3GD...

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were/will be\* presented to the Circuit meeting held on *26th MARCH 2022*

Signature of the Chair of the meeting ..... *Gordon Gresswell*Name of the Chair of the meeting Rev Gordon Gresswell ..... Date *26/03/2022* .....

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

### Newport and Lower Wye Methodist Circuit

Charity Number 1137596

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Newport & Lower Wye Methodist Circuit for the year ended 31 August 2021 ~~set out on pages to~~ . As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

\* delete or circle as appropriate



**Independent Examiner's Statement**

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

*The Institute of Chartered Accountants in E & Wales*

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

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

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

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

Signature of independent examiner ..... 

Name of independent examiner Mr R J Lewin .....

Relevant professional qualification of independent examiner *F.C.A. (ICAEW)*

Name of firm (where appropriate) *NEWTON GREEN CHARTERED ACCOUNTANTS*

Address 17 Wyelands View, Mathern, Chepstow, Monmouthshire .....

..... Post Code NP16 6HN

Date *14/2/2022* .....

\* delete or circle as appropriate

Year ending 31 August 2021

**Notes to the Accounts****1. Basis of Accounts and Accounting Standards****i Accounting standard**

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

**ii Public benefit entity**

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

**iii Basis**

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

**iv Content**

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

**v FRS102 SORP2015 [applies to 2016-17 onwards]**

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

**vi Going concern**

Based on the monetary assets and human resources available at 31 August 2021, the trustees believe that the Circuit is a going concern.

**vii Consolidation**

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

**viii Income recognition**

Year ending 31 August 2021

**Notes to the Accounts**

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

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

The Circuit acts as agent in two matters:

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

In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or the Churches as appropriate. Instead the transactions are disclosed in the Notes to the Accounts as required by SORP (FRS 102), module 19.12.

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

**ix Expenditure**

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

**x Grants**

Grants made by the Circuit from its own funds are recognised in full at the time of agreement if there are no performance conditions, or when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions.

**xi VAT**

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

**xii Tangible fixed assets**

Fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000.

The freehold and/or long leasehold residential property is shown in the accounts at deemed historical cost. Recent valuations (2015 or later) for the manses have been used where available and other manses have been taken at their insured values at August 2016. The valuations will be reviewed periodically.

No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. In the absence of any evidence of

Year ending 31 August 2021

**Notes to the Accounts**

impairment, any depreciation provision for the buildings component of the property would be immaterial. The property has been reviewed for impairment.

**xiii(a) Monetary Investments**

The Circuit's investments in monetary assets are classified as basic financial instruments under FRS 102. These monetary assets, with the exception of the endowment Charity of William Richards, are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees and the valuations, at market value, are those provided by TMCP. The endowment Charity of William Richards is held in the COIF Charities Investment Fund and the valuations, at market value, are those provided by COIF. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 20 below.

**xiii(b) Investment Properties**

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

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

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

**xv Methodist Connexional Funds**

The Methodist Church Connexion raises levies against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against churches in the Circuit. The District quarterly remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for *ad hoc* collections for various funds controlled and administered by The Methodist Church. These are detailed at Note 28 below.

**xvi Funds**

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

**xvii Endowment Funds**

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

Year ending 31 August 2021

## Notes to the Accounts

### xviii Ministers' manse costs

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

## 2. Glossary of terms

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

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

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

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

**CLT (Circuit Leadership Team):** a group (comprising mostly but not exclusively) of Circuit trustees responsible for the day to day administration and policy formation of the Circuit. Generally, the CLT comprises the Presbyters and Deacons stationed within the Circuit, the Circuit Stewards and sometimes other Circuit officers (who may not be trustees)

**CMTF:** Circuit Model Trust Fund

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

**Connexional Funds:** the designated and/or restricted funds held and administered by the Connexion in furtherance of its charitable and mission objectives

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

**DAF:** District Advance Fund

**FRS:** Financial Reporting Standard

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

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

**MMPS:** Methodist Ministers' Pension Scheme

**NEST:** National Employment Savings Trust, the organisation through which the Circuit arranges an auto-enrolment pension scheme for its lay employees

**PASLEMC:** Pensions and Assurance Scheme for Lay Employees of the Methodist Church

Year ending 31 August 2021

### **Notes to the Accounts**

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

**SOFA:** Statement of Financial Activities

**SORP:** Statement of Recommended Practice

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

Year ending 31 August 2021

### **Notes to the Accounts**

#### **3. Prior Year**

##### **3.1 Restatement of comparative figures**

In preparing the accounts the trustees have considered whether, in applying the accounting policies required by FRS 102 [not Section 1A] and the Charities SORP FRS 102, the restatement of comparative items was required. There have been no changes of classification between categories of expenditure in the accounts of 2020-21 compared with those for 2019-20. No restatements were necessary and a reconciliation of opening balances is therefore not required.

