SHROPSHIRE & MARCHES METHODIST CIRCUIT

England & Wales · Charity number 1139091

Details

Status	Registered
Legal form	Other
Registered	2010-11-18
Register	View on the Charity Commission register

Contact

Address	The Methodist Centre Lansdowne Road Bayston Hill Shrewsbury SY3 0HZ
Phone	01743 874923
Email	circuitoffice2803@gmail.com
Website	www.shropshireandmarches.org.uk

Activities

Objects: 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 THE 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

Activities: The Circuit exists to encourage and support the ministry/mission of all the churches in its care. The Circuit will seek to provide resources to enable the identification, training and support of leaders and preachers, while encouraging every member to be engaged in the mission priorities of the local congregation.

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Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Herefordshire
- Powys
- Shropshire
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,501,626	£1,049,933	£4,718,248	16
2024-08-31	£1,626,968	£1,073,545	£4,243,519	17
2023-08-31	£866,710	£824,068	£4,491,305	17
2022-08-31	£845,625	£758,552	£4,139,682	15
2021-08-31	£673,352	£763,109	£3,808,861	17

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Trustees

Name	Role	Appointed
RICHARD HALL	Chair	2013-09-03
ADRIAN JOHN WILLIAMS		
ANN THREADGOLD		2024-08-30
Amanda Claire Cockayne		2016-08-12
Andrew David Dutton		2016-11-11
BARRY ROBERTS		2012-03-15
Barbara Hallworth		2017-09-01
Barbara Wise		2018-10-31
Beryl Snow		2022-09-10
CHRISTOPHER PAUL JENNINGS		2016-08-17
Cherry Hayward		2023-07-18
Chesworth, Revd Jonathan R		
Christopher Kennett		2015-03-06
Claire Evans		2015-09-01
DILYS JONES		2011-10-12
DORIS ROBERTS		2011-10-26
David Barnard Gwatkin		2016-08-12
David Ernest Eccleshall		2010-09-01
David Evans		2026-03-05
David Smith		2023-05-24
Davies, Mrs Anne		2016-08-23
Davies, Mrs Dorothy		
Deacon Carys Woodley		2019-09-01
Dutton Mr David C		
EDITH JOYCE EVANS		2024-09-11
Elizabeth Ann Lewis		2016-01-26
Elizabeth Margaret Wright		2018-11-30

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Name	Role	Appointed
Elizabeth Ruth Knight		2016-08-12
GILLIAN ANN CARTWRIGHT		2016-08-31
HENRY ERNEST GEORGE WHITE		
Heather Shepherd		2023-07-18
Hilary LeFur		2026-05-27
IAN SKAIFE		2025-05-28
JOHN BARNARD GWATKIN		
JUDITH SCHOFIELD		2023-07-18
Jean Gwatkin		2014-09-17
Joanne Patricia Gibbon		2018-03-23
Joyce Williams		2023-07-18
Judith Vaughan		2024-07-28
Keith Edlington Mr		2018-11-26
Keith Morriss		2026-04-20
Ken Jackson		2025-02-10
LYNNE PATRICIA OWENS		2016-08-12
Lesley Marion Pitchford		2016-08-31
Linda Gilbride		2019-05-14
Linda Moores		2017-11-01
Lynne Bradley		2020-08-17
MARGARET OLWEN WOOD		
MICHAEL JOHN HALLWORTH		
MISS SUE MATHEWS		
MRS HEATHER MARGARET HOLT		
MRS Jean Dorsett		2016-08-12
Margaret Cecilia Turner		2016-08-12
Margaret Wright		2020-12-31
Marian Rees		2016-08-12

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Name	Role	Appointed
Michael Knight		2016-08-12
Nicholas Heard		2023-07-18
Norman John Brightwell		2022-09-05
Olwen Weller		2023-07-18
PATRICIA MORRISON		2011-11-08
PAUL JOHNSON		2011-10-26
PHILIP WILLIAM HARMER BSC MRSC		
Patricia Ann Edwards		2015-11-27
Paul Burnham		2020-11-17
Phillip John Purcell		2024-12-17
ROSEMARY YVONNE KILLICK		
Rev Denise Hargreaves		2023-09-01
Rev FRANCES CAROLINE BISEKER		
Rev George Heinz		2020-09-01
Rev Graham Horsley		2026-02-25
Rev Julia Skitt		2019-09-01
Rev Neil Richardson		2018-11-14
Rev Philip Summers		2024-08-31
Rev Shalome MacNeill Cooper		2017-09-11
Rev Sheila Macinally		2023-01-31
Rev WILLIAM HUBAND MA		2010-09-01
Robert Hill		2025-07-02
Rosemary Chrimes		2025-03-20
Ruth Maskell		2022-11-02
SANDRA MARY LEWIS		
Sally Elisabeth Williams		2016-08-12
Sharon O'Connell		2022-11-29
Stephen Thomas		2022-04-22

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Name	Role	Appointed
Susan Heard		2023-07-18
Susan Hill		2026-05-02
Susan Lammie		2023-07-18
Susan Taylor		2023-07-18
VALERIE ANNE KNOWLES		2016-08-12
Valerie Jean Littlehales		2016-08-12
Valerie Sheehy		2016-08-12
Victoria Leighton		2023-03-08
Vivienne Thomas		2022-04-10
Wilford, Mrs Brenda		2016-08-23
Zena Heyes		2023-07-18

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SHROPSHIRE & MARCHES METHODIST CIRCUIT

England & Wales - Charity number 1139091

Accounts

THE METHODIST CHURCH

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT AND ACCOUNTS
for the year ended 31 August 2025

Registered Charity number 1139091

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SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

ADMINISTRATIVE INFORMATION

Registered Charity Registration number 1139091

Presbyters
Hall, Rev'd. H Richard **
Arnold, Rev'd Paul ** (until 31.8.25)
Cooper, Rev'd Shalome M **
Hargreaves, Rev'd Denise (from 1.9.25)
Heinz, Rev'd George
Skitt, Rev'd Julia**
Summers Rev'd P
Woodley, Deacon G. Carys

Circuit Stewards
Davies, Mrs A
Evans, Mrs N C **
Gwatkin, John B
Hallworth, Mrs B
Knowles, Mrs V A **
Threadgold, Mrs A

Circuit Treasurer Eccleshall, Mr David **

Other Trustees
Bache, Mrs J (until 31.12.24)
Bayliss, G Mr (until 6.2.25)
Birch, Mrs Jean (until 31.12.24)
Biseker, Rev'd Frances C
Blanchard, Mr J.
Bradley Ms Lynne
Brightwell, N Mr
Burnham, Mr Paul
Cartwright, Mrs G
Chesworth. Rev'd J
Chidlow, Miss J (until 6.2.25)
Chrimes,Mrs Rosemary (from 20.3.25)
Cockayne, Mrs A C
Davies, Mrs Dorothy
Dorsett, Mrs J
Dutton Mr A D
Dutton, Mr David C.
Edlington, Mr Keith
Edwards, Mrs P A
Evans, Mrs E J (from 11.9.24)
Faulkner, Mrs Christine
Gibbon, Mrs J P
Gilbride Mrs Linda
Gwatkin, Mr David B
Gwatkin, Mrs Jean
Hallworth, Mr Michael J.
Harmer, Mr Philip W
Harrison-Koring Mrs R (until 9.1.25)
Heyes, Mrs Zena
Hayward, Mrs Cherry
Heard, Mr Nicholas
Heard, Mrs Susan
Holt, Mrs Heather M.
Hill, Robert (from 2.7.25)
Huband, Rev'd, William
Jackson, Mrs June (Until 6.2.25)
Jennings, Mr C P
Johnson, Mr Paul
Jones, Mrs Dilys
Jackson, Mr Kenneth (from 10.2.25)
Jones, Mr J C (until 6.2.25)
Jones, Mrs Sylvia M
Jones, Mr Haydn (until 11.11.24)
Kennett, Mr Christopher
Kennett, Mrs Mary (until 24.4.25)
Killick, Mrs R Y
Knight, Mrs E R
Knight, Mr M
Lammie, Mrs Susan
Leighton, Mrs Victoria
Lewis, Mrs E A
Lewis, Mrs Sandra M
Littlehales, Ms V J
Macinally, Rev'd S
Maskell, Mrs Ruth
Mathews, Miss Susan **
Moores, Mrs L
Morrison, Mrs Patricia
O'Connell. Ms S
Owens, Mrs Lynne P
Pickard Rev'd D (until 28.6.25)
Pitchford Miss L M
Price, Miss Heather G.
Pritchard, Mrs Catherine M
Pritchard, Mrs E (until 25.8.25)
Purcell, Mr Phillip (from 17.12.24)
Rees, Miss M
Richardson, Rev'd Neil
Roberts, Mr Barry
Roberts, Mrs Doris
Salmon, Mrs H H
Schofield, Miss J
Sheehy, Mrs V
Shepherd, Mrs Heather
Skaife, Mr Ian (from 28.5.25)
Smith, David Mr
Snow, Mrs Beryl
Taylor, Mrs S
Thomas, Mr Stephen
Thomas, Mrs Vivienne
Turner, Mrs M C
Vaughan, Mrs Judith
Wise, Mrs Barbara
Wood, Mrs Margaret O.
Wright Mrs E Margaret
Wright Mrs

Weller, Mrs Olwen	Williams, Mrs Jean (until 13.4.25)
White Mr Henry E G	Williams, Mrs Joyce
Wilford, Mrs B	Williams, Mrs S E (until 3.7.25)
Williams, Mr Adrian J **	Wilson, Mrs J (until 13.12.24)

Contact	Shropshire and Marches Methodist Circuit, The Methodist Centre, Lansdowne Road, Bayston Hill, Shrewsbury, SY3 0HZ
Governing Document	Deed of Union (1932) and Methodist Church Act (1976)

The Circuit is the primary unit within the Methodist Church in which Local Churches express and experience their interconnexion in the Body of Christ, for purposes of mission, mutual encouragement and help. It is constituted in accordance with Standing Orders set down in the Constitutional Practice & Discipline of the Methodist Church [C P D] that is updated each year by the Methodist Conference. The full C P D is available to view on the Methodist Church website via the following link: https://www.methodist.org.uk/for-churches/governance/cpd.

The Circuit Meeting is the appointed authority for the management of the Circuit and its constitution and composition is dictated by the terms laid down in Standing Orders within the C P D. The basis on which Churches are represented by Trustees is there too and the process ensures that each has a voice. The meeting is chaired by the Superintendent Minister who is effectively the Chief Executive Officer of the Circuit. The basis of decision making within the Circuit Meeting is set down within the C P D. The day to day operation of the Circuit is delegated to an Executive Committee which is also chaired by the Superintendent Minister. This Committee is constituted in a way that allows representation from Presbyteral and Lay individuals who are also drawn from across the Circuit geographically. The members of this Committee have been identified in the list of Trustees that appears earlier in this document.

Should advice and guidance be required this is available within the Connexional structure of the Methodist Church either from the Wolverhampton & Shrewsbury District or from the central Connexional Offices and Officials. Where it is appropriate and necessary reference is made to qualified Professionals. Financial and legal guidance is, where required, also available from the Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes.

REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements for the charity for the year ended 31st August 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Shropshire & Marches Methodist Circuit is an unincorporated charity, registered with the Charity Commission.

Trustees are not 'recruited' in the generally accepted sense. They are appointed to the Circuit Meeting in accordance with the requirements set down in the C P D. These include the basis on which each Church is represented at the Circuit Meeting. Whilst no formal training is in place the responsibilities of Trustees undertaking the role is communicated to them when they are first appointed. They have access to The Methodist Church website via https://www.methodist.org.uk/for-churches/office-holders/managing-trustees. This site is updated regularly.

In addition, Trustees are able to view various Charity Commission documents through the following links: https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do & https://www.charitygovernancecode.org/en

OBJECTS OF THE CHARITY

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 the 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'

REVIEW OF ACTIVITIES

In designing and monitoring the Charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit. The review of activities in the following sections demonstrates how the Charity has provided benefit directly to the individual churches in the Circuit and thereby to the congregations of those churches and other sections of the community in the area.

General Review

2024/25 was another year of significant challenge and reflection for the Circuit, with renewed focus on clarifying our mission and future direction. Across the year there was strong agreement that the heart of the church is its people rather than its buildings, and that our resources should increasingly support mission and outreach.

It has been agreed that a greater proportion of income from property sales should be directed towards this aim with work being undertaken to establish specific priorities. Innovative projects such as the Mobile Outreach Trailer and the Borderland Rural Chaplaincy continue to demonstrate what mission can look like in our rural context, and online worship through Zoom and onlinechapel.uk is now an established part of our ministry.

The year also brought several staffing changes, including the arrival of Rev'd Phil Summers, the retirement of Revd Paul Arnold, the long-term illness of Rev'd Shalome MacNeill Cooper, and the Circuit's decision to seek an extension for Rev'd Richard Hall's ministry. There will be a process to find a replacement minister for Rev Julia, following her intention to move on in 2026.

Membership trends continue to present difficulties, with a shortage of volunteers, an ageing profile, and limited capacity for some ministries, particularly Holy Communion. Nevertheless, valuable connections with younger families remain, including through the Mobile Outreach Trailer, Toddler groups, and early-years provision.

Financially, the Circuit remains under some pressure. Although reserves are healthy due to property sales, day-to-day income does not meet expenditure. While using capital to support ministry is not sustainable indefinitely, it was recognised that achieving a balanced budget by cutting mission and ministry would be contrary to our calling.

The Circuit also made substantial progress on property reconfiguration, with several churches merging to form stronger multi-site congregations. These changes reflect a deliberate shift away from maintaining numerous buildings and towards sustaining a more flexible, mission-focused Circuit.

Overall, 2024/25 was marked by honest assessment, difficult decisions, and a shared commitment to shaping a Circuit fit for the future—one that prioritises mission, supports its people, and uses its resources wisely for the work of God.

Post Balance Sheet Event

With Effect from 1 September 2025 the circuit is a member of the newly created west midlands district of the Methodist church. The district has been established by a merger of Birmingham District and Wolverhampton & Shrewsbury District.

FINANCIAL REPORT

General Fund.

The overall position reveals a net deficit of £263,958 and this shortfall has been covered by transfers from the Circuit Model Trust Fund of £ 271,981

Income from Churches by way of assessment was only marginally short of the budget but transfers from Circuit Model Trust Fund were somewhat more than expected principally to cover costs incurred in connection with properties in the course of being sold. The amounts involved have been and will be recovered from the net proceeds of sale.

Circuit Model Trust Fund.

The fund has benefited from the disposal of seven Properties during the year. The net proceeds amounted to c £ 992,000 from which was deducted the Connexional Levy totalling c £ 238,000. This left c £ 754,000 available to the Circuit for its ongoing work.
Transfers totalling £ 271,981 have been made to the Circuit to cover certain specific costs and to provide general support. The annual District levy based on the balance held at the beginning of the year has been paid £55,848 (2024 – £21,649). This payment is our direct contribution to the work of the District and is used with allotted Connexional funds to provide grant support to Churches and Circuits within the District for approved projects. This Circuit received no grants during the year from the District
(2024 - £ NIL).

A payment of £ 20,440 has been made to the District as a contribution to the employment costs of the District Agricultural Chaplain who is based within the Circuit.

Grants made available to Churches are specified in Note 10 of the Accounts.

The closing value of £ 1,400,007 is held as a reserve for the future work and development of the Circuit as indicated in the Reserve Policy Statement.

Endowment Funds.

Only minimal activity has occurred on these funds during the year in accordance with the inbuilt restrictions

Overall position.

Although the underlying financial position remains sound, it continues to be necessary to support the ongoing work of the Circuit from reserves. The challenge of balancing the cost of providing Ministerial leadership across such a wide geographical area within which are many small chapels and churches is immense. Fresh approaches are constantly being considered and implemented where potential is identified.

It is the case that all our Churches find it increasingly more difficult to balance their books.

Properties – Manses and redundant Churches – continue to be sold as opportunities arise and the proceeds provide the wherewithal to maintain a significant involvement in the mainly rural communities that make up the Circuit.

Executive Committee is constantly aware of the need to manage the financial position in a positive but careful manner thus seeking to ensure that the future work of this Methodist Church is not in doubt.

Aims

Our aim is twofold:

- To secure and sustain the Circuit's viability and future.
- To give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

PROCESS

Mission Policy

A revised Mission Policy was approved by the Circuit Meeting on 20 June 2022. It reads as follows:

'Our mission is to love the Lord our God with all our heart, soul and mind, and to love our neighbour as ourselves by the power of the Holy Spirit in our large and rural community.

With God's help we aim to:

- be aware of the differing needs of all our congregations and be prepared to adapt in order to offer mutual nurture and support
- be aware of the needs of our Ministers, Lay workers and Local preachers and encourage them in their calling and mission
- be aware of the needs of our local neighbourhoods and be witnesses for Jesus Christ within them
- accept our responsibility towards the natural world by consciously caring for God's creation
- be vocal in our commitment to inclusivity, ensuring our churches are places where all are welcome regardless of gender, race, sexuality, or any other issue which might be considered a barrier

so that we may unite as a Circuit in enabling the worship of God, and be a loving, effective and constantly evolving Methodist presence in our communities.'

Financial Plans.

- The Circuit Assessment required to be paid by the individual Churches is reviewed annually and the income generated this year covered approximately 55% of the costs of the Circuit. The contribution made by each church is arrived at by having regard to the overall size of its membership and its ability to pay.
- We make provision for a property maintenance programme for the Manses occupied by the Ministers by designating a sum agreed by the Circuit Meeting each year for this purpose. We also have regard to the longer term need arising from local inspections and Quinquennial reports and where necessary provide additional funds for these identified purposes.
- The Circuit Fund (Unrestricted General Fund). Balance at the yearend excluding property and plant & machinery was £ 548,465 although this balance does include c £184,000 proceeds from a property sale that is held in suspense at the moment [See Note 21]. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its Ministers and the maintenance of the manses. Total costs for the last financial year were in the region of £720,000.
- The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand i.e. £ 360,000; so the present figure meets that criterion.
- Within the Circuit there are a large number of smaller Churches many of whom are struggling to meet their financial obligations including their commitment to Circuit finances. This situation places continuing pressure on the Circuit and, as is evident from the Accounts a substantial transfer has been required from reserves again to counter an operating shortfall. This position is constantly under review.

Circuit Model Trust Fund [CMTF].

The value at the yearend was £ 1,400.007 (2024 £ 956,337). This fund derives from sales of churches and chapels and other property and whereas this used to be a restricted fund it is now unrestricted. Although the fund can be used for a variety of purposes there are guidelines set down by the Connexion that need to be respected as well as the principles agreed by the Circuit Meeting.

