



**THE METHODIST CHURCH**  
**REPORT AND ACCOUNTS**  
**(ACCRUALS BASIS)**  
for the year ended 31 August 2022

**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 Bethany WILLERS
Rev Paul CHESWORTH (from Mar 22)
Rev Paula PARISH-FOLEY (URC)

**Circuit Stewards**

Miriam HAM
Keith HARVEY
Mike STRANGE
Jack HEALEY (to Jun 22)
Mike ROBERTS
Roger BAFICO
Penny BLAKEMORE
Roger LANGFORD

**Circuit Treasurer**

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

### **TRUSTEES ANNUAL REPORT FOR THE YEAR ENDING 31 AUGUST 2022**

#### **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.

#### **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

Resuming Circuit life in 2021-22 after COVID has been a challenge. Many things needed a lot of encouragement to get going again and some have been taking their time or will not resume at all.

Our use of Zoom, which was assisted by grants from the Wales Synod, has been encouraging, both for Sunday services and for meetings, and it is now being used by some of the smaller churches too. It has allowed those who are still cautious about Covid to join in our worship and our other activities. We have also continued to send out regular printed acts of worship to the many people for whom using technology is difficult.

In Newport the Family Worker continued her work and was able to make several connections once the Covid restrictions eased. Work has continued at the Ty Sign Resource Centre in Risca which is much appreciated by the immediate community, and several successful gatherings have been held at Forest Church, a new form of outdoor worship. Trellech Methodist Church have been visiting local schools to encourage children to Open The Book.

The Circuit has continued to reach out to our local communities. Several of our Churches have been able to support their local communities by continuing their coffee mornings and offering soup and company to people who would like it. The Beacon Café in Chepstow Methodist Church and the St James's St Kitchen lunch club at Monmouth Methodist Church have both also been in operation. Caldicot Methodist Church too has opened its coffee-mornings up for community use.

During the year, after a minister was forced to leave us on health grounds, we welcomed Revd. Paul Chesworth as part-time minister at Chepstow Methodist Church while Revd. Bethany Willers took on part-time responsibility for Caldicot Methodist Church and its adjacent churches. Revd. Bethany and her husband will move their home to the Manse in Caldicot later in the year but, until we are able to secure a part time minister for Monmouth and the other churches in the area, Revd Bethany will continue to oversee their requirements.

During the early part of the year, it was decided to purchase a new Manse which would be nearer the two churches that a new minister would be responsible for in Newport. We were fortunate to purchase one in the Rogerstone area. The purchase was concluded in time for the new Minister to take up her position in September.

This in turn meant that the Manse on Chepstow Road, Newport was no longer required so it was put up for sale. It has now been sold.

The decision was taken during 2022 to cease worship at Shaftesbury Street Methodist Church in Newport. The members who were left felt that they could no longer fill all the roles required. The last service was held there in the summer and the church was later put up for sale. It too has now been sold.

In July 2022 we said good bye to our Superintendent, Revd. Gordon Gresswell. We wish Gordon well as he moves to a Superintendency in Lancashire, and we look forward to welcoming our new Superintendent, Revd. Sue Keegan von Allmen in September.

We pray that the Newport and Lower Wye Methodist Circuit will continue as worshipping people that stay connected to their local communities, attract new people by taking part in online worship, and open their doors to different groups.

## **FINANCIAL REVIEW OF THE YEAR**

### **Income Trends**

The total income of the Circuit was £296,881 in 2021-22 compared with £327,092 in 2020-21.

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 £255,244 in 2021-23 compared with £278,589 in 2020-21.

The Circuit received £14,550 in income from lettings in 2021-22 compared with £8,400 in 2020-21.

The Newport Family Worker project is treated as a restricted fund in the Circuit accounts. The project received grants of £10,000 from the Circuit and its churches in 2021-22. It received £20,000 in grants in 2020-21, including a grant of £10,000 from the Wales Synod.

One manse was occupied throughout 2021-22 by a former presbyter of the Circuit, whose letting and manse costs of £14,328 were paid by the Methodist Church Fund.) Other income received in 2021-22 totalled £1,411.

### **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 charitable expenditure during 2021-22 was £288,411 compared with £318,227 in 2020-21.

Salaries and associated costs, which form the largest single element of Circuit expenditure, were £161,708 in 2021-22 compared with £176,740 in 2020-21. The Circuit pays pensions and national insurance contributions, travelling, telephone and other expenses of ministers. In 2021-22 the Circuit had three full-time and one part-time Presbyters and employed three part-time lay employees – a Circuit administrator, a mission developer at Ty Sign and a Newport family worker. The average number of staff employed was 5.5 in 2021-22 compared with 6.8 in 2020-21. One Presbyter left the Circuit on health grounds in August 2021.

The Circuit pays for maintenance, insurance, council tax, water charges, etc. on its manses and on other property. Total expenditure in 2021-22 was £33,775, including £5,786 on refurbishing the new manse at Rogerstone and £2,838 on professional and legal fees in connection with the purchase of the new manse and the sale of 608 another manse in Newport. Total expenditure in 2020-21 was £51,436.