Year ending 31 August 2021

**Notes to the Accounts****4. Donations and legacies**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2021 Total	2020 Total
Donations						-	-
Legacies						-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>

No donations or legacies were received in 2020-21 or 2019-20.

**5. Income from investment properties**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2021 Total	2020 Total
Lettings - 27 Church Road, Caldicot	8,400					8,400	-
<b>Total</b>	<b>8,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,400</b>	<b>0</b>

The former manse at 27 Church Road, Caldicot, has been let to a tenant since February 2021. Letting income is gross of fees and commission. The Circuit received no income from investment properties in 2019-20.

**6. Assessments on Churches**

The following 20 churches were linked to the Circuit during 2020-21:

Bishpool Ringland Methodist Church	Llancloudy Methodist Church
Broad Oak Methodist Church	Monmouth Methodist Church
Caldicot Methodist Church	Penyaemawr Methodist Church
Chepstow Methodist Church	Rogiet Methodist Church
Crosskeys Methodist Church	Shaftesbury Street Methodist Church, Newport
Dan-Y-Graig Church (LEP), Risca	St David's Methodist Church, Ty Sign
Earlswood Hope Methodist Church	St Julian's Methodist Church, Newport
Earlswood Valley Methodist Church	Trellech Methodist Church
Gwehelog Methodist Church	Trinity Congregational Church, Pontywaun
Langstone Methodist Church	Trinity Methodist Church, Newport

Each church is assessed for a contribution towards the overall costs of the Circuit. This Assessment on Churches is determined annually by the Circuit and the Churches using a process which takes into account the income of each church, including receipts from lettings, and the number of worshippers.

All Churches paid their full annual 2020-21 assessments by 31 August 2021 except for one church from which £1,207 was outstanding.



Year ending 31 August 2021

**Notes to the Accounts**

Assessments on churches are payable quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date, the sum in question is also treated as a creditor. Such cases are detailed in Notes 21 and 24.

**7. Capital Receipts**

The Circuit had no capital receipts in 2020-21 or 2019-20.

**8. Grants received**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2021 Total	2020 Total
Wales Synod				10,000		<b>10,000</b>	-
NLW Circuit and Churches				10,000		<b>10,000</b>	-
Caerphilly Council	3,927					<b>3,927</b>	-
<b>Total</b>	<b>3,927</b>	-	-	<b>20,000</b>	-	<b>23,927</b>	<b>0</b>

Since December 2020, the Circuit has been coordinating a project to employ a lay family worker in some of the churches in Newport. Donations of £20,000 were received in support of the project: £10,000 from the Wales Synod and £3,333 each from St Julian's Methodist Church, Bishpool Ringland Methodist Church and the Circuit.

The Circuit also received £3,927 from St David's Methodist Church, Ty Sign and Caerphilly Council for the improvement of the kitchen and other community facilities at The Centre @ St David's, Ty Sign.

The Circuit received no grants in 2019-20.

**9. Other charitable income**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2021 Total	2020 Total
Letting income						-	-
Other income	1,970			13,364		<b>15,334</b>	-
<b>Total</b>	<b>1,970</b>	-	-	<b>13,364</b>	-	<b>15,334</b>	<b>0</b>

Funds of the Newport Family Worker project, totalling £13,364 and previously controlled by Trinity Methodist Church, Newport, were transferred to the Circuit on 30 November 2020.

The Circuit received no other income in 2019-20.

**10. Grants and donations given**

Grants and donations as listed below were made during the year.

Year ending 31 August 2021

**Notes to the Accounts**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2021 Total	2020 Total
Circuit Churches:							
Chepstow							
(Toddler Worker)	3,000					3,000	3,000
Crosskeys (Night Shelter)						-	200
St Julian's (Night Shelter)						-	600
Monmouth							
(Lift Refurbishment)						-	6,087
Other Church Projects						-	162
Newport Family Worker	3,333					3,333	-
Leaders of Worship and							
Preachers Trust	800					800	-
The Methodist Church							
Property Fund	500					500	-
Other donations						-	-
<b>Total</b>	<b>7,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,633</b>	<b>10,049</b>

**11. Salaries and associated costs****11.1 Stipends, salaries and associated costs**

In 2020-21 there were four Presbyters (including the Superintendent), who were all employed full-time, in the Circuit. The average number of presbyters employed was 4.0 (2019-20: 5.0). The Circuit employed three part-time lay employees; a circuit administrator and a mission developer at Ty Sign throughout the year and a Newport Family Worker since December 2020. The average number of lay employees was 2.8 (2019:20 1.8) or 1.4 full-time equivalent staff (2019-20 0.7).