Reserves Policy.

Our Reserves Policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit.
Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all its money not simply those which are defined as reserves.
The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand.
The Charity Commission has agreed that it is appropriate for the Trustees to set a policy for the management of this fund and that policy is set out below:
A proportion of the money held in the CMTF has been earmarked by the Trustees for the following purposes:

- Contribution to the employment costs of lay employees within the Circuit of £ 53,000 for 2025/26.
- General support of Circuit activities whilst it continues its ongoing review of the way in which its presbyters, lay workers and members pursue its mission policy. £226,000 is the budgeted amount for 2025/26 with a continuing recognition that support at this level and beyond cannot be sustained indefinitely.
- Circuit Meeting has provided financial support to the District for a number of years as a contribution towards the employment costs of the Agricultural Chaplaincy. A contribution of £ 20,440 has been made in 2023/24 and a commitment (agreed by Circuit Meeting) is in place to increase this in line with inflation in 2025/26.
- Support for projects within individual churches – whether for property schemes or for mission – based on the principle that only 10% of cost will be provided by the Circuit in the normal course but larger amounts can be made available dependent upon the project details and the underlying objectives.

The balance is maintained to support the Circuit in achieving its objectives.

RISK ASSESSMENT

The Trustees acknowledge that there are areas of Risk within the Circuit, the principal ones being as follows:

- **Financial Position** – The Circuit continues to operate with a significant shortfall that is counterbalanced by transfers from reserves. These are bolstered from time to time by the disposal of churches and chapels that have ceased to meet for worship and so have closed..
  The majority are under increasing financial pressure and so their contribution to the Circuit finances is Precariously balanced especially in the current difficult economic climate. It is also the case that the age profile of the membership is increasing and this accelerates the existential and financial vulnerability However, each of the Churches/Chapels has a value and so when closed each of them realises at least a modest sum which tends to replenish reserves. As has been said many times before, such a policy cannot be sustained over the long term. The members of the Executive Committee are constantly aware of this and continue to seek a solution that could be the basis of growth in the future. As indicated earlier in these Accounts a fresh look is being taken of the manner in which some of our substantial reserves may be invested in projects which, in time, may generate growth in membership and allow us to achieve our stated objectives.
- **Property** - Directly, the Circuit includes within its Annual Accounts the properties occupied by its Ministers even though the title is actually vested in the Trustees for Methodist Church Purposes. When Churches 'cease to meet' i.e.do not open for worship, responsibility for their maintenance reverts to the Circuit whilst arrangements are made for the property to be sold. Whilst always susceptible to the movement in the domestic property market, it is envisaged that the majority of properties 'owned' will not be disposed of in the foreseeable future and so the risk of loss of capital is not considered to be great.
- **Safeguarding** – The aim of the Methodist Church Safeguarding policy is 'to create Christian communities of love and care, where good practice in this area becomes a way of life.' A handbook is made available to each Church and information is disseminated through Districts and Circuits via training and publications. Each Church has a nominated Safeguarding Officer and a policy agreed by its Church Council. The Circuit has responsibility for the overview of the Churches within its area.
- **Key positions** – Within the Circuit there are key positions held by lay members of the Methodist Church who act on a voluntary unpaid basis. Principal among these are Circuit Stewards who represent different geographical parts of the Circuit, a team of people who are responsible for overseeing all matters in

connection with Circuit property and the Circuit Treasurer who is accountable to the Circuit Meeting Trustees for all financial matters relating to the Circuit. The Executive Committee is aware of the dangers of having too much reliance on any one individual either for a significant part of the work or for a period that is unreasonably long. The Methodist Church policy is that in the normal course no officer should occupy a post for more than six years and so succession is an issue constantly under review and discussion.

Endowment Funds.

At the year end the following was the balance on these funds:

- Endowment Funds, including Trusts domiciled with Trustees for Methodist Church Purposes £3,284 (2024: £3,278).

The income arising on these funds and the capital involved is available only for the various purposes originally designated.

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

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

The trustees' report was approved by the Board of Trustees.

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Rev H Richard Hall
Superintendent Minister

Date 25-12-2025

Opinion

We have audited the financial statements of Shropshire & Marches Methodist Circuit (the "Charity") for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. There were no specific legal or regulatory frameworks identified.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and Accounting and Reporting by Charities SORP: FRS 102. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dyke Yaxley Ltd

12/01/26

MRS STACEY LEA FCA
DYKE YAXLEY LIMITED
CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS

1 BRASSEY ROAD
OLD POTTS WAY
SHREWSBURY
SY3 7FA

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals this year £	Totals 2024 £
Income and endowments							
Assessment or share		400,575				400,575	417,924
Capital receipts	2	60	992,195			992,255	1,106,989
Interest and Investment Income		23,287	52,131		69	75,487	56,908
Grants	3					-	-
Lettings						-	7,225
Other Income	4	33,309				33,309	37,922
Total Income		**457,231**	**1,044,326**	**-**	**69**	**1,501,626**	**1,626,968**
Expenditure							
Expenditure on charitable activities							
Stipends, salaries, NIC & Pension costs	5	456,338				456,338	454,047
District assessment		114,015				114,015	111,432
Admin, Telephone & Travel	6	33,820	2,799		11	36,630	40,837
Insurance, Utilities etc	7	31,180				31,180	33,504
Maintenance on Manses		7,182				7,182	15,737
Expenditure on other Circuit property	8	33,524				33,524	18,413
Other expenditure	9	14,655			58	14,713	15,229
Grants and Donations	10	10,775	270,028			280,803	345,876
Contribution to District Advance Fund			55,848			55,848	21,469
Governance costs	11	8,400				8,400	6,000
Depreciation	13	11,300				11,300	11,001
Total Expenditure		**721,189**	**328,675**	**-**	**69**	**1,049,933**	**1,073,545**
Net income/ (expenditure)		**(263,958)**	**715,651**	**-**	**-**	**451,693**	**553,423**
Transfers between funds		271,981	(271,981)			-	-
Property value movement	13,14,17	28,000				28,000	(797,000)
Gains & losses on investments (Unrealised)		(4,970)			6	(4,964)	(4,209)
Net Movement in funds		**31,053**	**443,670**	**-**	**6**	**474,729**	**- 247,785**
Reconciliation of Funds							
Total funds brought forward		3,283,904	956,337	-	3,278	4,243,519	4,491,305
Total funds carried forward at end of year		**3,314,957**	**1,400,007**	**-**	**3,284**	**4,718,248**	**4,243,519**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2024 £
Income and endowments						
Assessment or share		417,924	-	-	-	417,924
Capital receipts	2	786	1,106,203	-	-	1,106,989
Interest and Investment Income		25,416	31,400	-	92	56,908
Grants	3	-	-	-	-	-
Lettings		7,225	-	-	-	7,225
Other Income	4	37,922	-	-	-	37,922
Total Income		**489,273**	**1,137,603**	**-**	**92**	**1,626,968**
Expenditure						
Expenditure on charitable activities						
Stipends, salaries, NIC & Pension costs	5	454,047	-	-	-	454,047
District assessment		111,432	-	-	-	111,432
Admin, Telephone & Travel	6	39,680	1,148	-	9	40,837
Insurance, Utilities etc	7	33,504	-	-	-	33,504
Maintenance on Manses		15,737	-	-	-	15,737
Expenditure on other Circuit property	8	18,413	-	-	-	18,413
Other expenditure	9	15,146	-	-	83	15,229
Grants and Donations	10	5,900	339,976	-	-	345,876
Contribution to District Advance Fund		-	21,469	-	-	21,469
Governance costs	11	6,000	-	-	-	6,000
Depreciation	13	11,001	-	-	-	11,001
Total Expenditure		**710,860**	**362,593**	**-**	**92**	**1,073,545**
Net Income/ (expenditure)		**(221,587)**	**775,010**	**-**	**-**	**553,423**
Transfers between funds		223,850	(223,850)	-	-	-
Property value movement	13,14,17	(797,000)	-	-	-	(797,000)
Gains & losses on investments (Unrealised)		(4,904)	460	-	235	(4,209)
Net Movement in funds		**(799,641)**	**551,620**	**-**	**235**	**(247,786)**
Reconciliation of Funds						
Total funds brought forward		4,083,545	404,717	-	3,043	4,491,305
Total funds carried forward at end of year		**3,283,904**	**956,337**	**-**	**3,278**	**4,243,519**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
BALANCE SHEET AS AT 31 AUGUST 2025

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Endowment Funds £	Totals this year £	Totals 2024 £
Fixed Assets							
Manses etc	13	1,871,792				1,871,792	1,871,792
Plant and Machinery	13	22,700				22,700	34,000
Properties held as investment	14					-	-
Investments	15	16,457			3,284	19,741	24,704
Total Fixed Assets		**1,910,949**	**-**	**-**	**3,284**	**1,914,233**	**1,930,496**
Current Assets							
Debtors and Prepayments	16	37,145	5,000			42,145	178,684
Central Finance Board and Trustees for Methodist Church Purposes deposits etc		572,412	1,395,007			1,967,419	1,425,239
Properties held for sale	17	872,000				872,000	844,000
Cash at Bank and in hand		14,076				14,076	11,125
Total Current Assets		**1,495,633**	**1,400,007**	**-**	**-**	**2,895,640**	**2,459,048**
Liabilities							
Creditors falling due within one year	18	91,625				91,625	146,025
Net Current Assets		**1,404,008**	**1,400,007**	**-**	**-**	**2,804,015**	**2,313,023**
Total assets less current liabilities		**3,314,957**	**1,400,007**	**-**	**3,284**	**4,718,248**	**4,243,519**
Funds of the charity							
General Fund (Unrestricted)	19	3,314,957				3,314,957	3,283,905
Circuit Model Trust Fund (Unrestricted)	19		1,400,007			1,400,007	956,337
Other funds (Restricted)	19					-	-
Endowment Funds	19				3,284	3,284	3,278
Total Funds		**3,314,957**	**1,400,007**	**-**	**3,284**	**4,718,248**	**4,243,519**

The accounts on Pages 14 to 25 were approved by the Board of Trustees and signed on their behalf by:

Rev H Richard Hall
Superintendent Minister

Date 25/12/2025

David Eccleshall
Circuit Treasurer

Date 25-12-2025

	Note	2025	2024
Net cash (used) / generated in operating activities	20	**(1,064,731)**	**(1,157,434)**
Cash flows from investing activities:			
Interest and dividends		75,487	56,908
Receipts from sale of tangible fixed assets		992,195	1,106,989
Payments from purchase of tangible fixed assets		-	-
Net cash provided by investing activities		**1,067,682**	**1,163,897**
Change in cash and cash equivalents in the year		**2,951**	**6,463**
Cash and cash equivalents brought forward		11,125	4,662
Cash and cash equivalents carried forward		**14,076**	**11,125**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting Policies

a) Basis of preparation and assessment of going concern

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Funds structure

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in note 19 to these accounts. Any funds may be represented by more than just cash.

c) Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount

Grants are recognised on receipt unless performance conditions require deferral of the amount.

Capital receipts are recognised when the charity is entitled to the income.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised on receipt of the income.

d) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

e) Allocation of governance costs

Administration expenses of the charity relate to the costs of running the Charity, such as insurance, accountancy fees and costs of statutory compliance, and include any costs which cannot be specifically attributed to another expenditure classification. See note 11 for basis of allocation

f) Charitable activities

The Shropshire & Marches Methodist Circuit exists to encourage and support the ministry and mission of all the churches in its care. Any expenditure specifically to achieve these objects is included in direct charitable expenditure.

g) Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised at cost if they can be used for more than one year, and cost at least £1,000. Provision is made for depreciation where appropriate.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Manses etc.	Not depreciated
Plant and Machinery	25% straight line

Properties used for the purposes of the charity are included in the Circuit's accounts when responsibility for maintenance etc. rests with the Circuit.

They are valued at cost or a reasonable value on receipt. Where cost is not available, the Circuit Meeting has estimated the buildings' current value to the circuit, based on insurance values and taking account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation.

When properties are sold, the Connexion is entitled to levy a proportion of the proceeds and therefore, when the decision is made to sell a property, the book value is adjusted to reflect the expected realisable value, net of levies and any other selling costs.

h) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/ (expenditure) for the year.

i) Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

l) Basic Financial Liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

m) Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Capital Receipts comprise the following

	Unrestricted funds			
	General	Circuit Model Trust	2025 Total	2024 Total
	£	£	£	£
Balances and asset sale proceeds from Manses and closed churches			-	786
Sale of Minsterley Manse		300,606	300,606	-
Sale of Asterley Chapel		52,076	52,076	-
Sale of Maesbrook Chapel		114,798	114,798	-
Sale of Shobdon Chapel		141,865	141,865	-
Sale of Leintwardine cottage		123,860	123,860	-
Sale of Northwood Chapel		128,312	128,312	-
Sale of Builth Wells Church		130,678	130,678	-
Sale of Chirk Bank Chapel		-	-	201,826
Sale of Eardisley Chapel		-	-	61,508
Sale of Ruyton X1 Towns Manse		-	-	318,251
Sale of Wattlesborough Chapel		-	-	136,794
Sale of Knolton Cottage		-	-	182,432
Sale of Green Chapel		-	-	58,518
Sale of Cleobury Mortimer Church		-	-	146,874
	-	992,195	992,195	1,106,989

3 Grants

	2025	2024
	-	-

4 Other income

	Unrestricted funds			
	General	Circuit Model Trust	2025 Total	2024 Total
	£	£	£	£
Employment cost of Administrator at Ludlow office has been financed by Ludlow Methodist Church and Hands Together Ludlow	24,636		24,636	22,686
Various sources towards employment of Pastoral Worker	5,794		5,794	5,265
Other	2,879		2,879	9,971
	33,309	-	33,309	37,922

5 Staff costs

	Salaries	National Insurance	Pension	Apprenticeship Levy	2025 Total	2024 Total
	£	£	£	£	£	£
Ministerial	240,200	25,445	46,468	1,201	313,314	325,412
Lay employees	127,150	9,823	5,416	635	143,024	128,635
	367,350.00	35,268.00	51,884.00	1,836.00	456,338.00	454,047

The average number of employees during the year was 16 (2024 - 17) with all employee time involved in providing support services to charitable activities. All the Ministers are Trustees of the Circuit but stipends relate solely to their duties as Ministers.

The Charity considers its key management personnel comprises the members of the executive committee. The total employment benefits including employer pension contributions of key management personnel were £170,195 (2024 - £164,364). No employees had employee benefits in excess of £60,000 (2024 - none).

6 Telephone & Travel including Administration

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2025 Total	2024 Total
	£	£	£	£	£	£
Ministerial Travel	15,964				15,964	16,581
Supernumerary Travel	1,512				1,512	1,678
Lay Travel	5,662				5,662	6,030
Telephone - Ministers & Office	5,209				5,209	9,944
Other administration	5,473	2,799			8,272	6,604
	33,820.00	2,799.00	-	-	36,619.00	40,837

7 Insurance, Utilities on occupied Manses	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2025 Total	2024 Total
	£	£	£	£	£	£
Insurance	6,847				6,847	7,017
Council Tax	20,384				20,384	22,568
Water rates	3,949				3,949	3,919
	31,180	-	-	-	31,180	33,504

8 Expenditure on other Circuit Property	Unrestricted	Circuit Model Trust Fund	Restricted	2025 Total	2024 Total
	£	£	£	£	£
Other Manses either unoccupied and for sale	2,451			2,451	2,342
Other properties awaiting sale or sold	25,269			25,269	13,933
Manse for occupation by Minister	5,474			5,474	-
Cleobury Mortimer Methodist Church premises	0			-	2,000
Other	330			330	138
	33,524	-	-	33,524	18,413

9 Other expenditure	Unrestricted	CMTF	Endowment	2025 Total	2024 Total
	£		£	£	£
Presbyteral relocation allowances	600			600	600
Removal costs	2,868			2,868	3,300
Supernumerary Ministers' Fees	4,080			4,080	4,305
Bayston Hill Church for office accommodation	1,025			1,025	840
Worship Materials	1,751		58	1,809	1,844
Other inc Zoom related costs	4,331			4,331	4,340
	14,655	-	58	14,713	15,229

10 Grants and Donations	Unrestricted	Circuit Model Trust Fund	2025 Total	2024 Total
	£	£	£	£
Connexional levy paid on sales & Grants made			-	-
Levies				
Chirk Bank			-	56,730
Eardisley			-	8,302
Ruyton X1 Towns			-	103,300
Wattlesborough			-	30,717
Knolton Cottage			-	48,973
Green			-	7,704
Minsterley Manse		96,243	96,243	
Asterley Chapel		6,415	6,415	
Maesbrook Chapel		21,919	21,919	
Shobdon Chapel		32,746	32,746	
Leintwardine Cottage		25,544	25,544	
Northwood Chapel		27,325	27,325	
Builth Wells Church		28,271	28,271	
Grants made			-	
Cleobury Mortimer			-	34,750
Bishops Castle Methodist Church		5,000	5,000	17,000
Welsh End Methodist Church			-	5,000
Melville Methodist Church			-	7,500
District Agricultural Chaplaincy		20,440	20,440	20,000
St. Mary's Youth Project, Cleobury Mortimer **			-	6,000
Herefordshire Churches Together	400		400	400
Rea Valley Churches (Refund in 2024)		5,000	5,000	(500)
Craven Arms		1,125	1,125	
Chirk	10,000		10,000	
Sundry	375		375	
	10,775	270,028	280,803	345,876

** This amount is returned to the Circuit as rental for the premises and is included in income received.
The premises have now been sold to the lessee

11 Analysis of support and governance costs

	Support	Governance	2025	2024
Auditors remuneration			8,400	6,000
	-	-	8,400	6,000

The total included in auditors remuneration relates to the audit and no other services are provided.

12 Payments to Trustees

	2025	2024
Number of Trustees who were paid expenses excluding Presbyters and employed lay staff	9	6

	2025	2024
Nature of the expenses	£	£
Supernumerary Fees and Travel expenses	3,609	3,975
Lay Travel and expenses excluding costs reimbursed	1,584	1,046
Total amount paid	5,193	5,021

During the year £769 (2024: £610) was paid to 2 trustees (2024 - 1 Trustee) for carrying out PAT testing. This amount includes both mileage and labour costs.

None of the Trustees received any remuneration in the year for their services as Trustees.