The Circuit made payments to the Wales Synod District and the Methodist Connexion of £55,731 in 2021-22, compared with £57,929 in 2020-21.

During the year, grants and donations totalling £21,588 were approved by the Circuit Meeting, compared with £7,633 in 2020-21. Grants for mission related activities and community work within the Circuit included £3,333 to the Newport Family Worker project and £3,000 for a toddler worker in Chepstow, £6,500 towards church building projects and £800 to Eden Gate, a Newport charity working with the homeless. The Circuit also donated £7,123 to the Pension Reserve Fund and

smaller donations were made to the Leaders of Worship and Preachers Trust and the Methodist Church Fund for Property.

In 2021-22, the Circuit spent £3,370 on office and administrative costs, and £12,239 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.

Overall, after allowing for gains and losses on investments, income in 2021-22 exceeded expenditure by £8,378. In 2020-21 income 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 in 2021-22 exceeded in income by £13,059.

### **Fixed Assets: Properties**

At 31 Aug 2022 the Circuit had seven properties (one more than at 31 Aug 2021). Four manses were occupied by ministers; the manse at Chepstow Road, Newport was vacant and awaiting sale; the manse at Caldicot was leased to a private tenant; the former manse attached to St David's Church, Ty Sign was used as a Resource Centre for mission in the Ty Sign, Risca and Crosskeys areas. The combined value of the properties at 31 August 2022 was £2,200,526 compared with £1,765,830 at 31 August 2020.

### **Fund Balances**

The General Fund, at 31 August 2022, comprised the Circuit's current and deposit account balances (net of debtors and creditors) of £81,292 and the Circuit Model Trust Fund of £50,825. During 2021-22, the General Fund decreased by £57,580. Restricted, designated and endowment funds decreased altogether by £33,034 so that total reserves decreased by £90,614. The main reason for these movements was that money was withdrawn from the reserves to help fund the purchase of the new manse at 8 Soane Close, Rogerstone.

In July 2022, the Circuit took out a bridging loan of £325,000 from Methodist Chapel Aid to fund the remaining costs of purchasing the new manse. The loan was repayable after one year. In the event, the bridging loan was repaid in December 2022 following the sale of 608, Chepstow Road, Newport.

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 2022 the Circuit General Fund stood at 48% of annual expenditure. The overall level of the reserves is therefore satisfactory.

### **Plans for 2022-23**

Circuit financial plans were prepared for 2022-23 on the basis that there would be three full-time and one part-time ordained ministers. Provision was made for the costs of lay employees and anticipated increases in stipends. Allowance was made for the costs of selling 608 Chepstow Road, including interest payments on the bridging loan. It was assumed that letting income would be received from two manses. Assessments were decreased by an average of 3.9% compared with the assessment offers for 2020-21 in agreement with the Circuit churches.

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

The Charity's annual report and accounts for the year ended 31 August 2022 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 2021-22**

Active Circuit Ministers	Rev G Gresswell (Superintendent)	
	Rev L Jones	Rev B Willers
	Rev P Chesworth (from Mar 22)	Rev P Rose Parish (URC)
	Rev L Healey (to Jun 22)	
Circuit Stewards	Mrs M Ham	Mr K Harvey
	Mr M Strange	Mr M Roberts
	Miss P Blakemore	Mr J Healey (to Jun 22)
	Mr R Bafico	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
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### **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, Penyaemawr, 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.

### **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 manses 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.

Name of Circuit

Newport &amp; Lower Wye Methodist Circuit

Circuit No 02/19

**Statement of Financial Activities (SOFA) for the year ended 31 August 2022**

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22	Total 2020-21
		£	£	£	£	£	£	£
<b>Income</b>								
1 Donations and legacies	4						0	0
2 Income from monetary investments		300	570	19	459		1,348	842
3 Income from investment properties	5	14,550					14,550	8,400
4 Assessments on Churches	6	255,244					255,244	278,589
5 Capital Receipts	7						0	0
6 Grants received	8				10,000		10,000	23,927
7 Other charitable income	9	15,739					15,739	15,334
<b>8 Total income</b>		<b>285,833</b>	<b>570</b>	<b>19</b>	<b>10,459</b>	<b>-</b>	<b>296,881</b>	<b>327,092</b>
<b>Expenditure</b>								
9 Grants and donations	10	14,448	7,139	1			21,588	7,633
10 Salaries and associated costs	11	148,353			13,355		161,708	176,740
11 Property maintenance	12	32,805	970	-		-	33,775	51,436
12 Connexional assessment & model trust levy	13	45,806					45,806	45,582
13 District assessment & levy	13	5,772	4,153				9,925	12,347
14 Depreciation							0	0
15 Office expenses	14	2,767	379	-	224		3,370	2,702
16 Other outgoings	15	12,239					12,239	21,787
<b>17 Total charitable expenditure</b>		<b>262,190</b>	<b>12,641</b>	<b>1</b>	<b>13,579</b>	<b>0</b>	<b>288,411</b>	<b>318,227</b>
18 Gains/(losses) on monetary investments	16		(64)			(28)	-92	248
19 Gains/(losses) on investment properties	18						0	55,000
<b>20 Net income/(expenditure)</b>		<b>23,643</b>	<b>(12,135)</b>	<b>18</b>	<b>(3,120)</b>	<b>(28)</b>	<b>8,378</b>	<b>64,113</b>
21 Transfers between funds	17	100,004	(70,100)	(4)	(29,900)		0	0
22 Other gains/(losses)	18	14,696					14,696	0
<b>23 Net movement in funds</b>		<b>138,343</b>	<b>(82,235)</b>	<b>14</b>	<b>(33,020)</b>	<b>-28</b>	<b>23,074</b>	<b>64,113</b>
24 Total funds brought forward		1,818,475	133,060	826	102,559	794	2,055,714	2,292,953
<b>25 Total funds carried forward</b>		<b>1,956,818</b>	<b>50,825</b>	<b>840</b>	<b>69,539</b>	<b>766</b>	<b>2,078,788</b>	<b>2,357,066</b>