	Full Time	Part Time	Unres- tricted	CMT Fund	Desig- nated	Rest- ricted	Endow -ment	2021 Total	2020 Total
Gross stipends and salaries	105,324	23,815	119,025			10,114		129,139	139,909
Employer's NI contributions	9,794	483	9,794			483		10,277	11,633
Pension costs	27,464	1,421	28,286			599		28,885	34,166
Payroll Bureau fee		480	480					480	480
Apprenticeship levy	530	119	649					649	699
Travelling:	4,169		4,169					4,169	7,297
Telephone	2,809		2,809					2,809	3,271
Stationing and relocation costs								-	1,340
Other expenses	332		332					332	968
<b>Total</b>	<b>150,422</b>	<b>26,318</b>	<b>165,544</b>	<b>-</b>	<b>-</b>	<b>11,196</b>	<b>-</b>	<b>176,740</b>	<b>199,793</b>
Average staff nos employed in year	4.0	2.8	6.0			0.8		6.8	6.8
(full-time equivalent staff)	4.0	1.4	4.8			0.6		5.4	5.7

Year ending 31 August 2021

**Notes to the Accounts**

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

**11.2 Pensions costs**

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

The Connexion shows the accounts for the MMPS pension scheme in the annual Methodist Church in Great Britain accounts. The MMPS was in deficit in August 2020 but a plan to remove the deficit has been proposed and is being implemented and the Pension Reserve Fund is being strengthened.

Lay employees are contractually employees and have the option of joining a pension scheme. The Circuit has complied with government legislation on workplace pensions and lay employees have since May 2016 been enrolled in a National Employment Savings Trust (NEST) pensions scheme. This is a defined contribution scheme.

**11.3 Cost of superintendent, presbyters and trustees**

The Superintendent of the Circuit, the other presbyters and the remaining members of the Circuit Leadership Team are considered as Key Management Personnel. The Superintendent chairs the meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC, employer's pension contributions and other expenses of the presbyters of the Circuit are paid by the Circuit. The costs of the presbyters' stipends, employers' National Insurance contributions and pension contributions were as follows:

<b>Cost of Presbyters</b>	<b>2021</b>	<b>2020</b>
Stipends of Presbyters	105,324	127,570
Employers' National Insurance contributions	9,794	11,663
Employer's pension contributions to a defined benefit pension scheme	27,464	33,426
Apprenticeship levy	530	638
<b>Total</b>	<b>143,112</b>	<b>173,297</b>

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

Each presbyter is entitled to three months' sabbatical leave every five years. During the year 2020-21 there were no sabbaticals (2019-20 one sabbatical of seven weeks). The Circuit does not accrue for holiday pay cover since the remaining staff cover the presbyter's absence as needed without

Year ending 31 August 2021

**Notes to the Accounts**

extra pay. Had additional cover been required, the cost of this is estimated as being the appropriate proportion of a single annual stipend plus NIC, pension and other normally incurred expenses. This estimated cost was £0 in 2020-21 and £4,769 in 2019-20.

**11.4 Payments to trustees**

It is Circuit policy to offer to reimburse members of the Circuit Leadership Team and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties.

The four presbyters of the Circuit undertake the primary executive role within the Circuit. The travel costs of presbyters in attending CLT and other Circuit meetings are included within their overall travel expenses (detailed in Note 11.1) and is not separately determined.

The current Circuit administrator is both a Circuit trustee and an employee of the Circuit, who receives a salary and other employment-related expenses (as detailed in Note 11.1).

The Rev Paula Rose Parish is a presbyter of the United Reformed Church and a member of the Circuit Meeting and the CLT. She is reimbursed for the travel costs of attending CLT and other Circuit meetings and for preaching in Methodist churches in the Circuit.

Since the retirement of Rev Preben Andersen, pastoral and ministerial care at Caldicot and Rogiet Churches has been provided under contract (as detailed in Note 15) by two supernumerary ministers who are also members of the Circuit Meeting.

Apart from the presbyters, the contractors and the Circuit administrator, no member of the CLT received payment for work undertaken on behalf of the Circuit in 2020-21. (In 2019-20, one member of the Circuit Meeting received £1,080 for professional services in connection with the conversion of the Ty Sign manse into a Mission Resource Centre.) In addition, CLT and Circuit Meeting members may sometimes be reimbursed for travel or computing costs incurred in the work of the Circuit, but no reimbursements were paid in 2020-21

Trustees' expenses	2021	2020
Number of trustees who were paid expenses	0	4
Total amount paid (£)	0	222

Some lay preachers and supernumeraries are also Circuit trustees because they attend the Circuit Meeting as nominees from their churches, and any travel costs in attending Circuit Meetings are included within their overall expenses (detailed in Note 15 below).

**12. Property expenses**

Expenditure on property during the year is shown below.