13 Tangible Fixed Assets

	Manses	Plant and machinery	Total
	£	£	£
Cost			
Balance brought forward	1,871,792	45,001	1,916,793
Additions			-
Transfers to / from properties held for sale			-
Balance carried forward	1,871,792	45,001	1,916,793
Depreciation			
Balance brought forward		11,001	11,001
Depreciation charged in the period		11,300	11,300
Balance carried forward	-	22,301	22,301
Net book value			
31 August 2025	1,871,792	22,700	1,894,492
31 August 2024	1,871,792	34,000	1,905,792

14 Investment properties

	2025	2024
	£	£
Balance brought forward	-	610,000
Additions	-	-
Transfer from Tangible Fixed Assets	-	-
Transfer to properties for sale	-	(610,000)
Revaluations	-	-
Balance carried forward	-	-

The investment properties were valued by independent valuers with relevant professional qualifications. Minsterley and Overton properties are valued on the basis of open market value in accordance with The Royal Institute of Chartered Surveyors.

15 Fixed Asset Investments

	Listed investments	Unlisted investments	Total
	£	£	£
Market value			
Balance brought forward	20,641	4,063	24,704
Add net gain on revaluation	(4,970)	7	(4,963)
Sale proceeds	-	-	-
Balance carried forward	15,671	4,070	19,741
Net book value			
31 August 2025	15,671	4,070	19,741
31 August 2024	20,641	4,063	24,704

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

16 Analysis of debtors and prepayments

General Fund	2025	2024
	£	£
Debtors	9,400	1,600
Prepayments	27,745	27,310
	37,145	28,910

	2025	2024
Circuit Model Trust Fund		
Debtors	5,000	149,774
	5,000	149,774
Total debtors and prepayments	**42,145**	**178,684**

17 Properties etc held for sale

	2025 £	2024 £
Cost/valuation		
Balance brought forward	844,000	751,000
Additions	302,000	940,000
Revaluations	(45,000)	(111,000)
Disposals	(229,000)	(736,000)
Balance carried forward	872,000	844,000
Net book value		
31 August 2025	872,000	
31 August 2024	844,000	

18 Analysis of current liabilities

Creditors under 1 year	2025 £	2024 £
	-	-
Audit fee	8,400	6,000
Deferred income	83,225	85,275
Other creditors [CMTF]	-	54,750
	91,625	146,025

Deferred income comprises of assesments received in advance to the period that they relate to:

Balance as at 1 September 2024	85,275
Amounts released to income in the year	(85,275)
Amounts deferred in the year	83,225
Balance as at 31 August 2025	83,225

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	3,283,904	457,231	(721,189)	271,981	23,030	3,314,957
CMTF	956,337	1,044,326	(328,675)	(271,981)	-	1,400,007
	4,240,241	1,501,557	(1,049,864)	-	23,030	4,714,964

Analysis of movements in unrestricted funds - previous year

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	4,083,545	489,273	(710,860)	223,850	(801,904)	3,283,904
CMTF	404,717	1,137,603	(362,593)	(223,850)	460	956,337
	4,488,262	1,626,876	(1,073,453)	-	(801,444)	4,240,241

The unrestricted funds are available to be spent for any purposes of the charity.

19 Analysis of charitable funds - continued

Analysis of movements in endowment funds

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	315	7	(7)	-	-	315
George Parton Bequest	1,983	42	(42)	-	4	1,987
Mary Ann Price Legacy	980	20	(20)	-	2	982
	3,278	69	(69)	-	6	3,284

Analysis of movements in endowment funds - previous year

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	292	9	(9)	-	23	315
George Parton Bequest	1,841	56	(56)	-	142	1,983
Mary Ann Price Legacy	910	27	(27)	-	70	980
	3,043	92	(92)	-	235	3,278

All the endowment funds are invested in CFB Managed Mixed Fund and the income is used for general circuit purposes.

20 Reconciliation of net movements in funds to cash flow from operating activities

	2025	2024
Net movement in funds	474,729	(247,786)
Deduct interest income shown in investing activities	(75,487)	(56,908)
Deduct receipts from sale of tangible fixed assets	(992,195)	(1,106,989)
Add back depreciation	11,300	11,001
Decrease (increase) in debtors	136,539	(143,157)
Increase (decrease) in creditors	(54,400)	49,595
Loss / (Gain) on revaluation of properties	(28,000)	797,000
Loss / (Gain) on revaluation of fixed asset investments	4,963	11,129
(Gain) / Loss on revaluation of current asset investments	(542,180)	(471,319)
	(1,064,731)	(1,157,434)

21 Contingent liability relating to the potential claim over a sold estate

It continues to be the case that a third party may have a claim over an estate which was sold during 2018/2019 financial year end. This amount cannot be reliably measured therefore no accounting provision has been recognised in the accounts.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

England & Wales - Charity number 1139091

Accounts

THE METHODIST CHURCH

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT AND ACCOUNTS
for the year ended 31 August 2024

Registered Charity number 1139091

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SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

ADMINISTRATIVE INFORMATION

Registered Charity	Registration number	1139091
Presbyters	Hall, Rev'd. H Richard ** Arnold, Rev'd Paul ** Cooper, Rev'd Shalome M ** Hargreaves, Rev'd Denise (from 1.9.23) Heinz, Rev'd George	Hides, Rev'd Roger (until 31.8.24) Skitt, Rev'd Julia** Summers Rev'd P (from 31.8.24) Windsor – Hides, Deacon S. (until 31.8.24) Woodley, Deacon G. Carys
Circuit Stewards	Davies, Mrs A Davies, Mrs Lynne (until 31.7.24) Evans, Mrs N C ** Gwatkin, John B Hallworth, Mrs B	Hamilton – Foyn, R W (until 31.7.24) Harlington, David ** (until 24.8.24) Knowles, Mrs V A ** Threadgold, Mrs A (from 30.8.24)
Circuit Treasurer	Eccleshall, Mr David **	
Other Trustees	Bache, Mrs J Bayliss, G Mr Birch, Mrs Jean (from 30.1.24) Biseker, Rev'd Frances C Blanchard, Mr J. Bradley Ms Lynne Brightwell, N Mr Burnham, Mr Paul Cartwright, Mrs G Chesworth. Rev'd J Chidlow, Miss J Cockayne, Mrs A C Curtis, Mrs Christine A (until 7.4.24) Curtis, Mr David (until 7.4.24) Davies, Mrs Dorothy Dorsett, Mrs J Dutton Mr A D Dutton, Mr David C. Edlington, Mr Keith Edwards, Mrs P A Faulkner, Mrs Christine Finnigan, Mr R (until 8.7.24) Gibbon, Mrs J P Gilbride Mrs Linda Gwatkin, Mr David B Gwatkin, Mrs Jean Hallworth, Mr Michael J. Harmer, Mr Philip W Harrison-Koring Mrs R Heyes, Mrs Zena Hayward, Mrs Cherry Heard, Mr Nicholas Heard, Mrs Susan Holloway, Mrs E E (until 12.4.24) Holt, Mrs Heather M. Huband, Rev'd, William Jackson, Mrs June Jennings, Mr C P Johnson, Mr Paul Jones, Mrs Dilys Jones, Mr Haydn (deceased)	Jones, Mr J C Jones, Mrs Sylvia M Kennett, Mr Christopher Kennett, Mrs Mary Killick, Mrs R Y Knight, Mrs E R Knight, Mr M Lammie, Mrs Susan Leighton, Mrs Victoria Lewis, Mrs E A Lewis, Mrs Sandra M Littlehales, Ms V J Macinally, Rev'd S Maskell, Mrs Ruth Mathews, Miss Susan ** Moores, Mrs L Morrison, Mrs Patricia Norris, Mrs Beth A (until 19.3.24) O'Connell. Ms S Owens, Mrs Lynne P Pickard Rev'd D Pitchford Miss L M Price, Miss Heather G. Pritchard, Mrs Catherine M Pritchard, Mrs E Rees, Miss M Richardson, Rev'd Neil Roberts, Mr Barry Roberts, Mrs Doris Salmon, Mrs H H Schofield, Miss J Sheehy, Mrs V Shepherd, Mrs Heather Smith, David Mr Snow, Mrs Beryl Taylor, Mrs S Thomas, Mr Stephen Thomas, Mrs Vivienne Threadgold, Mrs A (from 30.8.24) Turner, Mrs M C Vaughan, Mrs Judith (from 28.7.24)

	Watts, Mrs H E (until 24.8.24)	Williams, Mrs S E
	Weller, Mrs Olwen	Wilson, Mrs J
	White Mr Henry E G	Wise, Mrs Barbara
	Wilford, Mrs B	Wood, Mrs Margaret O.
	Williams, Mr Adrian J **	Wright Mrs E Margaret
	Williams, Mrs Jean	Wright Mrs M
	Williams, Mrs Joyce	

Trustees appointed after 31 August 2024

Evans, Mrs E J (from 11.9.24)

Contact	Shropshire and Marches Methodist Circuit, The Methodist Centre, Lansdowne Road, Bayston Hill, Shrewsbury, SY3 0HZ
Governing Document	Deed of Union (1932) and Methodist Church Act (1976)

The Circuit is the primary unit within the Methodist Church in which Local Churches express and experience their interconnexion in the Body of Christ, for purposes of mission, mutual encouragement and help. It is constituted in accordance with Standing Orders set down in the Constitutional Practice & Discipline of the Methodist Church [C P D] that is updated each year by the Methodist Conference. The full C P D is available to view on the Methodist Church website via the following link: https://www.methodist.org.uk/for-churches/governance/cpd.

The Circuit Meeting is the appointed authority for the management of the Circuit and its constitution and composition is dictated by the terms laid down in Standing Orders within the C P D. The basis on which Churches are represented by Trustees is there too and the process ensures that each has a voice. The meeting is chaired by the Superintendent Minister who is effectively the Chief Executive Officer of the Circuit. The basis of decision making within the Circuit Meeting is set down within the C P D. The day to day operation of the Circuit is delegated to an Executive Committee which is also chaired by the Superintendent Minister. This Committee is constituted in a way that allows representation from Presbyteral and Lay individuals who are also drawn from across the Circuit geographically. The members of this Committee have been identified in the list of Trustees that appears earlier in this document.

Should advice and guidance be required this is available within the Connexional structure of the Methodist Church either from the Wolverhampton & Shrewsbury District or from the central Connexional Offices and Officials. Where it is appropriate and necessary reference is made to qualified Professionals. Financial and legal guidance is, where required, also available from the Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements for the charity for the year ended 31st August 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Shropshire & Marches Methodist Circuit is an unincorporated charity, registered with the Charity Commission.

Trustees are not 'recruited' in the generally accepted sense. They are appointed to the Circuit Meeting in accordance with the requirements set down in the C P D. These include the basis on which each Church is represented at the Circuit Meeting. Whilst no formal training is in place the responsibilities of Trustees undertaking the role is communicated to them when they are first appointed. They have access to The Methodist Church website via https://www.methodist.org.uk/for-churches/office-holders/managing-trustees. This site is updated regularly.

In addition, Trustees are able to view various Charity Commission documents through the following links: https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do & https://www.charitygovernancecode.org/en

OBJECTS OF THE CHARITY

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 the 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'

REVIEW OF ACTIVITIES

In designing and monitoring the Charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit. The review of activities in the following sections demonstrates how the Charity has provided benefit directly to the individual churches in the Circuit and thereby to the congregations of those churches and other sections of the community in the area.

General Review

The accounts presented in this Annual Report are very indicative of the challenging circumstances faced by Shropshire and Marches Methodist Circuit. In common with many other religious and voluntary organisations, we are facing some very challenging cultural shifts in our society, further exacerbated by the effects of the COVID-19 pandemic and the subsequent cost of living crisis. We cannot expect to be immune from the changes that these shifts are bringing, not least the decline in regular attendance at Christian worship in Britain. However, the accounts are not the whole story. We remain convinced that the Christian gospel is of value to our culture and we will continue to seek new ways of sharing that gospel in the communities where we operate.

Shropshire and Marches continues to be the largest Circuit within the Wolverhampton & Shrewsbury District of the Methodist Church in Britain, covering one third of its geographical area. There are over 50

Methodist congregations gathered under the Circuit umbrella and this geographical diversity provides opportunity and complexity. There can be no doubt that the Methodists of Shropshire and Marches have been stronger together. Our combined numbers and financial resources have enabled us to maintain a Christian witness in scattered rural communities that would have been impossible otherwise. On the other hand, it is not always easy for a small congregation at one end of the circuit to have in mind the situation of other congregations which might be more than 50 miles from theirs. This has been mitigated by recent experience of meeting electronically, but nonetheless it continues to be an issue.

The local churches continue to provide programmes of worship, pastoral care and community involvement under the leadership of Ministers, lay employees and local Church Trustees.

Circuit Staff

Rev Denise Hargreaves joined the Circuit in September 2023 from the Gloucestershire Circuit. Her rural experience in the Forest of Dean has been appreciated as she settles in the Ludlow area. The appointment of Mr. Andrew Skitt to coordinate the work of the "Methodist Mobile Outreach" ("Memo") was noted in the last Annual Report. This work was formally launched in September 2023 and during the course of the year the trailer has been taken to a variety of rural shows and events, predominantly but not exclusively in the northern part of the Circuit. This mission work is a modern take on the kind of evangelism that would have been familiar to the Methodist people of former times, not relying on buildings but going to where people are. The trailer provides a small, well-equipped meeting space that can be used for a variety of different purposes and events.

The Superintendent Minister exercises leadership for the whole Circuit working with others in a collaborative ministry. He oversees the wider work of the Circuit by chairing meetings across the Circuit and instigating gatherings for consultation, training and fellowship for the whole staff and leadership.

Responding to change

During the year, the Circuit committed the churches in Shropshire and Marches to come into full compliance with our Standing Orders in terms of minimum size. By September 2024 most have been able to achieve this. Decisions about how to respond to the few who have not will be taken during the first part of the current year.

We have continued to offer a weekly online worship experience and this has occasionally been used by local churches to supplement the preaching plan. This will become increasingly important if the number of available preachers continues to decline through age and infirmity. However, we continue to struggle with technical issues, some of which are beyond our control. The availability of mobile internet in some rural areas is a major hurdle to progress. Many meetings that would formerly have been held only "in person" are now being held on the Zoom platform, both for the sake of widening participation and decreasing the carbon footprint of the Circuit's activities.

We continue to face the significant demographic challenge of being an ageing community in thinly spread rural areas. But demographics are not the full story any more than our accounts are. New patterns of ministry — e.g. the team approach being modelled in the north of the Circuit — and new models of church will help us to address this challenge, but we know that we cannot organise or manage our way out of these difficult circumstances. We are mindful of the duties and responsibilities which are determined by our role as trustees of a charitable body.

But our fundamental conviction is that the work of God depends upon his grace and his strength, not ours. We are living in a time when following the call of God is not easy. So be it. We commit ourselves to his service and trust in his faithfulness.

FINANCIAL REPORT

General Fund.

The overall position reveals a net deficit of £221,587 and this shortfall has been covered by transfers from the Circuit Model Trust Fund of £ 223,850.

Income from Churches by way of assessment was only c 2% short of the budget but transfers from Circuit Model Trust Fund were somewhat more than budgeted principally to cover costs incurred in connection with properties in the course of being sold. The amounts involved will be recovered from the net proceeds of sale.

Circuit Model Trust Fund.

The fund has benefited from the disposal of seven Properties during the year. The net proceeds amounted to c £ 1.1 m from which was deducted the Connexional Levy totalling £ 290,476. This left c £ 810,000 available to the Circuit for its ongoing work.

Transfers totalling £ 223,850 have been made to the Circuit to cover certain specific costs and to provide general support. The annual District levy based on the balance held at the beginning of the year has been paid £21,469 (2023 – £22,616). This payment is our direct contribution to the work of the District and is used with allotted Connexional funds to provide grant support to Churches and Circuits within the District for approved projects. This Circuit received no grants during the year from the District (2023 - £ 12,850).

A payment of £ 20,000 (2023 - £10,000) has been made to the District as a contribution to the employment costs of the District Agricultural Chaplain who is based within the Circuit.

Grants made available to Churches are specified in Note 10 of the Accounts.

The closing value of £ 956,337 is held as a reserve for the future work and development of the Circuit as indicated in the Reserve Policy Statement.

Endowment Funds.

Only minimal activity has occurred on these funds during the year in accordance with the inbuilt restrictions

Overall position.

Although the underlying financial position remains sound, it continues to be necessary to support the ongoing work of the Circuit from reserves. The challenge of balancing the cost of providing Ministerial leadership across such a wide geographical area within which are many small chapels and churches is immense. Fresh approaches are constantly being considered and implemented where potential is identified.
It is the case that all our Churches find it increasingly more difficult to balance their books.

Properties – Manses and redundant Churches – continue to be sold as opportunities arise and the proceeds provide the wherewithal to maintain a significant involvement in the mainly rural communities that make up the Circuit.

Executive Committee is constantly aware of the need to manage the financial position in a positive but careful manner thus seeking to ensure that the future work of this Methodist Church is not in doubt.

Aims

Our aim is twofold:

- To secure and sustain the Circuit's viability and future.
- To give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

PROCESS

Mission Policy

A revised Mission Policy was approved by the Circuit Meeting on 20 June 2022. It reads as follows:

'Our mission is to love the Lord our God with all our heart, soul and mind, and to love our neighbour as ourselves by the power of the Holy Spirit in our large and rural community.

With God's help we aim to:

- be aware of the differing needs of all our congregations and be prepared to adapt in order to offer mutual nurture and support
- be aware of the needs of our Ministers, Lay workers and Local preachers and encourage them in their calling and mission
- be aware of the needs of our local neighbourhoods and be witnesses for Jesus Christ within them
- accept our responsibility towards the natural world by consciously caring for God's creation
- be vocal in our commitment to inclusivity, ensuring our churches are places where all are welcome regardless of gender, race, sexuality, or any other issue which might be considered a barrier

So that we may unite as a Circuit in enabling the worship of God, and be a loving, effective and constantly evolving Methodist presence in our communities.'

Financial Plans.

- The Circuit Assessment required to be paid by the individual Churches is reviewed annually and the income generated covers a good proportion of the costs of the Circuit. The contribution made by each church is arrived at by having regard to the overall size of its membership and its ability to pay.
- We make provision for a property maintenance programme for the Manses occupied by the Ministers by designating a sum agreed by the Circuit Meeting each year for this purpose. We also have regard to the longer term need arising from local inspections and Quinquennial reports and where necessary provide additional funds for these identified purposes.
- The Circuit Fund (Unrestricted General Fund). Balance at the yearend excluding property and plant & machinery was £534,112 although this balance does include c £175,000 proceeds from a property sale that is held in suspense at the moment [See Note 21]. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its Ministers and the maintenance of the manses. Total costs for the last financial year were in the region of £700,000.
- The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand i.e. £ 380,000; so the present figure meets that criterion.
- Within the Circuit there are a large number of smaller Churches many of whom are struggling to meet their financial obligations including their commitment to Circuit finances. This situation places continuing pressure on the Circuit and, as is evident from the Accounts a substantial transfer has been required from reserves again to counter an operating shortfall. This position is constantly under review.