Name of Circuit

Newport &amp; Lower Wye Methodist Circuit

Circuit No

02/19

**Balance Sheet as at 31 August 2022**

Notes to the Accounts		General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2021/22 £	Totals 2020/21 £
<b>Fixed Assets</b>								
Circuit Manses & Equipment	19	1,765,526					1,765,526	1,325,830
Investment properties	19	435,000					435,000	435,000
Investments	20		945			589	1,534	1,625
<b>Total fixed assets</b>		<b>2,200,526</b>	<b>945</b>	<b>0</b>	<b>0</b>	<b>589</b>	<b>2,202,060</b>	<b>1,762,455</b>
<b>Current Assets</b>								
Debtors	21	12,814					12,814	11,251
Loans by the Circuit	22						0	0
Investments with TMCP	20		49,880		48,760	177	98,817	210,758
Central Finance Board Deposits	23	71,284		840	21,578		93,702	88,260
Cash at Bank and in hand	23	37,298					37,298	31,759
<b>Total current assets</b>		<b>121,396</b>	<b>49,880</b>	<b>840</b>	<b>70,338</b>	<b>177</b>	<b>242,631</b>	<b>342,028</b>
<b>Current liabilities</b>								
Creditors (due in under 1 year)	24	40,104			799		40,903	48,769
Loan repayable within 2022-23	25	325,000					325,000	0
<b>Total current liabilities</b>		<b>365,104</b>	<b>0</b>	<b>0</b>	<b>799</b>	<b>0</b>	<b>365,903</b>	<b>48,769</b>
<b>Net current assets/liabilities</b>		<b>-243,708</b>	<b>49,880</b>	<b>840</b>	<b>69,539</b>	<b>177</b>	<b>-123,272</b>	<b>293,259</b>
<b>Total assets less current liabilities</b>		<b>1,956,818</b>	<b>50,825</b>	<b>840</b>	<b>69,539</b>	<b>766</b>	<b>2,078,788</b>	<b>2,055,714</b>
<b>Long term liabilities (due after more than one year)</b>								
Grants payable after 2022-23	26						0	
Loans to the Circuit							0	
<b>Net assets</b>		<b>1,956,818</b>	<b>50,825</b>	<b>840</b>	<b>69,539</b>	<b>766</b>	<b>2,078,788</b>	<b>2,055,714</b>
<b>Funds of the Circuit</b>								
General Fund (Unrestricted)		1,956,818					1,956,818	1,818,475
Circuit Model Trust Fund (Unrestricted)			50,825				50,825	133,060
Designated Funds (Unrestricted)				840			840	826
<b>Total Unrestricted Funds</b>							<b>2,008,483</b>	<b>1,952,361</b>
Restricted Funds					69,539		69,539	102,559
Endowment Funds						766	766	794
<b>Total Funds</b>		<b>1,956,818</b>	<b>50,825</b>	<b>840</b>	<b>69,539</b>	<b>766</b>	<b>2,078,788</b>	<b>2,055,714</b>

Signed

*RMA*

## Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2022 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 ..... *RJM* ..... Date 7 December 2022

Name and address of treasurer ... Roger John Langford, Spindlewood, 122 Hereford Road

MONMOUTH, Monmouthshire ..... Post Code...NP25 3GD

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were/will \* be presented to the Circuit meeting held on: 8 December 2022

Signature of the Chair of the meeting: *Susan Keegan von Allmen* .....

Name of the Chair of the meeting: Rev Sue Keegan von Allmen Date *29/3/2023* .....

## 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 2022 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

Name of Circuit ..... Newport and Lower Wye Methodist Circuit .....

No...02/19

### 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.

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 i.e. all R&P accounts*
- the trustees' annual report is not consistent with the accounts *Delete if not applicable i.e. 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 Mr R J Lewin



Name of independent examiner: .....