	Unres- Tricted	CMTF	Desig- nated	Rest- ricted	Endow- ment	2021 Total	2020 Total
<b>Expenditure on Manses:</b>							
Manse maintenance	28,910					28,910	11,819

Year ending 31 August 2021

**Notes to the Accounts**

Council Tax	10,239	<b>10,239</b>	12,737
Water charges	3,757	<b>3,757</b>	4,282
Insurance	3,117	<b>3,117</b>	2,895
Gas and electricity	1,647	<b>1,647</b>	2,049
Other charges			
<b>Sale of Manses: Legal and Professional Fees:</b>		-	-
<b>Other Property Expenses:</b>			
Quinquennial reviews	1,500	<b>1,500</b>	1,600
Castleton graveyard	280	<b>280</b>	390
Gwern-Y-Saint church	899	<b>899</b>	907
URC manse expenses		-	24
Letting expenses - Caldicot	1,085	<b>1,085</b>	-
<b>Total</b>	<b>51,436</b>	-	<b>36,703</b>

During the year the Circuit was responsible for the maintenance of six manses or former manses, for the payment of Council tax and water charges (except where these were paid by a tenant) and for landlord's annual gas inspections and home service agreements. The Circuit also paid the gas and electricity charges on unoccupied properties.

Total expenditure on manse maintenance in 2020-21 included £10,581 on refurbishing the manse at 27, Church Road, Caldicot and £11,311 on converting the manse at TY Sign into a Mission Resource Centre. £7,018 was spent on maintaining the other four manses.

Gwern-Y-Saint Methodist Church closed on 7 October 2018 and the Circuit has taken on responsibility for insuring the property.

The current minister of Dan-Y-Graig Church (LEP) is a minister of the United Reformed Church. The minister's stipend and associated costs are paid by the URC but the Circuit paid Dan-Y-Graig Church a contribution towards the Council Tax, water charges and insurance costs of the URC minister's manse until September 2019.

The former manse at 27 Church Road, Caldicot was leased to tenants from February 2021. An agency was employed to manage the lease.

**13. Connexional and District assessments and levies**

The Connexional and District assessments are paid to the Wales Synod District, which determines the assessment to be paid by each Circuit in accordance with a formula based on the number of presbyters and lay employees in each Circuit (see also Note 1xv).

<b>Connexional assessment and Priority Fund levy</b>	<b>Unrestricted</b>	<b>CMTF</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>2021 Total</b>	<b>2020 Total</b>
Connexional assessment	45,582					<b>45,582</b>	47,322
Connexional Priority Fund levy	-					-	-
<b>Total</b>	<b>45,582</b>	-	-	-	-	<b>45,582</b>	<b>47,322</b>

Year ending 31 August 2021

**Notes to the Accounts**

The Connexional Priority Fund levy is taken from the proceeds of the sale of former manses. No levy was charged during the current year (2019-20: £0).

<b>District assessment and levy</b>	<b>Unres-tricted</b>	<b>CMTF</b>	<b>Desig-nated</b>	<b>Rest-riected</b>	<b>Endow-ment</b>	<b>2021 Total</b>	<b>2020 Total</b>
District assessment	6,417					<b>6,417</b>	7,414
District Advance Fund levy	-	5,930				<b>5,930</b>	8,518
<b>Total</b>	<b>6,417</b>	<b>5,930</b>	-	-	-	<b>12,347</b>	<b>15,932</b>

The District Advanced Fund levy is calculated on a sliding scale percentage of the Circuit Model Trust Fund account balance at 31 August in the previous financial year.

**14. Office and administration costs**

<b>Office and administration costs</b>	<b>Unres-Tricted</b>	<b>CMTF</b>	<b>Desig-nated</b>	<b>Rest-riected</b>	<b>Endow-ment</b>	<b>2021 Total</b>	<b>2020 Total</b>
Conference minutes and materials	635					<b>635</b>	-
Circuit Stewards' and Circuit officers' expenses						-	222
Printing, postage, stationery and computing supplies	1,109					<b>1,109</b>	1,260
Office equipment	-					-	489
Office telephone, broadband and website	234					<b>234</b>	222
Independent Examiner's fee	275					<b>275</b>	250
TMCP Administration and Investment Management fees	-	337		97		<b>434</b>	549
Other admin costs	15					<b>15</b>	100
<b>Total</b>	<b>2,268</b>	<b>337</b>	-	<b>97</b>	-	<b>2,702</b>	<b>3,092</b>

The Circuit office is at Caldicot Methodist Church, where the Circuit uses a room on four mornings a week. The Circuit does not pay rent for use of the room, but pays half of the Church's telephone, broadband and website costs.

During the year the Circuit paid £434 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund, Mary A Curtis Bequest and Kelly Legacy) (2019-20: £549). The fees charged represent a levy of 0.200% on the value of the funds at the beginning of the year. and are allocated among the three funds as shown in the table above.