Circuit Model Trust Fund [CMTF].

The value at the yearend was £ 956,337 (2023: £ 404,717). This fund derives from sales of churches and chapels and other property and whereas this used to be a restricted fund it is now unrestricted. Although the fund can be used for a variety of purposes there are guidelines set down by the Connexion that need to be respected as well as the principles agreed by the Circuit Meeting.

Reserves Policy.

Our Reserves Policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all its money not simply those which are defined as reserves.

The Charity Commission has agreed that it is appropriate for the Trustees to set a policy for the management of this fund and that policy is set out below:

A proportion of the money held in the CMTF has been earmarked by the Trustees for the following purposes:

- Contribution to the employment costs of lay employees within the Circuit of £ 51,250 for 2024/25.
- General support of Circuit activities whilst it continues its ongoing review of the way in which its presbyters, lay workers and members pursue its mission policy. £200,000 is the budgeted amount for 2024/25 with a continuing recognition that support at this level and beyond cannot be sustained indefinitely.
- Circuit Meeting has provided financial support to the District for a number of years as a contribution towards the employment costs of the Agricultural Chaplaincy. A contribution of £ 20,000 has been made in 2023/24 and a commitment (agreed by Circuit Meeting) is in place to increase this in line with inflation in 2024/25. In principle support in 2025/26 is expected to be uprated in line with inflation but with a review being undertaken early in 2025 to consider the future funding position with all the relevant partners.
- Support for projects within individual churches – whether for property schemes or for mission – based on the principle that only 10% of cost will be provided by the Circuit in the normal course but larger amounts can be made available dependent upon the project details and the underlying objectives.

The balance is maintained to support the Circuit in achieving its objectives.

RISK ASSESSMENT

The Trustees acknowledge that there are areas of Risk within the Circuit, the principal ones being as follows:

- **Financial Position** – The Circuit continues to operate with a significant shortfall that is counterbalanced by transfers from reserves. These are bolstered from time to time by the disposal of churches and chapels that have ceased to meet for worship and so have closed. At the end of the financial year there were 51 places of worship within the Circuit and of these 19 have less than 12 members.
  The majority are under increasing financial pressure and so their contribution to the Circuit finances is precariously balanced especially in the current difficult economic climate. It is also the case that the age profile of the membership is increasing and this accelerates the existential and financial vulnerability However, each of the Churches/Chapels has a value and so when closed each of them realises at least a modest sum which tends to replenish reserves. As has been said many times before, such a policy cannot be sustained over the long term. The members of the Executive Committee are constantly aware of this and continue to seek a solution that could be the basis of growth in the future. Circuit Trustees have met during the year to discuss this

particular concern and the Executive Committee is charged with putting together a coordinated plan for consideration by the Circuit Meeting.

- **Property** - Directly, the Circuit includes within its Annual Accounts the properties occupied by its Ministers even though the title is actually vested in the Trustees for Methodist Church Purposes. When Churches 'cease to meet' i.e.do not open for worship, responsibility for their maintenance reverts to the Circuit whilst arrangements are made for the property to be sold. Whilst always susceptible to the movement in the domestic property market, it is envisaged that the majority of properties 'owned' will not be disposed of in the foreseeable future and so the risk of loss of capital is not considered to be great.

- **Safeguarding** – The aim of the Methodist Church Safeguarding policy is 'to create Christian communities of love and care, where good practice in this area becomes a way of life.' A handbook is made available to each Church and information is disseminated through Districts and Circuits via training and publications. Each Church has a nominated Safeguarding Officer and a policy agreed by its Church Council. The Circuit has responsibility for the overview of the Churches within its area.

- **Key positions** – Within the Circuit there are key positions held by lay members of the Methodist Church who act on a voluntary unpaid basis. Principal among these are Circuit Stewards who represent different geographical parts of the Circuit, a team of people who are responsible for overseeing all matters in connection with Circuit property and the Circuit Treasurer who is accountable to the Circuit Meeting Trustees for all financial matters relating to the Circuit. The Executive Committee is aware of the dangers of having too much reliance on any one individual either for a significant part of the work or for a period that is unreasonably long. The Methodist Church policy is that in the normal course no officer should occupy a post for more than six years and so succession is an issue constantly under review and discussion.

Endowment Funds.

At the year end the following was the balance on these funds:

- Endowment Funds, including Trusts domiciled with Trustees for Methodist Church Purposes £3,278 (2023: £3,043).

The income arising on these funds and the capital involved is available only for the various purposes originally designated.

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

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

The trustees' report was approved by the Board of Trustees.

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Rev H Richard Hall
Superintendent Minister

Date 9 Jan 2025

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SHROPSHIRE & MARCHES METHODIST CIRCUIT IN RESPECT OF THE YEAR TO 31 AUGUST 2024

Opinion

We have audited the financial statements of Shropshire & Marches Methodist Circuit (the "Charity") for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. There were no specific legal or regulatory frameworks identified.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and Accounting and Reporting by Charities SORP: FRS 102. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dyke Yaxley Ltd 9/1/2025

MRS STACEY LEA FCA
DYKE YAXLEY LIMITED
CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS

1 BRASSEY ROAD
OLD POTTS WAY
SHREWSBURY
SY3 7FA

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals this year £	Totals 2023 £
Income and endowments							
Assessment or share		417,924	-	-	-	417,924	441,840
Capital receipts	2	786	1,106,203	-	-	1,106,989	327,735
Interest and Investment Income		25,416	31,400	-	92	56,908	37,475
Grants	3	-	-	-	-	-	17,686
Lettings		7,225	-	-	-	7,225	17,084
Other Income	4	37,922	-	-	-	37,922	24,890
Total Income		**489,273**	**1,137,603**	**-**	**92**	**1,626,968**	**866,710**
Expenditure							
Expenditure on charitable activities							
Stipends, salaries, NIC & Pension costs	5	454,047	-	-	-	454,047	444,005
District assessment		111,432	-	-	-	111,432	106,240
Admin, Telephone & Travel	6	39,680	1,148	-	9	40,837	43,408
Insurance, Utilities etc	7	33,504	-	-	-	33,504	33,952
Maintenance on Manses		15,737	-	-	-	15,737	27,248
Expenditure on other Circuit property	8	18,413	-	-	-	18,413	10,265
Other expenditure	9	15,146	-	-	83	15,229	21,374
Grants and Donations	10	5,900	339,976	-	-	345,876	109,260
Contribution to District Advance Fund		-	21,469	-	-	21,469	22,616
Governance costs	11	6,000	-	-	-	6,000	5,700
Depreciation	13	11,001	-	-	-	11,001	
Total Expenditure		**710,860**	**362,593**	**-**	**92**	**1,073,545**	**824,068**
Net Income/ (expenditure)		**(221,587)**	**775,010**	**-**	**-**	**553,423**	**42,642**
Transfers between funds		223,850	(223,850)	-	-	-	-
Property value movement	13,14,17	(797,000)	-	-	-	(797,000)	315,000
Gains & losses on investments (Unrealised)		(4,904)	460	-	235	(4,209)	(6,019)
Net Movement in funds		**(799,641)**	**551,620**	**-**	**235**	**(247,786)**	**351,623**
Reconciliation of Funds							
Total funds brought forward		4,083,545	404,717	-	3,043	4,491,305	4,139,682
Total funds carried forward at end of year		**3,283,904**	**956,337**	**-**	**3,278**	**4,243,519**	**4,491,305**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2023 £
Income and endowments						
Assessment or share		441,840	-	-	-	441,840
Capital receipts	2	502	327,233	-	-	327,735
Interest and Investment Income		18,144	19,237	-	94	37,475
Grants	3	17,686	-	-	-	17,686
Lettings		17,084	-	-	-	17,084
Other Income	4	24,890	-	-	-	24,890
Total Income		**520,146**	**346,470**	**-**	**94**	**866,710**
Expenditure						
Expenditure on charitable activities						
Stipends, salaries, NIC & Pension costs	5	444,005	-	-	-	444,005
District assessment		106,240	-	-	-	106,240
Admin, Telephone & Travel	6	42,207	1,192	-	9	43,408
Insurance, Utilities etc	7	33,952	-	-	-	33,952
Maintenance on Manses		27,248	-	-	-	27,248
Expenditure on other Circuit property	8	10,265	-	-	-	10,265
Other expenditure	9	21,289	-	-	85	21,374
Grants and Donations	10	27,074	82,186	-	-	109,260
Contribution to District Advance Fund		-	22,616	-	-	22,616
Governance costs	11	5,700	-	-	-	5,700
Total Expenditure		**717,980**	**105,994**	**-**	**94**	**824,068**
Net income/ (expenditure)		**(197,834)**	**240,476**	**-**	**-**	**42,642**
Transfers between funds		253,688	(253,688)	-	-	-
Property cost movement			-	-	-	-
Property value movement	13,14,17	315,000	-	-	-	315,000
Gains & losses on investments (Unrealised)		(5,597)	(287)	-	(135)	(6,019)
Net Movement in funds		**365,257**	**(13,499)**	**-**	**(135)**	**351,623**
Reconciliation of Funds						
Total funds brought forward		3,718,288	418,216	-	3,178	4,139,682
Total funds carried forward at end of year		**4,083,545**	**404,717**	**-**	**3,043**	**4,491,305**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
BALANCE SHEET AS AT 31 AUGUST 2024

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Endowment Funds £	Totals this year £	Totals 2023 £
Fixed Assets							
Manses etc	13	1,871,792	-	-	-	1,871,792	2,151,792
Plant and Machinery	13	34,000	-	-	-	34,000	45,001
Properties held as investment	14	-	-	-	-	-	610,000
Investments	15	21,426	-	-	3,277	24,704	35,833
Total Fixed Assets		**1,927,218**	**-**	**-**	**3,277**	1,930,496	2,842,626
Current Assets							
Debtors and Prepayments	16	28,910	149,774	-	-	178,684	35,527
Central Finance Board and Trustees for Methodist Church Purposes deposits etc		563,927	861,312	-	1	1,425,239	953,920
Properties held for sale	17	844,000	-	-	-	844,000	751,000
Cash at Bank and in hand		11,125	-	-	-	11,125	4,662
Total Current Assets		**1,447,961**	**1,011,086**	**-**	**1**	**2,459,048**	**1,745,109**
Liabilities							
Creditors falling due within one year	18	91,275	54,750	-	-	146,025	96,430
Net Current Assets		**1,356,686**	**956,337**	**-**	**1**	**2,313,023**	**1,648,679**
Total assets less current liabilities		**3,283,905**	**956,337**	**-**	**3,278**	**4,243,519**	**4,491,305**
Funds of the charity							
General Fund (Unrestricted)	19	3,283,905	-	-	-	3,283,905	4,083,545
Circuit Model Trust Fund (Unrestricted)	19	-	956,337	-	-	956,337	404,717
Other funds (Restricted)	19	-	-	-	-	-	-
Endowment Funds	19	-	-	-	3,278	3,278	3,043
Total Funds		**3,283,905**	**956,337**	**-**	**3,278**	**4,243,519**	**4,491,305**

The accounts on Pages 14 to 25 were approved by the Board of Trustees and signed on their behalf by:

Rev H Richard Hall
Superintendent Minister

Date 9/1/2025

David Eccleshall
Circuit Treasurer

Date

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024	2023
Net cash (used) / generated in operating activities	20	(1,157,435)	(315,551)
Cash flows from investing activities:			
Interest and dividends		56,908	37,475
Receipts from sale of tangible fixed assets		1,106,989	327,735
Payments from purchase of tangible fixed assets		-	(45,001)
Net cash provided by investing activities		1,163,898	320,209
Change in cash and cash equivalents in the year		6,463	4,658
Cash and cash equivalents brought forward		4,662	4
Cash and cash equivalents carried forward		11,125	4,662

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting Policies

a) Basis of preparation and assessment of going concern

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Funds structure

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in note 19 to these accounts. Any funds may be represented by more than just cash.

c) Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount

Grants are recognised on receipt unless performance conditions require deferral of the amount.

Capital receipts are recognised when the charity is entitled to the income.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised on receipt of the income.

d) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

e) Allocation of governance costs

Administration expenses of the charity relate to the costs of running the Charity, such as insurance, accountancy fees and costs of statutory compliance, and include any costs which cannot be specifically attributed to another expenditure classification. See note 11 for basis of allocation

f) Charitable activities

The Shropshire & Marches Methodist Circuit exists to encourage and support the ministry and mission of all the churches in its care. Any expenditure specifically to achieve these objects is included in direct charitable expenditure.

g) Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised at cost if they can be used for more than one year, and cost at least £1,000. Provision is made for depreciation where appropriate.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Manses etc.	Not depreciated
Plant and Machinery	25% straight line

Properties used for the purposes of the charity are included in the Circuit's accounts when responsibility for maintenance etc. rests with the Circuit.

They are valued at cost or a reasonable value on receipt. Where cost is not available, the Circuit Meeting has estimated the buildings' current value to the circuit, based on insurance values and taking account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation.

When properties are sold, the Connexion is entitled to levy a proportion of the proceeds and therefore, when the decision is made to sell a property, the book value is adjusted to reflect the expected realisable value, net of levies and any other selling costs.

h) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/ (expenditure) for the year.

i) Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

l) Basic Financial Liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

m) Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Capital Receipts comprise the following

	Unrestricted funds		2024	2023
	General	Circuit Model Trust	Total	Total
	£	£	£	£
Balances and asset sale proceeds from Manses and closed churches	786	-	786	502
Sale of Coton Chapel	-	-	-	115,954
Sale of Knolton Chapel	-	-	-	43,811
Sale of Moreton Mill Chapel	-	-	-	167,468
Sale of Chirk Bank Chapel	-	201,826	201,826	-
Sale of Eardisley Chapel	-	61,508	61,508	-
Sale of Ruyton X1 Towns Manse	-	318,251	318,251	-
Sale of Wattlesborough Chapel	-	136,794	136,794	-
Sale of Knolton Cottage	-	182,432	182,432	-
Sale of Green Chapel	-	58,518	58,518	-
Sale of Cleobury Mortimer Church	-	146,874	146,874	-
	786	1,106,203	1,106,989	327,735

3 Grants

	2024	2023
	£	£
Wolverhampton & Shrewsbury District of the Methodist Church	-	12,850
	-	12,850

4 Other income

	Unrestricted funds		2024	2023
	General	Circuit Model Trust	Total	Total
	£	£	£	£
Employment cost of Administrator at Ludlow office has been financed by Ludlow Methodist Church and Hands Together Ludlow	22,686	-	22,686	20,965
Various sources towards employment of Pastoral Worker	5,265	-	5,265	4,836
Other	9,971	-	9,971	3,925
	37,922	-	37,922	29,726

5 Staff costs

	Salaries	National Insurance	Pension	Apprenticeship Levy	2024 Total	2023 Total
	£	£	£	£	£	£
Ministerial	239,874	21,845	62,494	1,199	325,412	339,041
Lay employees	116,544	6,439	5,070	582	128,635	104,965
	356,418	28,284	67,564	1,781	454,047	444,006

The average number of employees during the year was 17 (2023 - 17) with all employee time involved in providing support services to charitable activities. All the Ministers are Trustees of the Circuit but stipends relate solely to their duties as Ministers.

The Charity considers its key management personnel comprises the members of the executive committee. The total employment benefits including employer pension contributions of key management personnel were £164,364 (2023 - £153,709). No employees had employee benefits in excess of £60,000 (2023 - none).

6 Telephone & Travel including Administration

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2024 Total	2023 Total
	£	£	£	£	£	£
Ministerial Travel	16,581	-	-	-	16,581	21,189
Supernumerary Travel	1,678	-	-	-	1,678	1,199
Lay Travel	6,030	-	-	-	6,030	6,038
Telephone - Ministers & Office	9,944	-	-	-	9,944	8,476
Other administration	5,447	1,148	-	9	6,604	6,506
	39,680	1,148	0	9	40,837	43,408

7 Insurance, Utilities on occupied Manses	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2024 Total	2023 Total
	£	£	£	£	£	£
Insurance	7,017	-	-	-	7,017	7,966
Council Tax	22,568	-	-	-	22,568	22,403
Water rates	3,919	-	-	-	3,919	3,583
	33,504	-	-	-	33,504	33,952

8 Expenditure on other Circuit Property	Unrestricted	Circuit Model Trust Fund	Restricted	2024 Total	2023 Total
	£	£	£	£	£
Other Manses either unoccupied or let	2,342	-	-	2,342	750
Properties awaiting sale or sold	13,933	-	-	13,933	5,747
Cleobury Mortimer Methodist Church premises	2,000	-	-	2,000	2,771
Other	138	-	-	138	997
	18,413	-	-	18,413	10,265

9 Other expenditure	Unrestricted	CMTF	Endowment	2024 Total	2023 Total
	£		£	£	£
Presbyteral relocation allowances	600	-	-	600	1,200
Removal costs	3,300	-	-	3,300	3,875
Supernumerary Ministers' Fees	4,305	-	-	4,305	2,450
Bayston Hill Church for office accommodation	840	-	-	840	840
Worship Materials	1,844	-	-	1,844	1,822
Other inc Zoom related costs	4,257	-	83	4,340	11,187
	15,146	-	83	15,229	21,374

10 Grants and Donations	Unrestricted	Circuit Model Trust Fund	2024 Total	2023 Total
	£	£	£	£
Various Churches (6)	-	-	-	5,600
Ellesmere for Mission Project	-	-	-	17,349
Connexional levy & Grants repaid:				
Coton	-	-	-	22,381
Knolton	-	-	-	4,568
Moreton Mill	-	-	-	42,987
Chirk Bank	-	56,730	56,730	-
Eardisley	-	8,302	8,302	-
Ruyton X1 Towns	-	103,300	103,300	-
Wattlesborough	-	30,717	30,717	-
Knolton Cottage	-	48,973	48,973	-
Green	-	7,704	7,704	-
Cleobury Mortimer	-	34,750	34,750	-
Bishops Castle Methodist Church	-	17,000	17,000	-
Welsh End Methodist Church	-	5,000	5,000	-
Melville Methodist Church	-	7,500	7,500	-
District Agricultural Chaplain	-	20,000	20,000	10,000
St. Mary's Youth Project, Cleobury Mortimer **	6,000	-	6,000	6,000
Herefordshire Churches Together	400	-	400	375
Refund from Rea Valley Churches	(500)	-	(500)	-
	5,900	339,976	345,876	109,260

** This amount is returned to the Circuit as rental for the premises and is included in income received.
The premises have now been sold to the lessee

11 Analysis of support and governance costs

	Support	Governance	2024	2023
Auditors remuneration	-	6,000	6,000	5,700
	-	6,000	6,000	5,700

The total included in auditors remuneration relates to the audit and no other services are provided.