Relevant professional qualification of independent examiner: *L.C.A.E.W. CHARTERED ACCOUNTANT*

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

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

Post Code: NP16 6HN

Date: *6th FEBRUARY 2023*

\* delete or circle as appropriate

September 2022

Year ending 31 August 2022

**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]**

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 2022, 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 2022

**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 2022

**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 2022

## 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:** His 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 2022

### **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

**INSERT SOFA AND BALANCE SHEET FOR 2021-22**

Year ending 31 August 2022

### **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 2021-22 compared with those for 2020-21. No restatements were necessary and a reconciliation of opening balances is therefore not required.

Year ending 31 August 2022

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

No donations or legacies were received in 2021-22 or 2020-21.

**5. Income from investment properties**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow- ment	2022 Total	2021 Total
Lettings - 27 Church Road, Caldicot	14,550					14,550	8,400
<b>Total</b>	<b>14,550</b>	-	-	-	-	<b>14,550</b>	<b>8,400</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.

**6. Assessments on Churches**

The following 19 churches were linked to the Circuit during 2021-22:

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 Methodist Church, Newport
Langstone Methodist Church	

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 2021-22 assessments by 31 August 2022 except for one church from which £851 was outstanding (2020-21 £1,207).

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 2021-22 or 2020-21.

Year ending 31 August 2022

**Notes to the Accounts****8. Grants received**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2022 Total	2021 Total
Wales Synod						-	10,000
NLW Circuit and Churches				10,000		10,000	10,000
Caerphilly Council						-	3,927
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>23,927</b>

Since December 2020, the Circuit has been coordinating a project to employ a lay family worker in some of the churches in Newport. In 2021-22 the project received donations of £3,999 from St Julian's Methodist Church, £2,668 from Bishpool Ringland Methodist Church and £3,333 from the Circuit. (In 2020-21 the project received donations of £10,000 from the Wales Synod and £3,333 each from St Julian's Methodist Church, Bishpool Ringland Methodist Church and the Circuit.)

In 2020-21 the Circuit also received £3,927 from St David's Methodist Church, Ty Sign and Caerphilly Council for the improvement of community facilities at The Centre @ St David's, Ty Sign.

**9. Other charitable income**

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2022 Total	2021 Total
Letting income	14,328					14,328	-
Other income	1,411					1,411	15,334
<b>Total</b>	<b>15,739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,739</b>	<b>15,334</b>

The manse at Hilltop, Newport Road, Chepstow was occupied throughout 2021-22 by a former presbyter of the Circuit, whose letting and manse costs were paid by the Methodist Church Fund.

Year ending 31 August 2022

**Notes to the Accounts****10. Grants and donations given**

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

	Unres- tricted	CMTF	Desig- nated	Rest- ricted	Endow -ment	2022 Total	2021 Total
Circuit Churches:							
Chepstow							
(Toddler Worker)	3,000					3,000	3,000
Chepstow (New Boiler)	4,500					4,500	-
Bishpool (Roofing)	2,000					2,000	-
Other Church Projects						-	-
Pension Reserve Fund		7,139				7,139	-
Newport Family Worker	3,333					3,333	3,333
Leaders of Worship and							
Preachers Trust	315					315	800
The Methodist Church							
Property Fund	500					500	500
Other donations	800		1			801	-
<b>Total</b>	<b>14,448</b>	<b>7,139</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>21,588</b>	<b>7,633</b>

The night shelters at Crosskeys and St Julian's did not run in 2021-22 but the Circuit donated £800 to Eden Gate, a Newport charity working with the homeless. For the Pension Reserve Fund, see also Note 11.2.

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

	Pres- byters	Lay People	Unres- tricted	CMT Fund	Desig- nated	Rest- ricted	Endow -ment	2022 Total	2021 Total
Gross stipends and salaries	86,894	24,914	100,420			11,388		111,808	129,139
Employer's NI contributions	7,918	365	7,918			365		8,283	10,277
Pension costs	22,542	1,495	23,354			683		24,037	28,885
Payroll Bureau fee		480	480					480	480
Apprenticeship levy	435	125	560					560	649
Travel	8,316	25	8,341					8,341	4,169
Telephone	2,603	120	2,603			120		2,723	2,809
Stationing and relocation costs	3,965		3,965					3,965	-
Other expenses	712	799	712			799		1,511	332
<b>Total</b>	<b>133,385</b>	<b>28,323</b>	<b>148,353</b>	<b>-</b>	<b>-</b>	<b>13,355</b>	<b>-</b>	<b>161,708</b>	<b>176,740</b>

Year ending 31 August 2022

**Notes to the Accounts**

Average staff nos employed in year	3.5	3.0	5.5	1.0	6.5	6.8
(full-time equivalent staff)	3.3	1.3	4.0	0.6	4.6	5.4

In 2021-22 there were three full-time Presbyters in the Circuit (including the Superintendent) and one part-time Presbyter who joined halfway through the year. The average number of presbyters employed was 3.5 (2020-21: 4.0) or 3.3 full-time equivalents (2020-21 4.0). The Circuit employed three part-time lay employees; a Circuit administrator a mission developer at Ty Sign and a Newport family worker. The average number of lay employees was 3.0 (2020:21 2.8) or 1.3 full-time equivalent staff (2020-21 1.4).