**15. Other outgoings**

Year ending 31 August 2021

**Notes to the Accounts**

	Unres- Tricted	CMTF	Desig- nated	Rest- ricted	Endow- -ment	2021 Total	2020 Total
<b>Preaching and worship:</b>							
Local preacher's expenses	15					15	449
Supernumerary ministers' fees and expenses	2,386					2,386	3,757
Circuit Plan and Handbook						0	131
Pastoral Care	17,000					17,000	1,417
<b>Other Expenses:</b>							
Training						0	-
Events						0	210
URC transport and travel	436					436	66
Miscellaneous	1,950					1,950	-
<b>Total</b>	<b>21,787</b>	-	-	-	-	<b>21,787</b>	<b>6,030</b>

The Circuit offers to reimburse lay preachers and supernumerary ministers for the costs of travel to the churches where they conduct services and supernumerary ministers may also claim a preaching fee. The Circuit has established contracts to provide pastoral and ministerial care at Caldicot and Rogiet following the retirement of Rev Preben Andersen. The Circuit has also paid Dan-Y-Graig Church a contribution towards the URC minister's telephone and travel costs and other expenses (see Note 12 above).

**16. Gains and losses on monetary investments**

Total net gains on monetary investments were £248 in 2020-21 compared with net losses of £3 in 2019-20. A detailed breakdown is immaterial. See also Notes 20 and 27 below.

**17. Transfers between funds**

Transfers between funds	Unres- Tricted	CMTF	Desig- nated	Rest- ricted	Endow- -ment	2021 Total	2020 Total
Funding for future manse expenses		(30,000)		30,000		0	-
<b>Total</b>	-	<b>(30,000)</b>	-	<b>30,000</b>	-	<b>0</b>	<b>0</b>

During the current year, £30,000 was transferred from the Circuit Model Trust Fund to a new restricted fund for manse expenses to prepare for the potential purchase of a new manse in Newport in 2022.

During 2019-20, £44,600 was transferred from the Circuit Model Trust Fund to the Circuit's general fund to compensate for the Circuit's reduction of assessments on churches in order to strengthen church finances during the coronavirus lockdown.

Year ending 31 August 2021

**Notes to the Accounts****18. Gains and losses on investment properties and other gains and losses**

There were gains of £55,000 in 2020-21 because of the revaluation of an investment property and other gains of £199,963 in 2019-20 because of the revaluation of two manse (see Note 19).

**19. Manses and other property**

At 31 Aug 2021 the Circuit had six properties (the same number as at 31 Aug 2020). Four manses were occupied by ministers. The manse at Caldicot was leased to a private tenant. The former manse attached to St David's Church, Ty Sign has been converted for use as a Resource Centre for mission in the Ty Sign, Risca and Crosskeys areas.

The manse at 27 Church Road, Caldicot has been reclassified as an investment property (see xiiib).

During 2020-21, the value of the manse at 27 Church Road, Caldicot was revised in line with advice from a Chepstow estate agent. This resulted in a revaluation gain of £55,000.

The office equipment in the Circuit office has not been capitalised since the items individually cost less than £1,000 (see xii).

General advice was sought from estate agents in Newport, Monmouth and Abergavenny as to the value of land as a proportion of the total value of residential properties in different parts of the Circuit. The total value of the manses has been apportioned between land and buildings on the basis of this information.

Recent valuations (2015 or later) have been made for the four manses at Charles Close, Monmouth, St Julians Avenue, Newport, Church Road, Caldicot and Newport Road, Chepstow, and these valuations have been taken as the deemed value of these manses. The two manses without any recent valuation have been valued at their insured values at August 2016.

**19.1 Cost or valuation of fixed assets**

	Investment Properties	Land	Buildings	Other Buildings	Other Fixed Assets incl. Vehicles	Fixtures, Fittings, etc	Assets under construction	2021 Total	2020 Total
Balance brought forward	-	464,358	1,241,472					1,705,830	1,505,867
Additions in the year									
Revaluations	55,000							55,000	199,963
Less: Disposals in the year									
Transfers between categories	380,000	(125,400)	(415,494)	160,894					
<b>Balance carried forward</b>	<b>435,000</b>	<b>338,958</b>	<b>825,978</b>	<b>160,894</b>				<b>1,325,830</b>	<b>1,705,830</b>

**19.2 Accumulated depreciation and impairment provision**

Basis		N/A	N/A	N/A	N/A
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Year ending 31 August 2021

**Notes to the Accounts**

Rate		-	-	-	-	-	-	-
Balance brought forward	-	-	-	-	-	-	-	-
Depreciation charge for year								
Revaluations								
Disposals								
Transfers								
Balance carried forward	-	-	-	-	-	-	-	-

**19.3 Net book value**

Brought forward	-	464,358	1,241,472	-	-	-	-	<b>1,705,830</b>	1,505,867
Carried forward	<b>435,000</b>	<b>464,358</b>	<b>825,978</b>	<b>160,894</b>	-	-	-	<b>1,325,830</b>	1,705,830

**20. Investment Assets (and TMCP Funds)**

The funds that support the Circuit Model Trust Fund, the Mary A Curtis Bequest and the Kelly Legacy are held by TMCP in Trustees Interest Funds or CFB Managed Mixed Funds on which interest is credited to the accounts each month or each quarter. These are regarded as medium and long-term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

The Charity of William Richards Endowment is invested in the COIF Charities Investment Fund. The Fund is a Common Investment Fund established by the Charity Commission under the Charities Act 1993 section 24 and investment in the Fund is only available to charities within the meaning of section 96 of the Charities Act.