12 Payments to Trustees

	2024	2023
Number of Trustees who were paid expenses excluding Presbyters and employed lay staff	6	8

	2024	2023
	£	£
Nature of the expenses		
Supernumerary Fees and Travel expenses	3,975	2,963
Lay Travel and expenses excluding costs reimbursed	1,046	1,124
Total amount paid	5,021	4,087

During the year £610 (2023: £649) was paid to 1 trustee (2023 - 2 Trustees) for carrying out PAT testing. This amount includes both mileage and labour costs too.

None of the Trustees received any remuneration in the year for their services as Trustees.

13 Tangible Fixed Assets

	Manses	Plant and machinery	Total
	£	£	£
Cost			
Balance brought forward	2,151,792	45,001	2,196,793
Additions	-	-	-
Transfers to / from properties held for sale	(280,000)	-	(280,000)
Depreciation	-	(11,001)	(11,001)
Balance carried forward	1,871,792	34,000	1,905,792
Net book value			
31 August 2024	1,871,792	34,000	1,905,792
31 August 2023	2,151,792	45,001	2,196,793

14 Investment properties

	2024	2023
	£	£
Balance brought forward	610,000	410,000
Additions	-	225,000
Transfer from Tangible Fixed Assets	-	200,000
Transfer to properties for sale	(610,000)	(300,000)
Revaluations	-	75,000
Balance carried forward	-	610,000

The investment properties were valued by independent valuers with relevant professional qualifications. Minsterley and Overton properties are valued on the basis of open market value in accordance with The Royal Institute of Chartered Surveyors.

15 Fixed Asset Investments

	Listed investments	Unlisted investments	Total
	£	£	£
Market value			
Balance brought forward	25,601	10,232	35,833
Add net gain on revaluation	(4,960)	752	(4,208)
Sale proceeds	-	(6,921)	(6,921)
Balance carried forward	20,641	4,063	24,704
Net book value			
31 August 2024	20,641	4,063	24,704
31 August 2023	25,601	10,232	35,833

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

16 Analysis of debtors and prepayments

General Fund	2024	2023
	£	£
Debtors	1,600	4,240
Prepayments	27,310	29,487
	28,910	33,727

	2024	2023
Circuit Model Trust Fund		
Debtors	149,774	1,800
	149,774	1,800
Total debtors and prepayments	178,684	35,527

17 Properties etc held for sale

	2024 £	2023 £
Cost/valuation		
Balance brought forward	751,000	436,000
Additions	940,000	571,000
Revaluations	(111,000)	-
Disposals	(736,000)	(256,000)
Balance carried forward	844,000	751,000
Net book value		
31 August 2024	844,000	
31 August 2023	751,000	

18 Analysis of current liabilities

Creditors under 1 year	2024 £	2023 £
Trustee expenses	-	820
Audit fee	6,000	5,700
Deferred income	85,275	89,910
Other creditors [CMTF]	54,750	-
	146,025	96,430

Deferred income comprises of assesments received in advance to the period that they relate to:

Balance as at 1 September 2023	89,910
Amounts released to income in the year	(89,910)
Amounts deferred in the year	85,275
Balance as at 31 August 2024	85,275

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	4,083,545	489,273	(710,860)	223,850	(801,904)	3,283,904
CMTF	404,717	1,137,603	(362,593)	(223,850)	460	956,337
	4,488,262	1,626,876	(1,073,453)	-	(801,444)	4,240,241

Analysis of movements in unrestricted funds - previous year

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	3,718,288	520,146	(717,980)	253,688	309,403	4,083,545
CMTF	418,216	346,470	(105,994)	(253,688)	(287)	404,717
	4,136,504	866,616	(823,974)	-	309,116	4,488,262

The unrestricted funds are available to be spent for any purposes of the charity.

The transfer of funds between General and CMTF, related to the following:- general support of circuit activities - £180,000 (2023 - £160,750), specific support for lay employee costs - £ 43,850 (2023 - £37,000), cost of Mission Project Trailer NIL (2023 - £48,500), contribution towards costs of properties subsequently sold - NIL (2023 - £2,438), contribution towards cost of alterations, repairs and maintenance at 0 (2023 - 1) Manse - NIL (2023 - £5,000).

19 Analysis of charitable funds - continued

Analysis of movements in endowment funds

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	292	9	(9)	-	23	315
George Parton Bequest	1,841	56	(56)	-	142	1,983
Mary Ann Price Legacy	910	27	(27)	-	70	980
	3,043	92	(92)	-	235	3,278

Analysis of movements in endowment funds - previous year

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	305	9	(9)	-	(13)	292
George Parton Bequest	1,922	57	(57)	-	(81)	1,841
Mary Ann Price Legacy	951	28	(28)	-	(41)	910
	3,178	94	(94)	-	(135)	3,043

All the endowment funds are invested in CFB Managed Mixed Fund and the income is used for general circuit purposes.

20 Reconciliation of net movements in funds to cash flow from operating activities

	2024	2023
Net movement in funds	(247,786)	351,623
Deduct interest income shown in investing activities	(56,908)	(37,475)
Deduct receipts from sale of tangible fixed assets	(1,106,989)	(327,735)
Add back depreciation	11,001	-
Decrease (increase) in debtors	(143,157)	5,129
Increase (decrease) in creditors	49,595	(8,178)
Loss / (Gain) on revaluation of properties	797,000	(315,000)
Loss / (Gain) on revaluation of fixed asset investments	11,129	6,019
(Gain) / Loss on revaluation of current asset investments	(471,319)	10,066
	(1,157,435)	(315,551)

21 Contingent liability relating to the potential claim over a sold estate

It continues to be the case that a third party may have a claim over an estate which was sold during 2018/2019 financial year end. This amount cannot be reliably measured therefore no accounting provision has been recognised in the accounts.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

England & Wales - Charity number 1139091

Accounts

THE METHODIST CHURCH

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT AND ACCOUNTS
for the year ended 31 August 2023

Registered Charity number 1139091

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SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

ADMINISTRATIVE INFORMATION

Registered Charity	Registration number	1139091

Presbyters	Hall, Rev'd. H Richard ** Arnold, Rev'd Paul ** Cooper, Rev'd Shalome M ** Eaton Challinor, Rev'd James (until 31.8.23) Heinz, Rev'd George	Hides, Rev'd Roger Skitt, Rev'd Julia** Stilwell, Rev'd Kim (until 31.8.23) Windsor – Hides, Deacon S. Woodley, Deacon G. Carys
Circuit Stewards	Davies, Mrs A Davies, Mrs Lynne Evans, Mrs N C ** Gwatkin, John B	Hallworth, Mrs B Hamilton – Foyn, R W Harlington, David ** Knowles, Mrs V A **
Circuit Treasurer	Eccleshall, Mr David **	
Other Trustees	Bache, Mrs J Bayliss, G (from 8.3.23) Beaman, Mr R J (until 22.11.22) Biseker, Rev'd Frances C Blanchard, Mr J. Bradley Ms Lynne Brightwell, N (from 5.9.22) Burnham, Mr Paul Burrows,Mrs Elizabeth S. (until 18.7.23) Cartwright, Mrs G Chesworth. Rev'd J Chidlow, Miss J Cockayne, Mrs A Coleman, Mrs B (until 1.9.22) Curtis, Mrs Christine A. Curtis, Mr David Davies, Mrs Dorothy Davies Mrs Susan (until 5.9.22) Diggory, Mrs H (until 22.11.22) Dorsett, Mrs J Drummond, Mr Roger (until 18.7.23) Dutton Mr A D Dutton, Mr David C. Edlington, Mr Keith Edwards, Mrs P A Faulkner, Mrs Christine Finnigan, Mr R Gibbon, Mrs J P Gilbride Mrs Linda Gwatkin, Mr David B Gwatkin, Mrs Jean Hallworth, Mr Michael J. Harmer, Mrs Diana (until 5.9.22) Harmer, Mr Philip W Harrison-Koring Mrs R Heyes, Mrs Zena (from 18.7.23) Hayward, Mrs Cherry (from 18.7.23) Heard, Mr Nicholas (from 18.7.23) Heard, Mrs Susan (from 18.7.23) Holloway, Mrs E E Holt, Mrs Heather M.	Howard, Mrs C (until 22.11.22) Huband, Revd, William Jackson, Mrs June Jackson, Mr M (until 18.7.23) Jennings, Mr C P Johnson, Mrs Ann (until 18.7.23) Johnson, Mr Paul Jones, Mrs Christine A. (until 22.11.22) Jones, Mrs Dilys Jones, Mr Haydn Jones, Mr J C Jones, Mrs Sylvia M Kennett, Mr Christopher Kennett, Mrs Mary Killick, Mrs R Y Knight, Mrs E R Knight, Mr M Lammie, Mrs Susan (from 18.7.23) Leighton, Mrs Victoria (from 8.3.23) Lewis, Mrs E A Lewis, Mrs Sandra M. Link, Mrs C (until 10.9.22) Littlehales, Ms V J Lloyd, Mr M G (until 1.9.22) Macinally, Rev'd S (from 31.1.23) Maskell, Mrs Ruth (from 10.11.22) Mathews, Miss Susan ** Miller, Mrs C S (until 22.11.22) Mayo, Mrs A (until 23.4.23) Moores, Mrs L Morris,Mr N (until 22.11.22) Morrison, Mrs Patricia Norris, Mrs Beth A O'Connell. Ms S (from 19.11.22) Owens, Mrs Lynne P Parry, Ms C (until 18.7.23) Pickard Rev'd D Pitchford Miss L M Powell, Mrs C A (until 23.4.23) Price, Miss Heather G. Price Miss S P (until 10.11.22)

Pritchard, Mrs Catherine M
Pritchard, Mrs E R (until 18.7.23)
Rees, Mr Bill (until 18.10.22)
Rees, Miss M
Reeves, Mrs K (until 18.7.23)
Richardson, Rev'd Neil
Roberts, Mr Barry
Roberts, Mrs Doris
Roberts, Mrs Linda M (until 1.12.22)
Salmon, Mrs H H
Schofield, Miss J (from 18.7.23)
Sheehy, Mrs V
Shepherd, Mrs Heather (from 18.7.23)
Smith, David (from 24.5.23)
Snow, Mrs Beryl (from 10.9.22)
Stock, Mr Brian (until 24.5.23)
Taylor, Mr J S W (until 5.9.22)
Taylor, Mrs S
Thomas, Mr Stephen
Thomas, Mrs Vivienne
Turner, Mrs M C
Waldegrave, Mrs S (until 17.10.22)
Watts, Mrs H E
Weller, Mr J H (until 5.9.22)
Weller, Mrs Olwen (from 18.7.23)
White, Mr Henry E.G
Wilford, Mrs B
Williams, Mr Adrian J **
Williams, Mrs Jean I (until 10.11.22)
Williams, Mrs Jean (from 18.7.23)
Williams, Mrs Joyce (from 18.7.23)
Williams, Mrs S E
Wilson, Mrs J
Wise, Mrs Barbara
Wood, Mrs Margaret O.
Wright Mrs E Margaret
Wright Mrs M
Wright, Revd. Maurice H (died 9.10.23)

Trustees appointed after 31 August 2023

Hargreaves, Rev'd Denise (from 1.9.23)

Contact	Shropshire and Marches Methodist Circuit, The Methodist Centre, Lansdowne Road, Bayston Hill, Shrewsbury, SY3 0HZ
Governing Document	Deed of Union (1932) and Methodist Church Act (1976)

The Circuit is the primary unit within the Methodist Church in which Local Churches express and experience their interconnexion in the Body of Christ, for purposes of mission, mutual encouragement and help. It is constituted in accordance with Standing Orders set down in the Constitutional Practice & Discipline of the Methodist Church [C P D] that is updated each year by the Methodist Conference. The full C P D is available to view on the Methodist Church website via the following link: https://www.methodist.org.uk/for-churches/governance/cpd.

The Circuit Meeting is the appointed authority for the management of the Circuit and its constitution and composition is dictated by the terms laid down in Standing Orders within the C P D. The basis on which Churches are represented by Trustees is there too and the process ensures that each has a voice. The meeting is chaired by the Superintendent Minister who is effectively the Chief Executive Officer of the Circuit. The basis of decision making within the Circuit Meeting is set down within the C P D. The day to day operation of the Circuit is delegated to an Executive Committee which is also chaired by the Superintendent Minister. This Committee is constituted in a way that allows representation from Presbyteral and Lay individuals who are also drawn from across the Circuit geographically. The members of this Committee have been identified in the list of Trustees that appears earlier in this document.

Should advice and guidance be required this is available within the Connexional structure of the Methodist Church either from the Wolverhampton & Shrewsbury District or from the central Connexional Offices and Officials. Where it is appropriate and necessary reference is made to qualified Professionals. Financial and legal guidance is, where required, also available from the Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements for the charity for the year ended 31st August 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Shropshire & Marches Methodist Circuit is an unincorporated charity, registered with the Charity Commission.

Trustees are not 'recruited' in the generally accepted sense. They are appointed to the Circuit Meeting in accordance with the requirements set down in the C P D. These include the basis on which each Church is represented at the Circuit Meeting. Whilst no formal training is in place the responsibilities of Trustees undertaking the role is communicated to them when they are first appointed. They have access to The Methodist Church website via https://www.methodist.org.uk/for-churches/office-holders/managing-trustees. This site is updated regularly.

In addition, Trustees are able to view various Charity Commission documents through the following links: https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do & https://www.charitygovernancecode.org/en

OBJECTS OF THE CHARITY

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 the 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

REVIEW OF ACTIVITIES

In designing and monitoring the Charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit. The review of activities in the following sections demonstrates how the Charity has provided benefit directly to the individual churches in the Circuit and thereby to the congregations of those churches and other sections of the community in the area.

General Review

In recent annual reports, the term "challenging" has consistently featured in this general review, and this report is no exception. The Shropshire and Marches Circuit, along with many other religious and voluntary organisations is facing some very challenging circumstances brought about by major cultural shifts in our society. We cannot expect to be immune from the changes that these shifts are bringing, not least the decline in regular attendance at Christian worship in Britain. We remain convinced that the Christian gospel is of value to our culture and we will continue to seek new ways of sharing that gospel in the communities where we operate.

Shropshire and Marches continues to be the largest Circuit within the Wolverhampton & Shrewsbury District of the Methodist Church in Britain, covering one third of its geographical area. There are over 50 Methodist congregations gathered under the Circuit umbrella and this geographical diversity provides opportunity and complexity. There can be no doubt that the Methodists of Shropshire and Marches have been stronger together. Our combined numbers and financial resources have enabled us to maintain a Christian witness in scattered rural communities that would have been impossible otherwise. On the other hand, it is not always easy for a small congregation at one end of the circuit to have in mind the situation of other congregations which might be more than 50 miles from theirs. This has been mitigated by recent experience of meeting electronically, but nonetheless it continues to be an issue.

The local churches continue to provide programmes of worship, pastoral care and community involvement under the leadership of Ministers, lay employees and local Church Trustees.

Circuit Staff

There were no changes to the ministerial staff during 2022/23. Anticipating the retirement of Rev Kim Stilwell, an appointment was made through the Methodist stationing process to begin in September 2023. Towards the end of

the year Mr Andrew Skitt was appointed as a lay employee to coordinate the work which has become known as the "Methodist Mobile Outreach" using a converted livestock trailer. Although a lot of work on this project was done during this year, it was not formally launched until September 2023, so a full report will be included next year.

The Superintendent Minister exercises leadership for the whole Circuit working with others in a collaborative ministry. He oversees the wider work of the Circuit by chairing meetings across the Circuit and instigating gatherings for consultation, training and fellowship for the whole staff and leadership.

Responding to change

The Circuit remains committed to the vision agreed at the Circuit Meeting in 2017 that would enable local congregations to continue under the oversight of a Church Council made up by merging neighbouring churches. This "multi-site" church fulfills our obligations under the Standing Orders of the Methodist Church and allows for continuing local mission and ministry. This vision is far from fully-implemented, though good progress has been made in the Bishop's Castle, Kingsland, and Rea Valley areas.

Circuit experience of online worship has led to some churches installing the necessary equipment so that a single worship leader can lead worship on more than one site at once. This will become increasingly important if the number of available preachers continues to decline through age and infirmity. Many meetings that would formerly have been held only "in person" are now being held on the Zoom platform, both for the sake of widening participation and decreasing the carbon footprint of the Circuit's activities.

We continue to face the significant demographic challenge of being a caring community in thinly spread and scattered rural areas. New patterns of ministry, e.g. the team approach being modelled in the north of the Circuit, and new models of church will help us to address this challenge. Flexibility in our response to the challenges we face, coupled with trust in God's guidance, remains our focus as we strive to serve the communities where we are placed.

FINANCIAL REPORT

General Fund

The overall position reveals a net deficit of £197,834 and this shortfall has been covered by transfers from the Circuit Model Trust Fund of £ 253,688 which includes an amount of £45,000 towards the cost of the purchase and adaptation of a trailer plus ongoing expenditure for a long term Mission Project purpose.

Income from Churches by way of assessment was only marginally short of the budget and transfers from Circuit Model Trust Fund were somewhat less than budgeted after allowing for the capital cost of the trailer. This was principally due to savings achieved in lay employment costs.

Circuit Model Trust Fund

The fund has benefited from the disposal of three Properties during the year. The net proceeds amounted to £327,233 from which was deducted the Connexional Levy totalling £69,936. This left £257,297 available to the Circuit for its ongoing work.

Transfers totalling £253,688 have been made to the Circuit to cover certain specific costs and to provide general support. The annual District levy based on the balance held at the beginning of the year has been paid £22,616 (2022 – £16,743). This payment is our direct contribution to the work of the District and is used with allotted Connexional funds to provide grant support to Churches and Circuits within the District for approved projects. This Circuit received grants during the year of £12,850 from the District (2022 - £ Nil).

A payment of £10,000 (2022 - £10,000) has been made to the District as a contribution to the employment costs of the District Agricultural Chaplain who is based within the Circuit.

Grants made available to Churches are specified in Note 10 of the Accounts.

The closing value of £404,717 is held as a reserve for the future work and development of the Circuit as indicated in the Reserve Policy Statement.