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 in surplus in August 2021 and August 2022, and the Pension Reserve Fund has been strengthened with the help of donations from Districts, Circuits and Churches, including a donation of £7,139 from the Newport & Lower Wye Circuit.

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:

Year ending 31 August 2022

**Notes to the Accounts**

<b>Cost of Presbyters</b>	<b>2022</b>	<b>2021</b>
Stipends of Presbyters	86,894	105,324
Employers' National Insurance contributions	7,918	9,794
Employer's pension contributions to a defined benefit pension scheme	22,542	27,464
Apprenticeship levy	435	530
<b>Total</b>	<b>117,789</b>	<b>143,112</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. No sabbatical leave was taken during the year 2021-22 (2020-21 no sabbaticals). The Circuit does not accrue for holiday pay cover since the remaining staff cover the presbyter's absence as needed without 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.

**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.

Until 1 June 2022 pastoral and ministerial care at Caldicot and Rogiet Churches was provided under contract (as detailed in Note 15) by a supernumerary minister who was also a member of the Circuit Meeting. Since 1 June, it has been provided by one of the presbyters.

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 2021-22. One other member of the Circuit Meeting received £630 for professional services in connection with a quinquennial inspection (2020-21: no payments).

In addition, CLT and Circuit Meeting members may sometimes be reimbursed for travel or computing costs incurred in the work of the Circuit. In 2021-22 one CLT member was reimbursed for travel costs incurred in the work of the Circuit (2020-21: no payments).



Year ending 31 August 2022

**Notes to the Accounts**

<b>Trustees' expenses</b>	<b>2022</b>	<b>2021</b>
Number of trustees who were paid expenses	1	0
Total amount paid (£)	50	0

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.

	<b>Unres- Tricted</b>	<b>CMTF</b>	<b>Desig- nated</b>	<b>Rest- ricted</b>	<b>Endow- ment</b>	<b>2022 Total</b>	<b>2021 Total</b>
<b>Expenditure on Manses:</b>							
Manse maintenance	9,262					<b>9,262</b>	28,910
Council Tax	9,818					<b>9,818</b>	10,239
Water charges	3,740					<b>3,740</b>	3,757
Insurance	3,136					<b>3,136</b>	3,119
Gas and electricity	1,817					<b>1,817</b>	1,647
Other charges							
<b>Sale of Manses:</b>							
Legal and Professional Fees	1,868	970				<b>2,838</b>	-
<b>Other Property Expenses:</b>							
Quinquennial reviews	630					<b>630</b>	1,500
Castleton graveyard	130					<b>130</b>	280
Gwern-Y-Saint church	949					<b>949</b>	899
Letting expenses - Caldicot	1,455					<b>1,455</b>	1,085
<b>Total</b>	<b>32,805</b>	<b>970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,775</b>	<b>51,436</b>

During the year the Circuit was responsible for the maintenance of seven 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.

In 2021-22 the Circuit purchased a new manse at 8, Soane Close, Rogerstone, Newport. £5,786 was spent on refurbishing this manse in preparation for occupation by a minister and £3,476 on maintaining the other 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.)

In 2021-22 the Circuit spent £2,838 on professional and legal fees in connection with the purchase of 8 Soane Close and the sale of 608 Chepstow Road, Newport.

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

Year ending 31 August 2022

**Notes to the Accounts**

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>Unres-tricted</b>	<b>CMTF</b>	<b>Desig-nated</b>	<b>Rest-riected</b>	<b>Endow-ment</b>	<b>2022 Total</b>	<b>2021 Total</b>
Connexional assessment	45,806					<b>45,806</b>	45,582
Connexional Priority Fund levy	-					-	-
<b>Total</b>	<b>45,806</b>	-	-	-	-	<b>45,806</b>	<b>45,582</b>

The Connexional Priority Fund levy is taken from the proceeds of the sale of former manses. No levy was charged during the current year and none in 2020-21

<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>2022 Total</b>	<b>2021 Total</b>
District assessment	5,772					<b>5,772</b>	6,417
District Advance Fund levy	-	4,153				<b>4,153</b>	5,930
<b>Total</b>	<b>5,772</b>	<b>4,153</b>	-	-	-	<b>9,925</b>	<b>12,347</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>2022 Total</b>	<b>2021 Total</b>
Conference minutes and materials	621					<b>621</b>	635
Circuit Stewards' and Circuit officers' expenses	50					<b>50</b>	-
Printing, postage, stationery and computing supplies	1,524					<b>1,524</b>	1,109
Office equipment	-					-	-
Office telephone, broadband and website	214					<b>214</b>	234
Independent Examiner's fee	275					<b>275</b>	275