<b>Investment Assets and TMCP</b>	<b>Unres-Tricted</b>	<b>CMTF</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>2021 Total</b>	<b>2020 Total</b>
CFB Managed Mixed Funds		1,008				<b>1,008</b>	852
COIF Charities Investment Fund					617	<b>617</b>	525
<b>Total Investment Assets</b>	<b>0</b>	<b>1,008</b>	<b>0</b>	<b>0</b>	<b>617</b>	<b>1,625</b>	1,377
TMCP Trustees Interest Funds		132,052		78,529	177	<b>210,758</b>	216,394
<b>Total</b>	<b>0</b>	<b>133,060</b>	<b>0</b>	<b>78,529</b>	<b>794</b>	<b>212,383</b>	<b>217,771</b>

**21. Debtors and Prepayments**

Year ending 31 August 2021

**Notes to the Accounts**

All sums shown as debtors on 31 August 2020 were received during the following year. All sums paid in advance at 1 September 2020 were for events that have been held during 2020-21. Similarly, it is expected that all payments in advance at 1 September 2021 will be expended in 2021-22.

Debtors and Prepayments	Unres-Tricted	CMTF	Desig-nated	Rest-riected	Endow-ment	2021 Total	2020 Total
Stipends, pensions and NI paid in advance	9,057					9,057	11,809
Accrued Income	1,207					1,207	0
Other debtors	987					987	991
<b>Total</b>	<b>11,251</b>	-	-	-	-	<b>11,251</b>	<b>12,800</b>

**22. Loans by the Circuit**

The Circuit has no outstanding loans at 31 August 2021 (2020: £0).

**23. Central Finance Board and Bank Balances**

Monetary balances at the Central Finance Board of the Methodist Church and at HSBC Bank Limited are all available on demand without loss of interest or other penalty.

Bank balances and cash in hand	Unres-Tricted	CMTF	Desig-nated	Rest-riected	Endow-ment	2021 Total	2020 Total
Central Finance Board Deposits	64,230			24,030		88,260	72,187
Balance held at HSBC	30,933					30,933	27,311
Balance held at Nationwide			826			826	809
Cash in hand						0	0
<b>Total</b>	<b>95,163</b>	-	<b>826</b>	<b>24,030</b>	-	<b>120,019</b>	<b>100,307</b>

**24. Creditors, accruals and income in advance**

All sums accrued at 31 August 2020 were paid before 31 August 2021. Similarly, it is expected that all sums accrued at 31 August 2021 will be paid by 31 August 2022.

Current Liabilities	Unres-Tricted	CMTF	Desig-nated	Rest-riected	Endow-ment	2021 Total	2020 Total
Church assessments paid in advance	43,418					43,418	40,316
Ministers and staff expenses	471					471	603
Other expenses	1,109					1,109	151
Stipends, pension and NI						0	-
Taxation and Social Security						0	-
Other creditors	3,771					3,771	4,037
<b>Total</b>	<b>48,769</b>	-	-	-	-	<b>48,769</b>	<b>45,107</b>

**25. Grants payable in 2021-22**

Year ending 31 August 2021

### **Notes to the Accounts**

The Circuit has set up a Committee to provides grants to support mission related projects within the Circuit. The Committee has already approved a grant of £3,000 in 2021-22 for a project at Chepstow Methodist Church. Sufficient funds are available within the General Fund to support all envisaged projects. The Circuit has also allocated a budget of £1,150 in 2021-22 to support the night shelters at St Julians and Crosskeys and make small donations.

#### **26. Commitments in 2021-22**

In 2021-22 the Circuit has allocated a budget of £15,000 for manse maintenance which will be paid out of the annual receipts of the Circuit. The Circuit will fund the costs of the Ty Sign Mission Developer (£34,000 over three years) from its General Fund.

Year ending 31 August 2021

**Notes to the Accounts****27. Detailed Analysis of Individual Funds**

The individual funds of the Circuit are as follows:

Name	Type	Purpose
General Fund	Unrestricted & Undesignated	General mission as directed by the Circuit Meeting
Circuit Model Trust Fund	Unrestricted & Undesignated	General mission as directed by the Circuit Meeting
William Richards (Nationwide)	Designated	Support for other churches in the Monmouth sector of the Circuit as directed by the Circuit Meeting
Vera Holt	Restricted	As directed by the Circuit Meeting for youth work and training
Mary A Curtis Bequest	Restricted	General mission as directed by the Circuit Meeting
Manse Expenses	Restricted	Expenditure on purchase or renovation of manses
Newport Family Worker	Restricted	Funds of the Newport Family Worker project
Kelly Legacy	Endowment	Maintenance of Castleton graveyard
Charity of William Richards	Endowment	Support for other churches in the Monmouth sector of the Circuit as directed by the Circuit Meeting

The movements of monies between the funds of the Circuit are summarised in the tables below.