Endowment Funds

Only minimal activity has occurred on these funds during the year in accordance with the inbuilt restrictions.

Overall position

Although the underlying financial position is sound, it continues to be necessary to support the ongoing work of the Circuit from reserves. The challenge of balancing the cost of providing Ministerial leadership across such a wide geographical area within which are many small chapels and churches is immense. Fresh approaches are constantly being considered and implemented where potential is identified.

The aftermath of the Corona Virus epidemic continues to have a financial impact and all Churches find it increasingly more difficult to balance the books.

Properties, which include Manses and redundant Churches, continue to be sold as opportunities arise and the proceeds provide the wherewithal to maintain a significant involvement in the mainly rural communities that make up the Circuit.

Executive Committee is constantly aware of the need to manage the financial position in a positive but careful manner thus seeking to ensure that the future work of the Methodist Church is not in doubt.

Aims

Our aim is twofold:

- To secure and sustain the Circuit's viability and future.
- To give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

PROCESS

Mission Policy

A revised Mission Policy was approved by the Circuit Meeting on 20 June 2022. It reads as follows:

'Our mission is to love the Lord our God with all our heart, soul and mind, and to love our neighbour as ourselves by the power of the Holy Spirit in our large and rural community.

With God's help we aim to:

- be aware of the differing needs of all our congregations and be prepared to adapt in order to offer mutual nurture and support
- be aware of the needs of our Ministers, Lay workers and Local preachers and encourage them in their calling and mission
- be aware of the needs of our local neighbourhoods and be witnesses for Jesus Christ within them
- accept our responsibility towards the natural world by consciously caring for God's creation
- be vocal in our commitment to inclusivity, ensuring our churches are places where all are welcome regardless of gender, race, sexuality, or any other issue which might be considered a barrier

so that we may unite as a Circuit in enabling the worship of God, and be a loving, effective and constantly evolving Methodist presence in our communities.'

Financial Plans

- The Circuit Assessment required to be paid by the individual Churches is reviewed annually and the income generated covers a good proportion of the costs of the Circuit. The contribution made by each church is arrived at by having regard to the overall size of its membership and its ability to pay.
- We make provision for a property maintenance programme for the Manses occupied by the Ministers by designating a sum agreed by the Circuit Meeting each year for this purpose. We also have regard to the longer term need arising from local inspections and Quinquennial reports and where necessary provide additional funds for these identified purposes.
- The Circuit Fund (Unrestricted General Fund). Balance at the year end excluding property was £570,753 although this balance does include c £160,000 proceeds from a property sale that is held in suspense at the moment [See Note 21]. Under Standing Orders the Circuit must meet its financial obligations in relation to

the support of its Ministers and the maintenance of the manses. Total costs for the last financial year were in the region of £718,000.

- The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand i.e. £359,000; so the present figure meets that criteria.

- Within the Circuit there are a large number of smaller Churches many of whom are struggling to meet their financial obligations including their commitment to Circuit finances. This situation places continuing pressure on the Circuit and, as is evident from the Accounts a substantial transfer has been required from reserves again to counter an operating shortfall. This position is constantly under review.

Circuit Model Trust Fund [CMTF]

The value at the year-end was £404,717 (2022: £418,216). Since the year end the Fund has benefited from the receipt of c £197,000 (net after costs and deduction of Connexional Levy) from the disposal of a further 2 Church properties.

This fund derives from sales of churches and chapels and other property and whereas this used to be a restricted fund it is now unrestricted. Although the fund can be used for a variety of purposes there are guidelines set down that need to be respected as well as the principles agreed by the Circuit Meeting.

Reserves Policy

Our Reserves Policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all its money not simply those which are defined as reserves.

The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand.

The Charity Commission has agreed that it is appropriate for the Trustees to set a policy for the management of this fund and that policy is set out below:

A proportion of the money held in the CMTF has been earmarked by the Trustees for the following purposes:

- Contribution to the employment costs of lay employees within the Circuit of £43,850 for 2023/24.

- General support of Circuit activities whilst it continues its ongoing review of the way in which its presbyters, lay workers and members pursue its mission policy. £165,000 is the budgeted amount for 2023/24 with a continuing recognition that support at this level and beyond cannot be sustained indefinitely.

- Circuit Meeting has provided financial support to the District for a number of years as a contribution towards the employment costs of the Agricultural Chaplaincy. A fresh agreement to maintain support of this valued project at the increased level of c £20,000 p.a. for each of the next 3 years will be proposed to the Circuit Meeting to be held in December 2023.

- Support for projects within individual churches, whether for property schemes or for mission, based on the principle that only 10% of cost will be provided by the Circuit in the normal course but larger amounts can be made available dependent upon the project details and the underlying objectives.

The balance is maintained to support the Circuit in achieving its objectives.

RISK ASSESSMENT

The Trustees acknowledge that there are areas of Risk within the Circuit, the principal ones being as follows:

- **Financial Position** – The Circuit continues to operate with a significant shortfall that is counterbalanced by transfers from reserves. These are bolstered from time to time by the disposal of churches and chapels that have ceased to meet for worship and so have closed. At the end of the financial year there were 49 places of worship within the Circuit and of these 23 have less than 12 members.

  The majority are under some financial pressure and so their contribution to the Circuit finances is precariously balanced especially in the current difficult economic climate. It is also the case that the age profile of the membership is increasing and this accelerates the existential and financial vulnerability However, each of the Churches/Chapels has a value and so when closed each of them realises at least a

modest sum which tends to replenish reserves. As has been said many times before, such a policy cannot be sustained over the long term. The members of the Executive Committee are constantly aware of this and continue to seek a solution that could be the basis of growth in the future.

- **Corona Virus pandemic** – Whilst the pandemic itself is deemed to be over, there is a lingering effect on the membership both financially and in terms of attendance at worship.

- **Property** - Directly, the Circuit includes within its Annual Accounts the properties occupied by its Ministers even though the title is actually vested in the Trustees for Methodist Church Purposes. A property formerly occupied by a Minister but now let to generate income to support the activities of the Circuit is also included even though that too is actually registered in the name of Trustees for Methodist Church Purposes. This property is now to be sold. Whilst susceptible to the movement in the domestic property market, it is envisaged that the majority of properties owned will not be disposed of in the foreseeable future and so the risk of loss of capital is not considered to be great.

- **Safeguarding** – The aim of the Methodist Church Safeguarding policy is 'to create Christian communities of love and care, where good practice in this area becomes a way of life.' A handbook is made available to each Church and information is disseminated through Districts and Circuits via training and publications. Each Church has a nominated Safeguarding Officer and a policy agreed by its Church Council. The Circuit has responsibility for the overview of the Churches within its area.

- **Key positions** – Within the Circuit there are key positions held by lay members of the Methodist Church who act on a voluntary unpaid basis. Principal among these are Circuit Stewards who represent different geographical parts of the Circuit, a team of people who are responsible for overseeing all matters in connection with Circuit property and the Circuit Treasurer who is accountable to the Circuit Meeting Trustees for all financial matters relating to the Circuit. The Executive Committee is aware of the dangers of having too much reliance on any one individual either for a significant part of the work or for a period that is unreasonably long. The Methodist Church policy is that in the normal course no officer should occupy a post for more than six years and so succession is an issue constantly under review and discussion.

Endowment Funds

At the year end the following was the balance on these funds:

- Endowment Funds, including Trusts domiciled with Trustees for Methodist Church Purposes £3,043 (2022: £3,178).

The income arising on these funds and the capital involved is available only for the various purposes originally designated.

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

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

The trustees' report was approved by the Board of Trustees.

.....

Rev H Richard Hall
Superintendent Minister

Date

12/12/23

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SHROPSHIRE & MARCHES METHODIST CIRCUIT IN RESPECT OF THE YEAR TO 31 AUGUST 2023

Opinion

We have audited the financial statements of Shropshire & Marches Methodist Circuit (the "Charity") for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. There were no specific legal or regulatory frameworks identified.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and Accounting and Reporting by Charities SORP: FRS 102. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dyke Yaxley Ltd. 14.12.2023

MRS STACEY LEA FCA
DYKE YAXLEY LIMITED
CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS

1 BRASSEY ROAD
OLD POTTS WAY
SHREWSBURY
SY3 7FA

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals this year £	Totals 2022 £
Income and endowments							
Assessment or share		441,840	-	-	-	441,840	449,298
Capital receipts	2	502	327,233	-	-	327,735	342,548
Interest and Investment Income		18,144	19,237	-	94	37,475	5,095
Grants	3	17,686	-	-	-	17,686	4,642
Lettings		17,084	-	-	-	17,084	14,976
Other Income	4	24,890	-	-	-	24,890	29,066
Total Income		**520,146**	**346,470**	**-**	**94**	**866,710**	**845,625**
Expenditure							
Expenditure on charitable activities							
Stipends, salaries, NIC & Pension costs	5	444,005	-	-	-	444,005	419,300
District assessment		106,240	-	-	-	106,240	106,596
Admin, Telephone & Travel	6	42,207	1,192	-	9	43,408	37,474
Insurance, Utilities etc	7	33,952	-	-	-	33,952	32,907
Maintenance on Manses		27,248	-	-	-	27,248	41,417
Expenditure on other Circuit property	8	10,265	-	-	-	10,265	12,267
Other expenditure	9	21,289	-	-	85	21,374	8,245
Grants and Donations	10	27,074	82,186	-	-	109,260	78,263
Contribution to District Advance Fund		-	22,616	-	-	22,616	16,743
Governance costs	11	5,700	-	-	-	5,700	5,340
Total Expenditure		**717,980**	**105,994**	**-**	**94**	**824,068**	**758,552**
Net income/ (expenditure)		**(197,834)**	**240,476**	**-**	**-**	**42,642**	**87,073**
Transfers between funds		253,688	(253,688)	-	-	-	-
Property value movement	13,14,17	315,000	-	-	-	315,000	254,000
Gains & losses on investments (Unrealised)		(5,597)	(287)	-	(135)	(6,019)	(10,252)
Net Movement in funds		**365,257**	**(13,499)**	**-**	**(135)**	**351,623**	**330,821**
Reconciliation of Funds							
Total funds brought forward		3,718,288	418,216	-	3,178	4,139,682	3,808,861
Total funds carried forward at end of year		**4,083,545**	**404,717**	**-**	**3,043**	**4,491,305**	**4,139,682**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2022 £
Income and endowments						
Assessment or share		449,298	-	-	-	449,298
Capital receipts	2	6,374	336,174	-	-	342,548
Interest and Investment Income		2,834	2,179	-	82	5,095
Grants	3	4,642	-	-	-	4,642
Lettings		14,976	-	-	-	14,976
Other Income	4	24,066	5,000	-	-	29,066
Total Income		**502,190**	**343,353**	**-**	**82**	**845,625**
Expenditure						
Expenditure on charitable activities						
Stipends, salaries, NIC & Pension costs	5	419,300	-	-	-	419,300
District assessment		106,596	-	-	-	106,596
Admin, Telephone & Travel	6	36,495	969	-	10	37,474
Insurance, Utilities etc	7	32,907	-	-	-	32,907
Maintenance on Manses		41,417	-	-	-	41,417
Expenditure on other Circuit property	8	12,267	-	-	-	12,267
Other expenditure	9	8,173	-	-	72	8,245
Grants and Donations	10	6,375	71,888	-	-	78,263
Contribution to District Advance Fund		-	16,743	-	-	16,743
Governance costs	11	5,340	-	-	-	5,340
Total Expenditure		**668,870**	**89,600**	**-**	**82**	**758,552**
Net income/ (expenditure)		**(166,680)**	**253,753**	**-**	**-**	**87,073**
Transfers between funds		174,990	(174,990)	-	-	-
Property cost movement		-	-	-	-	-
Property value movement	13,14,17	254,000	-	-	-	254,000
Gains & losses on investments (Unrealised)		(9,587)	(452)	-	(213)	(10,252)
Net Movement in funds		**252,723**	**78,311**	**-**	**(213)**	**330,821**
Reconciliation of Funds						
Total funds brought forward		3,465,565	339,905	-	3,391	3,808,861
Total funds carried forward at end of year		**3,718,288**	**418,216**	**-**	**3,178**	**4,139,682**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
BALANCE SHEET AS AT 31 AUGUST 2023

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Endowment Funds £	Totals this year £	Totals 2022 £
Fixed Assets							
Manses etc	13	2,151,792	-	-	-	2,151,792	2,351,792
Plant and Machinery	13	45,001	-	-	-	45,001	-
Properties held as investment	14	610,000	-	-	-	610,000	410,000
Investments	15	26,329	6,461	-	3,043	35,833	41,852
Total Fixed Assets		**2,833,122**	**6,461**	**-**	**3,043**	**2,842,626**	**2,803,644**
Current Assets							
Debtors and Prepayments	16	33,727	1,800	-	-	35,527	40,656
Central Finance Board and Trustees for Methodist Church Purposes deposits etc		557,464	396,456	-	-	953,920	963,986
Properties held for sale	17	751,000	-	-	-	751,000	436,000
Cash at Bank and in hand		4,662	-	-	-	4,662	4
Total Current Assets		**1,346,853**	**398,256**	**-**	**-**	**1,745,109**	**1,440,646**
Liabilities							
Creditors falling due within one year	18	96,430	-	-	-	96,430	104,608
Net Current Assets		**1,250,423**	**398,256**	**-**	**-**	**1,648,679**	**1,336,038**
Total assets less current liabilities		**4,083,545**	**404,717**	**-**	**3,043**	**4,491,305**	**4,139,682**
Funds of the charity							
General Fund (Unrestricted)	19	4,083,545	-	-	-	4,083,545	3,718,288
Circuit Model Trust Fund (Unrestricted)	19	-	404,717	-	-	404,717	418,216
Other funds (Restricted)	19	-	-	-	-	-	-
Endowment Funds	19	-	-	-	3,043	3,043	3,178
Total Funds		**4,083,545**	**404,717**	**-**	**3,043**	**4,491,305**	**4,139,682**

The accounts on Pages 13 to 24 were approved by the Board of Trustees and signed on their behalf by:

Rev H Richard Hall
Superintendent Minister

Date 12/12/23

David Eccleshall
Circuit Treasurer

Date 12. 12. 2023.

	Note	2023	2022
Net cash (used) / generated in operating activities	**20**	**(315,551)**	**(364,928)**
Cash flows from investing activities:			
Interest and dividends		37,475	3,461
Receipts from sale of tangible fixed assets		327,735	63,955
Payments from purchase of tangible fixed assets		(45,001)	(284,792)
Net cash provided by investing activities		**320,209**	**(217,376)**
Change in cash and cash equivalents in the year		**4,658**	**(582,304)**
Cash and cash equivalents brought forward		4	8,779
Cash and cash equivalents carried forward		**4,662**	**4**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting Policies

a) Basis of preparation and assessment of going concern

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Funds structure

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in note 19 to these accounts. Any funds may be represented by more than just cash.

c) Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount

Grants are recognised on receipt unless performance conditions require deferral of the amount.

Capital receipts are recognised when the charity is entitled to the income.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised on receipt of the income.

d) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

e) Allocation of governance costs

Administration expenses of the charity relate to the costs of running the Charity, such as insurance, accountancy fees and costs of statutory compliance, and include any costs which cannot be specifically attributed to another expenditure classification. See note 11 for basis of allocation

f) Charitable activities

The Shropshire & Marches Methodist Circuit exists to encourage and support the ministry and mission of all the churches in its care. Any expenditure specifically to achieve these objects is included in direct charitable expenditure.

g) Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised at cost if they can be used for more than one year, and cost at least £1,000. Provision is made for depreciation where appropriate.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Manses etc.	Not depreciated
Plant and Machinery	25% straight line

Properties used for the purposes of the charity are included in the Circuit's accounts when responsibility for maintenance etc. rests with the Circuit.

They are valued at cost or a reasonable value on receipt. Where cost is not available, the Circuit Meeting has estimated the buildings' current value to the circuit, based on insurance values and taking account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation.

When properties are sold, the Connexion is entitled to levy a proportion of the proceeds and therefore, when the decision is made to sell a property, the book value is adjusted to reflect the expected realisable value, net of levies and any other selling costs.

h) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/ (expenditure) for the year.

i) Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

l) Basic Financial Liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

m) Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Capital Receipts comprise the following

	Unrestricted funds			
	General	Circuit Model Trust	2023 Total	2022 Total
	£	£	£	£
Balances and asset sale proceeds from Manses and closed churches	502	-	502	6,374
Sale of Morda Chapel	-	-	-	109,943
Sale of Vron Gate Chapel	-	-	-	57,313
Sale of Ewyas Harold Chapel	-	-	-	50,594
Sale of Caynham Chapel	-	-	-	118,324
Sale of Coton Chapel	-	115,954	115,954	-
Sale of Knolton Chapel	-	43,811	43,811	-
Sale of Moreton Mill Chapel	-	167,468	167,468	-
	502	327,233	327,735	342,548

3 Grants

	2023	2022
	£	£
Wolverhampton & Shrewsbury District of the Methodist Church	12,850	-
Various sources towards employment cost of Pastoral worker	4,836	4,642
	17,686	4,642

4 Other Income

	Unrestricted funds			
	General	Circuit Model Trust	2023 Total	2022 Total
	£	£	£	£
Employment cost of Administrator at Ludlow office has been financed by Ludlow Methodist Church and Hands Together Ludlow	20,965	-	20,965	20,102
Repayment instalment from Belle Vue Methodist Church	-	-	-	5,000
Other	3,925	-	3,925	3,964
	24,890	-	24,890	29,066

5 Staff costs

	Salaries	National Insurance	Pension	Apprenticeship Levy	2023 Total	2022 Total
	£	£	£	£	£	£
Ministerial	249,408	23,118	65,193	1,322	339,041	325,037
Lay employees	94,705	5,085	4,701	473	104,965	94,263
	344,113	28,203	69,894	1,795	444,005	419,300

The average number of employees during the year was 17 (2022 - 16) with all employee time involved in providing support services to charitable activities. All the Ministers are Trustees of the Circuit but stipends relate solely to their duties as Ministers.

The Charity considers its key management personnel comprises the members of the executive committee. The total employment benefits including employer pension contributions of key management personnel were £153,709 (2022 - £147,366). No employees had employee benefits in excess of £60,000 (2022 - none).