Year ending 31 August 2022

**Notes to the Accounts**

TMCP Administration and Investment Management fees	-	379		224		<b>603</b>	434
Other admin costs	83					<b>83</b>	15
<b>Total</b>	<b>2,767</b>	<b>379</b>	<b>-</b>	<b>224</b>	<b>-</b>	<b>3,370</b>	<b>2,702</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 £603 to TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund, Mary A Curtis Bequest and Kelly Legacy) (2020-21: £434). The fees charged represent a levy of 0.285% 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**

	Unres- Tricted	CMTF	Desig- nated	Rest- ricted	Endow- -ment	2022 Total	2021 Total
<b>Preaching and worship:</b>							
Local preacher's expenses	342					<b>342</b>	15
Supernumerary ministers' fees and expenses	3,557					<b>3,557</b>	2,386
Circuit Plan and Handbook						<b>0</b>	0
Pastoral Care	6,456					<b>6,456</b>	17,000
<b>Other Expenses:</b>							
Training						<b>0</b>	-
Events	308					<b>308</b>	-
URC transport and travel						<b>0</b>	436
Miscellaneous	1,576					<b>1,576</b>	1,950
<b>Total</b>	<b>12,239</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,239</b>	21,787

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. Until 1 June 2022, the Circuit established a contract with a supernumerary minister to provide pastoral and ministerial care at Caldicot and Rogiet following the retirement of Rev Preben. Since 1 June, it has been provided by one of the Circuit presbyters. The Circuit has also paid Dan-Y-Graig Church a contribution towards the URC minister's telephone and travel costs and other expenses.

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

There were total net losses on monetary investments of £92 in 2021-22 compared with net gains of £248 in 2020-21. A detailed breakdown is immaterial. See also Notes 20 and 27 below.

Year ending 31 August 2022

**Notes to the Accounts****17. Transfers between funds**

Transfers between funds	Unres- Tricted	CMTF	Desig- nated	Rest- ricted	Endow- ment	2022 Total	2021 Total
Funding for purchase of manse at 8 Soane Close	100,000	(70,100)		(29,900)		0	-
Other transfers	4		(4)				
<b>Total</b>	<b>100,004</b>	<b>(70,100)</b>	<b>(4)</b>	<b>(29,900)</b>	<b>-</b>	<b>0</b>	<b>0</b>

During the current year, £70,100 was transferred from the Circuit Model Trust Fund and £29,900 from the restricted fund for manse expenses to help pay for the new manse at 8 Soane Close, Rogerstone. The other costs of the purchase were covered by a bridging loan (See also Note 25).

**18. Gains and losses on investment properties and other gains and losses**

There were other gains of £14,696 in 2021-22 because of the revaluation of the manse at 608 Chepstow Road, Newport (see Note 19).

**19. Manses and other property**

At 31 Aug 2022 the Circuit had seven properties (one more than at 31 Aug 2021). Four manses were occupied by ministers; the manse at Chepstow Road, Newport was vacant and awaiting sale; the manse at Caldicot was leased to a private tenant; the former manse attached to St David's Church, Ty Sign was used as a Resource Centre for mission in the Ty Sign, Risca and Crosskeys areas.

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

The value of the manse at 608 Chepstow Road, Newport was revised in August 2022 in line with a surveyor's report. This resulted in a revaluation gain of £14,696.

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. Where no other information exists, the value of the manses has been apportioned between land and buildings on the basis of this information.

Recent valuations (2015 or later) are available for the six manses at Charles Close, Monmouth, St Julian's Avenue, Newport, Soane Close, Newport, Chepstow Road, Newport, Church Road, Caldicot and Newport Road, Chepstow, and these valuations have been taken as the deemed value of these manses. The former manse attached to St David's Church, Ty Sign has been valued at its insured values at August 2016.

Year ending 31 August 2022

**Notes to the Accounts****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	2022 Total	2021 Total
Balance brought forward	435,000	338,958	825,978	160,894				1,760,830	1,705,830
Additions in the year		165,000	260,000					425,000	
Revaluations		3,674	11,022					14,696	55,000
Less: Disposals in the year									
Transfers between categories									
<b>Balance carried forward</b>	<b>435,000</b>	<b>507,632</b>	<b>1,097,000</b>	<b>160,894</b>				<b>2,200,526</b>	<b>1,760,830</b>

**19.2 Accumulated depreciation and impairment provision**

Basis Rate			N/A	N/A	N/A	N/A
		-	-	-	-	-
Balance brought forward	-	-	-	-	-	-
Depreciation charge for year						
Revaluations						
Disposals						
Transfers						
<b>Balance carried forward</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**19.3 Net book value**

Brought forward	435,000	338,958	825,978	160,894	-	-	-	1,760,830	1,705,830
<b>Carried forward</b>	<b>435,000</b>	<b>507,632</b>	<b>1,097,000</b>	<b>160,894</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,200,526</b>	<b>1,760,830</b>