**Summary of Fund Movements - 2020-21**

Funds	Balance at 31/8/20	Income	Expend-iture	Transfers	Gains / Losses	Balance at 31/8/21
General Fund	1,771,164	292,978	(300,667)		55,000	<b>1,818,475</b>
Circuit Model Trust Fund	168,607	564	( 6,267)	(30,000)	156	<b>133,060</b>
<b>Total unrestricted &amp; undesignated</b>	<b>1,939,771</b>	<b>293,542</b>	<b>(306,934)</b>	<b>(30,000)</b>	<b>55,156</b>	<b>1,951,535</b>
William Richards (Nationwide)	809	17				<b>826</b>
<b>Total designated</b>	<b>809</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>826</b>
Vera Holt (CFB 020)	1,857	2				<b>1,859</b>
Mary A Curtis Bequest (21224)	48,462	163	( 97)			<b>48,528</b>
Manse Expenses	0			30,000		<b>30,000</b>
Newport Family Worker (030)	0	33,368	( 11,196)			<b>22,172</b>
<b>Total restricted</b>	<b>50,319</b>	<b>33,533</b>	<b>( 11,293)</b>	<b>30,000</b>	<b>0</b>	<b>102,559</b>
Kelly Legacy	177	1	(1)			<b>177</b>
Charity of William Richards	525				92	<b>617</b>
<b>Total endowments</b>	<b>702</b>	<b>1</b>	<b>(1)</b>	<b>0</b>	<b>92</b>	<b>794</b>
<b>Total of All Funds</b>	<b>1,856,149</b>	<b>320,703</b>	<b>(311,839)</b>	<b>0</b>	<b>248</b>	<b>2,055,714</b>

Year ending 31 August 2021

**Notes to the Accounts****Summary of Fund Movements - 2019-20 (for comparison)**

<b>Funds</b>	<b>Balance at 31/8/19</b>	<b>Income</b>	<b>Expend- iture</b>	<b>Transfers</b>	<b>Gains / Losses</b>	<b>Balance at 31/8/20</b>
General Fund	1,578,093	252,113	(303,605)	44,600	199,963	<b>1,771,164</b>
Circuit Model Trust Fund	220,353	1,828	( 8,959)	(44,600)	(15)	<b>168,607</b>
<b>Total unrestricted &amp; undesignated</b>	<b>1,798,446</b>	<b>253,941</b>	<b>(312,564)</b>	<b>0</b>	<b>(199,948)</b>	<b>1,939,771</b>
William Richards (Nationwide)	955	16	( 162)			<b>809</b>
<b>Total designated</b>	<b>955</b>	<b>16</b>	<b>( 162)</b>	<b>0</b>	<b>0</b>	<b>809</b>
Vera Holt (CFB 020)	1,844	13				<b>1,857</b>
Mary A Curtis Bequest (21224)	54,214	443	( 6,195)			<b>48,462</b>
<b>Total restricted</b>	<b>56,058</b>	<b>456</b>	<b>( 6,195)</b>	<b>0</b>	<b>0</b>	<b>50,319</b>
Kelly Legacy	177	2	(2)			<b>177</b>
Charity of William Richards	513				12	<b>525</b>
<b>Total endowments</b>	<b>690</b>	<b>2</b>	<b>(2)</b>	<b>0</b>	<b>12</b>	<b>702</b>
<b>Total of All Funds</b>	<b>1,856,149</b>	<b>254,415</b>	<b>(318,923)</b>	<b>0</b>	<b>(199,960)</b>	<b>1,991,601</b>

**28. Related Parties**

None of the Circuit trustees made donations directly to the Circuit in the current year or the previous financial year. All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees of their Churches.

Related parties include the Methodist Connexion and its funds, the Wales Synod District, the Churches within the Newport & Lower Wye Circuit, other Methodist Circuits in Great Britain, CFB and TMCP.