6 Telephone & Travel including Administration

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Ministerial Travel	21,189	-	-	-	21,189	16,847
Supernumerary Travel	1,199	-	-	-	1,199	459
Lay Travel	6,038	-	-	-	6,038	5,044
Telephone - Ministers & Office	8,476	-	-	-	8,476	6,033
Other administration	5,305	1,192	-	9	6,506	9,091
	42,207	1,192	-	9	43,408	37,474

7 Insurance, Utilities on occupied Manses	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£	£
Insurance	7,966	-	-	-	7,966	6,412
Council Tax	22,403	-	-	-	22,403	22,633
Water rates	3,583	-	-	-	3,583	3,862
	33,952	-	-	-	33,952	32,907

8 Expenditure on other Circuit Property	Unrestricted	Circuit Model Trust Fund	Restricted	2023 Total	2022 Total
	£	£	£	£	£
Other Manses either unoccupied or let	750	-	-	750	5,735
Churches closed and awaiting sale or sold	5,747	-	-	5,747	5,306
Cleobury Mortimer Methodist Church premises	2,771	-	-	2,771	903
Other	997	-	-	997	323
	10,265	-	-	10,265	12,267

9 Other expenditure	Unrestricted	CMTF	Endowment	2023 Total	2022 Total
	£		£	£	£
Presbyteral relocation allowances	1,200	-	-	1,200	600
Removal costs	3,875	-	-	3,875	-
Supernumerary Ministers' Fees	2,450	-	-	2,450	950
Bayston Hill Church for office accommodation	840	-	-	840	840
Worship Materials	1,822	-	-	1,822	2,156
Legal expenses	-	-	-	-	1,240
Other inc Zoom related costs	11,102	-	85	11,187	2,459
	21,289	-	85	21,374	8,245

10 Grants and Donations	Unrestricted	Circuit Model Trust Fund	2023 Total	2022 Total
	£	£	£	£
Churches				
Builth Wells	-	1,250	1,250	-
Leominster	-	1,000	1,000	-
Wyson	750	-	750	-
Bayston Hill	1,600	-	1,600	-
Rea Valley	500	-	500	-
Tenbury Wells	500	-	500	
Belle Vue	-	-	-	5,000
Ellesmere for Mission Project	17,349	-	17,349	-
Connexional levy & Grants repaid:				
Coton	-	22,381	22,381	-
Knolton	-	4,568	4,568	-
Moreton Mill	-	42,987	42,987	-
Morda	-	-	-	19,977
Vron Gate	-	-	-	7,463
Ewyas Harold	-	-	-	6,119
Caynham	-	-	-	23,329
District Agricultural Chaplain	-	10,000	10,000	10,000
St. Mary's Youth Project, Cleobury Mortimer **	6,000	-	6,000	6,000
Herefordshire Churches Together	375	-	375	375
	27,074	82,186	109,260	78,263

** This amount is returned to the Circuit as rental for the premises and is included in income received.

11 Analysis of support and governance costs

	Support	Governance	2023	2022
Auditors remuneration	-	5,700	5,700	5,340
	-	5,700	5,700	5,340

The total included in auditors remuneration relates to the audit and no other services are provided.

12 Payments to Trustees

	2023	2022
Number of Trustees who were paid expenses excluding Presbyters and employed lay staff	8	4

	2023	2022
Nature of the expenses	£	£
Supernumerary Fees and Travel expenses	2,963	1,058
Lay Travel and expenses excluding costs reimbursed	1,124	876
Total amount paid	4,087	1,934

During the year £ 649 (2022: £568) was paid to two trustees for carrying out PAT testing. This amount includes both mileage and in one case labour costs too.

At the year end there was an amount of £820 (2022: Nil) outstanding to a trustee, in relation to trustee expenses.

None of the Trustees received any remuneration in the year for their services as Trustees.

13 Tangible Fixed Assets

	Manses	Plant and machinery	Total
	£	£	£
Cost			
Balance brought forward	2,351,792	-	2,351,792
Additions	-	45,001	45,001
Transfers to / from properties held for sale	(200,000)	-	(200,000)
Balance carried forward	2,151,792	45,001	2,196,793
Net book value			
31 August 2023	2,151,792	45,001	2,196,793
31 August 2022	2,351,792	-	2,351,792

14 Investment properties

	2023	2022
	£	£
Balance brought forward	410,000	390,000
Additions	225,000	-
Transfer from Tangible Fixed Assets	200,000	-
Transfer to properties for sale	(300,000)	-
Revaluations	75,000	20,000
Balance carried forward	610,000	410,000

The investment properties were valued by independent valuers with relevant professional qualifications. Minsterley and Overton properties are valued on the basis of open market value in accordance with The Royal Institute of Chartered Surveyors.

The property at Cleobury Mortimer is valued on the basis that there is a lease in favour of St. Mary's Youth Project.

15 Fixed Asset Investments

	Listed investments	Unlisted investments	Total
	£	£	£
Market value			
Balance brought forward	31,167	10,685	41,852
Add net gain on revaluation	(5,566)	(453)	(6,019)
Balance carried forward	25,601	10,232	35,833
Net book value			
31 August 2023	25,601	10,232	35,833
31 August 2022	31,167	10,685	41,852

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

16 Analysis of debtors and prepayments

General Fund	2023	2022
	£	£
Debtors	4,240	9,705
Prepayments	29,487	30,951
	33,727	40,656

	2023	2022
Circuit Model Trust Fund		
Debtor	1,800	-
	1,800	-
Total debtors and prepayments	**35,527**	**40,656**

17 Properties etc held for sale

	2023	2022
	£	£
Cost/valuation		
Balance brought forward	436,000	202,000
Additions	571,000	436,000
Revaluations	-	-
Disposals	(256,000)	(202,000)
Balance carried forward	751,000	436,000
Net book value		
31 August 2023	751,000	
31 August 2022	436,000	

18 Analysis of current liabilities

Creditors under 1 year	2023	2022
	£	£
Trustee expenses	820	-
Audit fee	5,700	5,340
Deferred income	89,910	99,268
	96,430	104,608

Deferred income comprises of assesments received in advance to the period that they relate to:

Balance as at 1 September 2022	99,268
Amounts released to income in the year	(99,268)
Amounts deferred in the year	89,910
Balance as at 31 August 2023	89,910

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
General	3,718,288	520,146	(717,980)	253,688	309,403	4,083,545
CMTF	418,216	346,470	(105,994)	(253,688)	(287)	404,717
	4,136,504	866,616	(823,974)	-	309,116	4,488,262

Analysis of movements in unrestricted funds - previous year

	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
General	3,465,565	502,190	(668,870)	174,990	244,413	3,718,288
CMTF	339,905	343,353	(89,600)	(174,990)	(452)	418,216
	3,805,470	845,543	(758,470)	-	243,961	4,136,504

The unrestricted funds are available to be spent for any purposes of the charity.

The transfer of funds between General and CMTF, related to the following:- general support of circuit activities - £160,750 (2022 - £115,000), specific support for lay employee costs - £ 37,000 (2022 - £34,000), cost of Mission Project Trailer £48,500 (2022 - NIL), contribution towards costs of properties subsequently sold - £ 2,438 (2022 - £ 4,832), contribution towards cost of alterations, repairs and maintenance at 1 (2022 - 2) Manse - £5,000 (2022 - £21,158).

19 Analysis of charitable funds - continued

Analysis of movements in endowment funds

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	305	9	(9)	-	(14)	291
George Parton Bequest	1,922	57	(57)	-	(81)	1,841
Mary Ann Price Legacy	951	28	(28)	-	(41)	910
	3,178	94	(94)	-	(136)	3,042

Analysis of movements in endowment funds - previous year

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	325	7	(7)	-	(20)	305
George Parton Bequest	2,051	50	(50)	-	(129)	1,922
Mary Ann Price Legacy	1,015	25	(25)	-	(64)	951
	3,391	82	(82)	-	(213)	3,178

All the endowment funds are invested in CFB Managed Mixed Fund and the income is used for general circuit purposes.

20 Reconciliation of net movements in funds to cash flow from operating activities

	2023	2022
Net movement in funds	351,623	330,821
Deduct interest income shown in investing activities	(37,475)	(5,095)
Deduct receipts from sale of tangible fixed assets	(327,735)	(342,548)
Loss / (Gain) on revaluation of properties	-	-
Decrease (increase) in debtors	5,129	(544)
Increase (decrease) in creditors	(8,178)	846
Loss / (Gain) on revaluation of fixed asset investment properties	(315,000)	(254,000)
Loss / (Gain) on revaluation of fixed asset investments	6,019	10,252
(Gain) / Loss on revaluation of current asset investments	10,066	(104,660)
	(315,551)	(364,928)

21 Contingent liability relating to the potential claim over a sold estate

It continues to be the case that a third party may have a claim over an estate which was sold during 2018/2019 financial year end. This amount cannot be reliably measured therefore no accounting provision has been recognised in the accounts.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

England & Wales - Charity number 1139091

Accounts

THE METHODIST CHURCH

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT AND ACCOUNTS
for the year ended 31 August 2022

Registered Charity number 1139091

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SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

ADMINISTRATIVE INFORMATION

Registered Charity	Registration number	1139091

Presbyters	Hall, Rev'd. H Richard **	Hides, Rev'd Roger
	Arnold, Rev'd Paul ** (from 01.09.2021)	Skitt, Rev'd Julia. **
	Cooper, Rev'd Shalome M	Stilwell, Rev'd Kim
	Eaton – Challinor, Rev'd. James **	Windsor – Hides, Deacon S.
	Heinz, Rev'd George	Woodley, Deacon G. Carys
Circuit Stewards	Davies, Mrs A	Harlington, David **
	Davies, Mrs Lynne	Knowles, Mrs V A
	Evans, Mrs N C **	Threadgold, Mrs Ann **
	Hallworth, Mrs B	
Circuit Treasurer	Eccleshall, Mr David **	

Other Trustees	Bache, Mr Anthony (Until 13.09.2021)	Huband, Revd, William
	Bache, Mrs J	Jackson, Mrs June
	Beaman, Mr R J	Jackson, Mr M
	Biseker, Rev'd. Frances C.	Jennings, Mr C P
	Blanchard, Mr J.	Johnson, Mrs Ann
	Bradley Ms Lynne	Johnson, Mr Paul
	Burnham, Mr Paul	Jones, Mrs Christine A.
	Burrows, Mrs Elizabeth S.	Jones, Mrs Dilys
	Butler, Mrs Christine A. (Until 11.08.2022)	Jones, Mr Haydn
	Cansdale, Mrs Elizabeth (Until 10.04.2022)	Jones, Mr J C
	Cartwright Mrs Gillian A.	Jones, Mrs Sylvia M
	Chesworth. Rev'd J	Kennett, Mr Christopher
	Chidlow, Miss J	Kennett, Mrs Mary
	Chorley, Rev'd K (Until 16.01.22)	Killick, Mrs R Y
	Cockayne, Mrs A	Knight, Mrs E A
	Coleman, Mrs B	Knight, Mr M
	Curtis, Mrs Christine A.	Lewis, Mrs E A
	Curtis, Mr David	Lewis, Mrs Sandra M.
	Davies, Mrs Dorothy	Link, Mrs C
	Davies Mrs Susan	Littlehales, Ms V J
	Diggory, Mrs H	Lloyd, Mr M G
	Dorsett, Mrs J	Mathews, Miss Susan **
	Drummond, Mr Roger	Miller, Mrs C S
	Dutton Mr A D	Mayo, Mrs A
	Dutton, Mr David C.	Moores, Mrs L
	Edlington, Mr Keith	Morris,Mr N
	Edwards, Mrs P A	Morris, Mr R. (Until 30.04.2022)
	Faulkner, Mrs Christine	Morrison, Mrs Patricia
	Finnigan, Mr R	Norris, Mrs Beth A
	Gibbon, Mrs J P	Owens, Mrs Lynne P
	Gilbride Mrs Linda	Parry, Ms C
	Gwatkin, Mr David B	Pickard Rev'd D
	Gwatkin, Mr John B	Pitchford Miss L M
	Gwatkin, Mrs Jean	Powell, Mrs C A
	Hallworth, Mr Michael J.	Price, Miss Heather G.
	Harmer, Mrs Diana	Price Miss S P
	Harmer, Mr Philip W	Pritchard, Mrs Catherine M
	Harrison-Koring Mrs R	Pritchard, Mrs E R
	Holloway, Mrs E E	Rees, Mr Bill
	Holt, Mrs Heather M.	Rees, Miss M
	Howard, Mrs C	Reeves, Mrs K

Richardson, Rev'd Neil
Roberts, Mr Barry
Roberts, Mrs Doris
Roberts, Mrs Linda M
Salmon, Mrs H H
Sheehy, Mrs V
Stock, Mr Brian
Taylor, Mr J S W
Taylor, Mrs S
Thomas, Mr Stephen (from 22.04.2022)
Thomas, Mrs Vivienne (from 10.04.2022)
Turner, Mrs M C
Waldegrave, Mrs Sharman
Watts, Mrs H E
Weller, Mr J H
White, Mr Henry E.G.
Wilford, Mrs B
Williams, Mr Adrian J **
Williams, Mrs Jean I
Williams, Mrs S E
Wilson, Mrs J
Wise, Mrs B
Wood, Mrs Margaret O
Wright, Mrs E Margaret
Wright, Mrs M
Wright, Revd. Maurice H

Trustees appointed after 31 August 2022

Maskell, Mrs Ruth (from 02.11.2022)
Snow, Mrs Beryl (from 10.09.2022)
Hamilton-Foyn, Mr Richard W (from 05.09.2022)
Brightwell, Mr Norman J (from 05.09.2022)

Contact	Shropshire and Marches Methodist Circuit, The Methodist Centre, Lansdowne Road, Bayston Hill, Shrewsbury, SY3 0HZ
Governing Document	Deed of Union (1932) and Methodist Church Act (1976)

The Circuit is the primary unit within the Methodist Church in which Local Churches express and experience their interconnexion in the Body of Christ, for purposes of mission, mutual encouragement and help. It is constituted in accordance with Standing Orders set down in the Constitutional Practice & Discipline of the Methodist Church [C P D] that is updated each year by the Methodist Conference. The full C P D is available to view on the Methodist Church website via the following link: https://www.methodist.org.uk/for-churches/governance/cpd.

The Circuit Meeting is the appointed authority for the management of the Circuit and its constitution and composition is dictated by the terms laid down in Standing Orders within the C P D. The basis on which Churches are represented by Trustees is there too and the process ensures that each has a voice. The meeting is chaired by the Superintendent Minister who is effectively the Chief Executive Officer of the Circuit. The basis of decision making within the Circuit Meeting is set down within the C P D. The day to day operation of the Circuit is delegated to an Executive Committee which is also chaired by the Superintendent Minister. This Committee is constituted in a way that allows representation from Presbyteral and Lay individuals who are also drawn from across the Circuit geographically. The members of this Committee have been identified in the list of Trustees that appears earlier in this document.

Should advice and guidance be required this is available within the Connexional structure of the Methodist Church either from the Wolverhampton & Shrewsbury District or from the central Connexional Offices and Officials. Where it is appropriate and necessary reference is made to qualified Professionals. Financial and legal guidance is, where required, also available from the Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes.

REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements for the charity for the year ended 31st August 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Shropshire & Marches Methodist Circuit is an unincorporated charity, registered with the Charity Commission.

Trustees are not 'recruited' in the generally accepted sense. They are appointed to the Circuit Meeting in accordance with the requirements set down in the C P D. These include the basis on which each Church is represented at the Circuit Meeting. Whilst no formal training is in place the responsibilities of Trustees undertaking the role is communicated to them when they are first appointed. They have access to The Methodist Church website via https://www.methodist.org.uk/for-churches/office-holders/managing-trustees. This site is updated regularly.

In addition,Trustees are able to view various Charity Commission documents through the following links: https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do & https://www.charitygovernancecode.org/en

OBJECTS OF THE CHARITY

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 the 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

REVIEW OF ACTIVITIES

In designing and monitoring the Charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit. The review of activities in the following sections demonstrates how the Charity has provided benefit directly to the individual churches in the Circuit and thereby to the congregations of those churches and other sections of the community in the area.

General Review

2021/22 has been a very challenging year for the Shropshire and Marches Circuit which remains the largest Circuit in the Wolverhampton and Shrewsbury District. Many churches have found that their congregations have not returned to pre-pandemic levels. This may be a result of an extended change in habits or perhaps continued caution on the part of some. It may simply reflect the age profile of our churches. Whatever the cause, it is a source of concern.

The local churches continue to provide programmes of worship, pastoral care and community involvement under the leadership of Ministers, lay employees and local Church Trustees.

Circuit Staff

There were no significant changes in staffing during 2021/22. The Circuit churches continue to be supported by a team of paid staff both lay and ordained and by a much larger number of voluntary workers. We were delighted that

Rev George Heinz was accepted into full Connexion and ordained at the Methodist Conference meeting in Telford in the summer of 2022.

Although we anticipate making reductions in the number of paid staff over the coming years, we do not consider that the current environment is propitious. Indeed, at this difficult time it is appropriate to ensure that all round support for our members and their related communities is maintained at the current level.

Post-pandemic Renewal

As implied above, the full impact of the pandemic lockdown is still being identified within the Circuit as it is in other parts of society. Whatever the 'new normal' might be, it has not yet emerged. We recognise that the Circuit does not exist in isolation: it cannot be separated from the political and economic uncertainty that besets the whole country. The issues we face are not ours alone. The whole church in Britain is "up against it".

The Methodist Conference has directed that the minimum size of a local church be raised from 6 members to 12. Implementing this change will be a challenge in our rural setting of small villages and scattered populations. Merging congregations to become multi-site churches is one organisational strategy that is being explored, and in some cases actively pursued. However, this raises the perceived complexity of running a local church and makes finding volunteers to become church officers more difficult.

The online service which began on the Zoom platform during the pandemic has been continued and this offers some hope of providing us with the means to resource worship in local churches with fewer available worship leaders. There will be costs associated with installing the technology in a number of churches, and a further challenge of training people to use it, but it does seem possible that our experience of providing meaningful online worship could be a means of enabling local congregations to be led together simultaneously, perhaps alongside a home-based congregation.

FINANCIAL REPORT

General Fund.

The overall position reveals a net deficit of £166,680 and this shortfall has been covered by transfers from the Circuit Model Trust Fund of £ 174,990.

Income from Churches by way of assessment was marginally short of the budget and transfers from Circuit Model Trust Fund were slightly greater than the £170,000 budgeted. This was so despite savings achieved in lay employment costs. The principal reason for the excess transfer was expenditure on two of the Manses.

Circuit Model Trust Fund.

The fund has benefited from the disposal of four Properties during the year. The net proceeds amounted to £ 336,174 from which was deducted the Connexional Levy totalling £ 56,888. This left £ 279,286 available to the Circuit for its ongoing work.