**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.

Year ending 31 August 2022

**Notes to the Accounts**

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>Desig- nated</b>	<b>Rest- ricted</b>	<b>Endow- ment</b>	<b>2022 Total</b>	<b>2021 Total</b>
CFB Managed Mixed Funds		945				<b>945</b>	1,008
COIF Charities Investment Fund					589	<b>589</b>	617
<b>Total Investment Assets</b>	<b>0</b>	<b>945</b>	<b>0</b>	<b>0</b>	<b>589</b>	<b>1,534</b>	1,625
TMCP Trustees Interest Funds		49,880		48,760	177	<b>98,817</b>	210,758
<b>Total</b>	<b>0</b>	<b>50,825</b>	<b>0</b>	<b>48,760</b>	<b>766</b>	<b>100,351</b>	212,383

**21. Debtors and Prepayments**

All sums shown as debtors on 31 August 2021 were received during the following year. All sums paid in advance at 1 September 2021 were for events that have been held during 2021-22. Similarly, it is expected that all payments in advance at 1 September 2022 will be expended in 2022-23.

<b>Debtors and Prepayments</b>	<b>Unres- Tricted</b>	<b>CMTF</b>	<b>Desig- nated</b>	<b>Rest- ricted</b>	<b>Endow- ment</b>	<b>2022 Total</b>	<b>2021 Total</b>
Stipends, pensions and NI paid in advance	10,959					<b>10,959</b>	9,057
Accrued Income	851					<b>851</b>	1,207
Other debtors	1,004					<b>1,004</b>	987
<b>Total</b>	<b>12,814</b>	-	-	-	-	<b>12,814</b>	11,251

**22. Loans by the Circuit**

The Circuit has no outstanding loans at 31 August 2022 (2021: £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.

<b>Bank balances and cash in hand</b>	<b>Unres- Tricted</b>	<b>CMTF</b>	<b>Desig- nated</b>	<b>Rest- ricted</b>	<b>Endow- ment</b>	<b>2022 Total</b>	<b>2021 Total</b>
Central Finance Board Deposits	71,284		840	21,578		<b>93,702</b>	88,260
Balance held at HSBC	37,098					<b>37,098</b>	30,933
Balance held at Nationwide						<b>0</b>	826
Cash in hand	200					<b>200</b>	0
<b>Total</b>	<b>108,582</b>	-	<b>840</b>	<b>21,578</b>	-	<b>131,000</b>	120,019

Year ending 31 August 2022

**Notes to the Accounts**

During 2021-22 the income funds from the Charity of William Richards were transferred from an account at the Nationwide Building Society to a deposit account at CFB.

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

All sums accrued at 31 August 2021 were paid before 31 August 2022. Similarly, it is expected that all sums accrued at 31 August 2022 will be paid by 31 August 2023.

<b>Current Liabilities</b>	<b>Unres- Tricted</b>	<b>CMTF</b>	<b>Desig- nated</b>	<b>Rest- ricted</b>	<b>Endow ment</b>	<b>2022 Total</b>	<b>2021 Total</b>
Church assessments paid in advance	37,582					<b>37,582</b>	43,418
Assessments paid late	(2,486)					<b>(2,486)</b>	
Ministers and staff expenses	744					<b>744</b>	471
Other expenses	544					<b>544</b>	1,109
Stipends, pension and NI						<b>0</b>	-
Taxation and Social Security						<b>0</b>	-
Other creditors	3,720			799		<b>4,519</b>	3,771
<b>Total</b>	<b>40,104</b>	-	-	<b>799</b>	-	<b>40,903</b>	48,769

**25. Loans to the Circuit repayable in 2022-23**

The Circuit took out a bridging loan for £325,000 from Methodist Chapel Aid to help in the purchase of 8 Soane Close, Rogerstone. The loan was repayable in July 2023 (2021: no loans). [In the event, the bridging loan was repaid in December 2022 following the sale of 608, Chepstow Road, Newport.]

**26. Grants payable in 2022-23**

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 2022-23 for a project at Chepstow Methodist Church.. The Circuit has also allocated a budget of £1,150 in 2022-23 to support the night shelters at St Julians and Crosskeys and make small donations. Sufficient funds are available within the General Fund to support these grants. The Circuit has also allocated £30,000 from the Mary A Curtis Bequest to support an outreach project in Monmouth.

**27. Commitments in 2022-23**

In 2022-23 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 (£8,418) and a Local Preacher Tutor (£3,000) from its General Fund.