**Year ending 31 August 2021**

<b>Name of Related Party</b>	<b>Relation- ship</b>	<b>Description</b>	<b>Income from Related Party</b>	<b>Payments to Related Party</b>	<b>Loans to Related Party</b>	<b>Amount owed by RP on 31.08.19</b>
Wales Synod District	Donee	Assessment and Levy		12,347		
Methodist Church Connexion	Donee	Assessment		45,582		
Churches within NLW Circuit	Donor	Assessment	278,589			
Churches within NLW Circuit	Donee/ Donor	Grant / Donation	6,667	3,000		
Methodist Church Fund for Property	Donee	Donation		500		
Leaders of Worship and Preachers Trust	Donnee	Donation		800		
Wales Synod District	Donor	Grant	10,000			
<b>Total</b>			<b>295,256</b>	<b>62,229</b>	<b>0</b>	<b>0</b>

Year ending 31 August 2021

**Notes to the Accounts****Year ending 31 August 2020**

<b>Name of Related Party</b>	<b>Relation- ship</b>	<b>Description</b>	<b>Income from Related Party</b>	<b>Payments to Related Party</b>	<b>Loans to Related Party</b>	<b>Amount owed by RP on 31.08.19</b>
Wales Synod District	Donee	Assessment and Levy		15,932		
Methodist Church Connexion	Donee	Assessment		47,322		
Churches within NLW Circuit	Donor	Assessment	251,607			
Churches within NLW Circuit	Donee	Grant		10,049		
<b>Total</b>			<b>251,607</b>	<b>73,303</b>	<b>0</b>	<b>0</b>

**CIRCUIT MEETING MEMBERSHIP 2020-21**

MINISTERS

Reverend Gordon Gresswell  
 Reverend Lesley Jones  
 Reverend Rachel Frank  
 Reverend Bethany Willers  
 Reverend Paula Parish-Foley

MINISTERS IN OTHER APPOINTMENTS

SUPERNUMERARY MINISTERS

Reverend Joe Rooney  
 Reverend Linda Healey

LAYWORKERS

Pauline Farr  
 Deborah Crahart  
 Tim Crahart

CIRCUIT STEWARDS

Keith Harvey  
 Jack Healey  
 Sandra Hanbury (to June 2021)  
 Roger Bafico  
 Penny Blakemore  
 Cliff Randall (to June 2021)  
 Miriam Ham (from June 2021)  
 Roger Langford (Treasurer)  
 Mike Strange (Property)  
 Mike Roberts (Secretary)

Circuit Local Preachers & Worship Leaders representatives

Reverend Gordon Gresswell  
 Michael Gray

Circuit Safeguarding Co-ordinator

Alison McBain

**CIRCUIT CHURCH REPRESENTATIVES**

Church 1	Caldicot	Rep 1	Bridget Gibbs
		Rep 2	Gareth Edwards
		Rep 3	Jack Healey
Church 2	Rogiet	Rep 1	Marion Edwards
		Rep 2	Hazel Bennett
		Rep 3	Jack Healey
Church 3	Earlswood Hope and Valley	Rep 1	Sylvia Jeremiah
		Rep 2	Ray Jeremiah
		Rep 3	Avril Smith
Church 4	Penycaemawr	Rep 1	Sandra Hanbury
		Rep 2	Jill Ellis

Church 5	Chepstow	Rep 1	Keith Harvey
		Rep 2	Stuart Nuttall
		Rep 3	Margaret Harvey
		Rep 4	Jason Yapp
Church 6	Monmouth	Rep 1	Ann Langford
		Rep 2	Mike Brain
		Rep 3	Elizabeth Hicks
Church 7	Gwehelog	Rep 1	Margaret Jenkins
Church 8	Gwern-y-Saint	Rep 1	(Closed)
Church 9	Trellech	Rep 1	Keith Wrightson (now deceased)
		Rep 2	Nassim Hilu
		Rep 3	Pam Lloyd
Church 10	Llancloudy	Rep 1	Arthur Isaac
Church 11	Broad Oak	Rep 1	Robin Hill
Church 12	St Julian's	Rep 1	Eira Reynolds
		Rep 2	Mary Hando
		Rep 3	Sian Llewellyn
		Rep 4	David Benson (now deceased)
Church 13	Shaftesbury	Rep 1	Liz Williams
		Rep 2	Hugh Knoyle
		Rep 3	Malcolm Dean
Church 14	Crosskeys	Rep 1	Michael Gray
		Rep 2	Ruth Gray
		Rep 3	Rosemary Carnell
Church 15	Trinity	Rep 1	Brian Ham (now deceased)
		Rep 2	Miriam Ham
		Rep 3	Roger Bafico
		Rep 4	Margaret Nicholas
		Rep 5	Martin Lougher
		Rep 6	Pat Dicker
Church 16	St David's	Rep 1	Irene Scowcroft
Church 17	Bishpool	Rep 1	Penny Blakemore
		Rep 2	Alf Waldron
		Rep 3	Janice Morgan
		Rep 4	Ann Waldron
		Rep 5	Jenny Suter
Church 18	Langstone	Rep 1	Sally Shea
		Rep 2	Sue Davies
		Rep 3	Ingrid Smith
Church 19	Dan-y-Graig	Rep 1	Carol Aldridge
		Rep 2	Sarah-Jane Jones
		Rep 3	Elaine Baker