Year ending 31 August 2022

**Notes to the Accounts****28. 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 (Income)	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 - 2021-22**

Funds	Balance at 31/8/21	Income	Expenditure	Transfers	Gains / Losses	Balance at 31/8/22
General Fund	1,818,475	285,833	(262,190)	100,004		<b>1,942,122</b>
Circuit Model Trust Fund	133,060	570	( 12,641)	( 70,100)	( 64)	<b>50,825</b>
<b>Total unrestricted &amp; undesignated</b>	<b>1,951,535</b>	<b>286,403</b>	<b>(274,831)</b>	<b>29,904</b>	<b>( 64)</b>	<b>1,992,947</b>
William Richards (Income)	826	19	( 1)	( 4)		<b>840</b>
<b>Total designated</b>	<b>826</b>	<b>19</b>	<b>( 1)</b>	<b>( 4)</b>	<b>0</b>	<b>840</b>
Vera Holt (CFB 020)	1,859	8				<b>1,867</b>
Mary A Curtis Bequest (21224)	48,528	228	( 138)			<b>48,618</b>
Manse Expenses	30,000	128	( 86)	( 29,900)		<b>142</b>
Newport Family Worker (030)	22,172	10,095	( 13,355)			<b>18,912</b>
<b>Total restricted</b>	<b>102,559</b>	<b>10,459</b>	<b>( 13,579)</b>	<b>( 29,900)</b>	<b>0</b>	<b>69,539</b>
Kelly Legacy	177	1	(1)			<b>177</b>
Charity of William Richards	617				( 28)	<b>589</b>
<b>Total endowments</b>	<b>794</b>	<b>1</b>	<b>(1)</b>	<b>0</b>	<b>( 28)</b>	<b>766</b>
<b>Total of All Funds</b>	<b>2,055,714</b>	<b>296,881</b>	<b>(288,412)</b>	<b>0</b>	<b>( 92)</b>	<b>2,064,092</b>



Year ending 31 August 2022

**Notes to the Accounts****Summary of Fund Movements - 2020-21 (for comparison)**

<b>Funds</b>	<b>Balance at 31/8/20</b>	<b>Income</b>	<b>Expend- iture</b>	<b>Transfers</b>	<b>Gains / Losses</b>	<b>Balance at 31/8/21</b>
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 (Income)	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>1,991,601</b>	<b>327,093</b>	<b>(318,228)</b>	<b>0</b>	<b>55,248</b>	<b>2,055,714</b>

**29. Related Parties**

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 2022**

<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 31.08.22</b>
Wales Synod District	Donee	Assessment and Levy		9,925		
Methodist Church Connexion	Donee	Assessment		45,806		
Churches within NLW Circuit	Donor	Assessment	255,244			
Churches within NLW Circuit	Donee/ Donor	Grant / Donation	6,667	9,500		
Methodist Church Fund for Property	Donee	Donation		500		
Leaders of Worship and Preachers Trust	Donnee	Donation		314		
Pension Reserve Fund	Donee	Grant		7,139		
Methodist Church Connexion	Donor	Letting	14,328			
Trust for Methodist Church Purposes	Donee	Admin Charge		603		
<b>Total</b>			<b>276,239</b>	<b>73,787</b>	<b>0</b>	<b>0</b>

Year ending 31 August 2022

**Notes to the Accounts****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 31.08.21</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>

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.

**CIRCUIT MEETING MEMBERSHIP 2021-22**

MINISTERS

Reverend Gordon Gresswell  
 Reverend Lesley Jones  
 Reverend Bethany Willers  
 Reverend Paul Chesworth (from March 2022)  
 Reverend Paula Parish-Foley

MINISTERS IN OTHER APPOINTMENTS

SUPERNUMERARY MINISTERS

Reverend Linda Healey

LAYWORKERS

Pauline Farr  
 Deborah Crahart  
 Tim Crahart

CIRCUIT STEWARDS

Miriam Ham  
 Keith Harvey  
 Jack Healey (to June 2022)  
 Roger Bafico  
 Penny Blakemore  
 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 (now deceased)
		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	Ray Jeremiah
		Rep 2	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 (to January 2022)
	Rep 5	Allan Strange (from March 2022)
Church 6 Monmouth	Rep 1	Ann Langford
	Rep 3	Elizabeth Hicks (to September 2021)
	Rep 4	David Evans (from October 2021)
Church 7 Gwehelog	Rep 1	Margaret Jenkins
Church 8 Gwern-y-Saint	Rep 1	(Closed)
Church 9 Trellech	Rep 1	Pam Lloyd
	Rep 2	Nassim Hilu (to June 2022)
	Rep 3	Jacqueline Horrod-Tottem (from July 2022)
Church 10 Llancloudy	Rep 1	Arthur Isaac
Church 11 Broad Oak	Rep 1	Robin Hill
Church 12 St Julian's	Rep 1	Simon Oram
	Rep 2	Karen Symonds
	Rep 3	Sian Llewellyn
	Rep 4	Gill Benson
	Rep 5	Edwin Jones
Church 13 Shaftesbury	Rep 1	Gertrude Goma
	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	Miriam Ham
	Rep 2	Roger Bafico
	Rep 3	Margaret Nicholas
	Rep 4	Martin Lougher
	Rep 5	John Mountford
	Rep 6	Pat Dicker
	Rep 7	Ann Mackie
Church 16 St David's	Rep 1	Irene Scowcroft
	Rep 2	Deborah Crahart
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	Sue Davies
	Rep 2	Ingrid Smith
Church 19 Dan-y-Graig	Rep 1	Carol Aldridge
	Rep 2	Sarah-Jane Jones