Transfers totalling c £174,990 have been made to the Circuit to cover certain specific costs and to provide general support. The annual District levy based on the balance held at the beginning of the year has been paid £16,743 (2021 – £43,950). This payment is our direct contribution to the work of the District and is used with allotted Connexional funds to provide grant support to Churches and Circuits within the District for approved projects. This Circuit received no grants during the year (2021 - £ 5,950).

A payment of £ 10,000 has been made to the District as a contribution to the employment costs of the District Agricultural Chaplain who is based within the Circuit.

Grants made available to Churches are specified in Note 10 of the Accounts.

The closing value of £ 418,216 is held as a reserve for the future work and development of the Circuit as indicated in the Reserve Policy Statement.

Endowment Funds.

Only minimal activity has occurred on these funds during the year in accordance with the inbuilt restrictions.

Overall position.

Although the underlying financial position is sound, it continues to be necessary to support the ongoing work of the Circuit from reserves. The challenge of balancing the cost of providing Ministerial leadership across such a wide geographical area within which are many small chapels and churches is immense. Fresh approaches are constantly being considered and implemented where potential is identified.
At the present time the long term impact of the Corona Virus pandemic is being assessed as is the challenging financial position faced by Churches and their members in the current difficult economic climate.

Properties – Manses and redundant Churches – are being sold as opportunities arise and the proceeds provide the wherewithal to maintain a significant involvement in the mainly rural communities that make up the Circuit.

Executive Committee is constantly aware of the need to manage the financial position in a positive but careful manner thus seeking to ensure that the future work of the Methodist Church is not in doubt.

Aims

Our aim is twofold:

- To secure and sustain the Circuit's viability and future.
- To give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

PROCESS

Mission Policy

A revised Mission Policy was approved by the Circuit Meeting on 20 June 2022. It reads as follows:

'Our mission is to love the Lord our God with all our heart, soul and mind, and to love our neighbour as ourselves by the power of the Holy Spirit in our large and rural community.

With God's help we aim to:

- be aware of the differing needs of all our congregations and be prepared to adapt in order to offer mutual nurture and support
- be aware of the needs of our Ministers, Lay workers and Local preachers and encourage them in their calling and mission
- be aware of the needs of our local neighbourhoods and be witnesses for Jesus Christ within them
- accept our responsibility towards the natural world by consciously caring for God's creation
- be vocal in our commitment to inclusivity, ensuring our churches are places where all are welcome regardless of gender, race, sexuality, or any other issue which might be considered a barrier

so that we may unite as a Circuit in enabling the worship of God, and be a loving, effective and constantly evolving Methodist presence in our communities.'

Financial Plans.

- The Circuit Assessment required to be paid by the individual Churches is reviewed annually and the income generated covers a high proportion of the costs of the Circuit. The contribution made by each church is arrived at by having regard to the overall size of its membership and its ability to pay.
- We make provision for a property maintenance programme for the Manses occupied by the Ministers by designating a sum agreed by the Circuit Meeting each year for this purpose. We also have regard to the longer term need arising from local inspections and Quinquennial reports and where necessary provide additional funds for these identified purposes.

- The Circuit Fund (Unrestricted General Fund). Balance at the year end excluding property was £ 520,497 although this balance does include c £160,000 proceeds from a property sale that is held in suspense at the moment [See Note 21]. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its Ministers and the maintenance of the manses. Total costs for the last financial year were in the region of £760,000.

- The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand i.e. £ 380,000; so the present figure meets that criteria.

- Within the Circuit there are a large number of smaller Churches many of whom are struggling to meet their financial obligations including their commitment to Circuit finances. This situation places continuing pressure on the Circuit and, as is evident from the Accounts a substantial transfer has been required from reserves again to counter an operating shortfall. This position is constantly under review.

Circuit Model Trust Fund [CMTF].

The value at the year end was £ 418,216 (2021: £ 339,905). The increase arises from the disposal of 4 properties. Since the year end the Fund has benefited from the receipt of c £ 257,000 (net after costs and deduction of Connexional Levy) from the disposal of a further 3 Church properties.

This fund derives from sales of churches and chapels and other property and whereas this used to be a restricted fund it is now unrestricted. Although the fund can be used for a variety of purposes there are guidelines set down that need to be respected as well as the principles agreed by the Circuit Meeting.

Reserves Policy.

Our Reserves Policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all its money not simply those which are defined as reserves.

The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand.

The Charity Commission has agreed that it is appropriate for the Trustees to set a policy for the management of this fund and that policy is set out below:

A proportion of the money held in the CMTF has been earmarked by the Trustees for the following purposes:

- Contribution to the employment costs of lay employees within the Circuit of £ 49,000 for 2022/23.

- General support of Circuit activities whilst it continues its ongoing review of the way in which its presbyters, lay workers and members pursue its mission policy. £175,000 is the budgeted amount for 2022/23 with a continuing recognition that support at this level and beyond cannot be sustained indefinitely.

- Circuit Meeting has agreed to provide financial support to the District to the extent of £ 10,000 p.a. for a further period as a contribution towards the employment costs of an Agricultural Chaplain. The final instalment of 5 is due in 2022/23. It is anticipated that there will be a request for continuation of this support,

- Support for projects within individual churches – whether for property schemes or for mission – based on the principle that only 10% of cost will be provided by the Circuit in the normal course but larger amounts can be made available dependent upon the project details and the underlying objectives.

- The balance is maintained to support the Circuit in achieving its objectives.

RISK ASSESSMENT

The Trustees acknowledge that there are areas of Risk within the Circuit, the principal ones being as follows:

- **Financial Position** – The Circuit continues to operate with a significant shortfall that is counterbalanced by transfers from reserves. These are bolstered from time to time by the disposal of churches and chapels that have ceased to meet for worship and so have closed. At the end of the financial year there were 57 places of worship within the Circuit and of these 25 have less than 10 members.
  The majority are under some financial pressure and so their contribution to the Circuit finances Is precariously balanced especially in the current economic climate. It is also the case that the age profile of the membership is increasing and this accelerates the existential and financial vulnerability However, each of the Churches/Chapels has a value and so when closed each of them realises at least a modest sum which tends to replenish reserves. As has been said many times before, such a policy cannot be sustained over the long term. The members of the Executive Committee are constantly aware of this and continue to seek a solution that could be the basis of growth in the future.

- **Corona Virus pandemic** – Whilst the pandemic itself is deemed to be over, there is a lingering effect on the membership both financially and in terms of attendance at worship.

- **Property** - Directly, the Circuit includes within its Annual Accounts the properties occupied by its Ministers even though the title is actually vested in the Trustees for Methodist Church Purposes. A property formerly occupied by a Minister but now let to generate income to support the activities of the Circuit is also included even though that too is actually registered in the name of Trustees for Methodist Church Purposes. Whilst susceptible to the movement in the domestic property market, it is envisaged that the majority of properties owned will not be disposed of in the foreseeable future and so the risk of loss of capital is not considered to be great.

- **Safeguarding** – The aim of the Methodist Church Safeguarding policy is 'to create Christian communities of love and care, where good practice in this area becomes a way of life.' A handbook is made available to each Church and information is disseminated through Districts and Circuits via training and publications. Each Church has a nominated Safeguarding Officer and a policy agreed by its Church Council. The Circuit has responsibility for the overview of the Churches within its area.

- **Key positions** – Within the Circuit there are key positions held by lay members of the Methodist Church who act on a voluntary unpaid basis. Principal among these are Circuit Stewards who represent different geographical parts of the Circuit, a team of people who are responsible for overseeing all matters in connection with Circuit property and the Circuit Treasurer who is accountable to the Circuit Meeting Trustees for all financial matters relating to the Circuit. The Executive Committee is aware of the dangers of having too much reliance on any one individual either for a significant part of the work or for a period that is unreasonably long. The Methodist Church policy is that in the normal course no officer should occupy a post for more than six years and so succession is an issue constantly under review and discussion.

Endowment Funds.

At the year end the following was the balance on these funds:

- Endowment Funds, including Trusts domiciled with Trustees for Methodist Church Purposes £3,178 (2021: £3,391).

The income arising on these funds and the capital involved is available only for the various purposes originally designated.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

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

The trustees' report was approved by the Board of Trustees.

.....

Rev H Richard Hall
Superintendent Minister

Date 31 JANUARY 2023

Opinion

We have audited the financial statements of Shropshire & Marches Methodist Circuit (the "Charity") for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2022- and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We did not identify any key audit matters relating to irregularities, including fraud.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

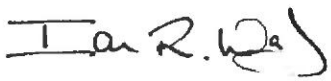
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



MR IAN WALSH
DYKE YAXLEY LIMITED
CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS

1 BRASSEY ROAD
OLD POTTS WAY
SHREWSBURY
SY3 7FA

9 February 2023

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals this year £	Totals 2021 £
Income and endowments							
Assessment or share		449,298	-	-	-	449,298	464,324
Capital receipts	2	6,374	336,174	-	-	342,548	63,955
Interest and Investment Income		2,834	2,179	-	82	5,095	3,461
Grants	3	4,642	-	-	-	4,642	10,430
Lettings		14,976	-	-	-	14,976	14,498
Other Income	4	24,066	5,000	-	-	29,066	116,684
Total Income		**502,190**	**343,353**	**-**	**82**	845,625	**673,352**
Expenditure							
Expenditure on charitable activities							
Stipends, salaries, NIC & Pension costs	5	419,300	-	-	-	419,300	436,848
District assessment		106,596	-	-	-	106,596	108,150
Admin, Telephone & Travel	6	36,495	969	-	10	37,474	33,109
Insurance, Utilities etc	7	32,907	-	-	-	32,907	31,090
Maintenance on Manses		41,417	-	-	-	41,417	46,119
Expenditure on other Circuit property	8	12,267	-	-	-	12,267	8,412
Other expenditure	9	8,173	-	-	72	8,245	19,626
Grants and Donations	10	6,375	71,888	-	-	78,263	30,805
Contribution to District Advance Fund		-	16,743	-	-	16,743	43,950
Governance costs	11	5,340	-	-	-	5,340	5,000
Total Expenditure		**668,870**	**89,600**	**-**	**82**	**758,552**	**763,109**
Net income/ (expenditure)		**(166,680)**	**253,753**	**-**	**- 0**	**87,073**	**(89,757)**
Transfers between funds		174,990	(174,990)	-	-	-	-
Property cost movement	14	-	-	-	-	-	20,000
Property value movement	13,14,17	254,000	-	-	-	254,000	157,000
Gains & losses on investments (Unrealised)		(9,587)	(452)	-	(213)	(10,252)	15,704
Net Movement in funds		**252,723**	**78,311**	**-**	**(213)**	**330,821**	**102,947**
Reconciliation of Funds							
Total funds brought forward		3,465,565	339,905	-	3,391	3,808,861	3,705,914
Total funds carried forward at end of year		**3,718,288**	**418,216**	**-**	**3,178**	**4,139,682**	**3,808,861**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2021 £
Income and endowments						
Assessment or share		464,324	-	-	-	464,324
Capital receipts	2	826	63,129	-	-	63,955
Interest and Investment Income		1,887	1,521	-	53	3,461
Grants	3	10,430	-	-	-	10,430
Lettings		14,498	-	-	-	14,498
Other Income	4	21,760	94,924	-	-	116,684
Total Income		**513,725**	**159,574**	**-**	**53**	**673,352**
Expenditure						
Expenditure on charitable activities						
Stipends, salaries, NIC & Pension costs	5	436,848	-	-	-	436,848
District assessment		108,150	-	-	-	108,150
Admin, Telephone & Travel	6	31,698	1,405	-	6	33,109
Insurance, Utilities etc	7	31,090	-	-	-	31,090
Maintenance on Manses		46,119	-	-	-	46,119
Expenditure on other Circuit property	8	8,412	-	-	-	8,412
Other expenditure	9	19,579	-	-	47	19,626
Grants and Donations	10	6,375	24,430	-	-	30,805
Contribution to District Advance Fund		-	43,950	-	-	43,950
Governance costs	11	5,000	-	-	-	5,000
Total Expenditure		**693,271**	**69,785**	**-**	**53**	**763,109**
Net income/ (expenditure)		**(179,546)**	**89,789**	**-**	**-**	**(89,757)**
Transfers between funds		454,106	(454,106)	-	-	-
Property cost movement	17	20,000	-	-	-	20,000
Property value movement	13,14,17	157,000	-	-	-	157,000
Gains & losses on investments (Unrealised)		14,061	1,117	-	526	15,704
Net Movement in funds		**465,621**	**(363,200)**	**-**	**526**	**102,947**
Reconciliation of Funds						
Total funds brought forward		2,999,944	703,105	-	2,865	3,705,914
Total funds carried forward at end of year		**3,465,565**	**339,905**	**-**	**3,391**	**3,808,861**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
BALANCE SHEET AS AT 31 AUGUST 2022

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Endowment Funds £	Totals this year £	Totals 2021 £
Fixed Assets							
Manses etc	13	2,351,792	-	-	-	2,351,792	2,351,792
Manses held as investment	14	410,000	-	-	-	410,000	390,000
Investments	15	31,928	6,748	-	3,177	41,852	52,105
Total Fixed Assets		**2,793,720**	**6,748**	**-**	**3,177**	2,803,644	**2,793,897**
Current Assets							
Debtors and Prepayments	16	40,656	-	-	-	40,656	40,112
Central Finance Board and Trustees for Methodist Church Purposes deposits etc		552,517	411,468	-	1	963,986	859,325
Properties held for sale	17	436,000	-	-	-	436,000	202,000
Cash at Bank and in hand		4	-	-	-	4	17,289
Total Current Assets		**1,029,177**	**411,468**	-	**1**	**1,440,646**	**1,118,726**
Liabilities							
Creditors falling due within one year	18	104,608	-	-	-	**104,608**	103,762
Net Current Assets		**924,569**	**411,468**	-	**1**	**1,336,038**	**1,014,964**
Total assets less current liabilities		**3,718,288**	**418,216**	-	**3,178**	**4,139,682**	**3,808,861**
Funds of the charity							
General Fund (Unrestricted)	19	3,718,288		-	-	3,718,288	3,465,565
Circuit Model Trust Fund (Unrestricted)	19	-	418,216	-	-	418,216	339,905
Other funds (Restricted)	19	-	-	-	-	-	-
Endowment Funds	19	-	-	-	3,178	3,178	3,391
Total Funds		**3,718,288**	**418,216**	-	**3,178**	**4,139,682**	**3,808,861**

The accounts on Pages 13 to 24 were approved by the Board of Trustees and signed on their behalf by:

Rev H Richard Hall

David Eccleshall

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022	2021
Net cash (used) / generated in operating activities	**20**	**(364,929)**	**225,886**
Cash flows from investing activities:			
Interest and dividends		5,095	3,461
Receipts from sale of tangible fixed assets		342,548	63,955
Payments from purchase of tangible fixed assets		-	(284,792)
Net cash provided by investing activities		**347,644**	**(217,376)**
Change in cash and cash equivalents in the year		**(17,285)**	**8,510**
Cash and cash equivalents brought forward		17,289	8,779
Cash and cash equivalents carried forward		**4**	**17,289**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting Policies

a) Basis of preparation and assessment of going concern

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Funds structure

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in note 19 to these accounts. Any funds may be represented by more than just cash.

c) Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount

Grants are recognised on receipt unless performance conditions require deferral of the amount.

Capital receipts are recognised when the charity is entitled to the income.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised on receipt of the income.

d) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

e) Allocation of governance costs

Administration expenses of the charity relate to the costs of running the Charity, such as insurance, accountancy fees and costs of statutory compliance, and include any costs which cannot be specifically attributed to another expenditure classification. See note 11 for basis of allocation

f) Charitable activities

The Shropshire & Marches Methodist Circuit exists to encourage and support the ministry and mission of all the churches in its care. Any expenditure specifically to achieve these objects is included in direct charitable expenditure.

g) Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised at cost if they can be used for more than one year, and cost at least say £1,000. Provision is made for depreciation where appropriate.

Properties used for the purposes of the charity are included in the Circuit's accounts when responsibility for maintenance, etc rests with the Circuit.

They are valued at cost or a reasonable value on receipt. Where cost is not available, the Circuit Meeting has estimated the buildings' current value to the circuit, based on insurance values and taking account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation.

When properties are sold, the Connexion is entitled to levy a proportion of the proceeds and therefore, when the decision is made to sell a property, the book value is adjusted to reflect the expected realisable value, net of levies and any other selling costs.

h) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/ (expenditure) for the year.

i) Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

l) Basic Financial Liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

m) Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Capital Receipts comprise the following

	Unrestricted funds			
	General	Circuit Model Trust	2022 Total	2021 Total
	£	£	£	£
Balances and asset sale proceeds from Manses and closed churches	6,374	-	6,374	826
Sale of Bishop's Castle Church	-	-	-	63,129
Sale of Morda Chapel	-	109,943	109,943	-
Sale of Vron Gate Chapel	-	57,313	57,313	-
Sale of Ewyas Harold Chapel	-	50,594	50,594	-
Sale of Caynham Chapel		118,324	118,324	-
	6,374	336,174	342,548	63,955

3 Grants

	2022	2021
	£	£
Wolverhampton & Shrewsbury District of the Methodist Church	-	5,950
Various sources towards employment cost of Pastoral worker	4,642	4,480
	4,642	10,430

4 Other income

	Unrestricted funds			
	General	Circuit Model Trust	2022 Total	2021 Total
	£	£	£	£
Employment cost of Administrator at Ludlow office has been financed by Ludlow Methodist Church and Hands Together Ludlow	20,102	-	20,102	20,572
	-	-	-	-
Repayment instalment from Belle Vue Methodist Church towards cost of refurbishment provided by the Circuit	-	5,000	5,000	5,000
	-	-	-	-
Refund of Connexional Levy relating to Church Stretton Manse sale	-	-	-	89,924
Other	3,964	-	3,964	1,188
	24,066	5,000	29,066	116,684

5 Staff costs

	Salaries	National Insurance	Pension	Apprenticeship Levy	2022 Total	2021 Total
	£	£	£	£	£	£
Ministerial	239,205	22,044	62,520	1,268	325,037	326,814
Lay employees	84,714	4,718	4,408	423	94,263	108,323
Apprenticeship Levy	-	-	-	-	-	1,711
	323,919	26,762	66,928	1,691	419,300	436,848

During the year the charity paid £Nil termination payments. (2021: £2,254).

The average number of employees during the year was 16 (2021 - 18) with all employee time involved in providing support services to charitable activities. All the Ministers are Trustees of the Circuit but stipends relate solely to their duties as Ministers.

The Charity considers its key management personnel comprises the members of the executive committee. The total employment benefits including employer pension contributions of key management personnel were £147,366 (2021 - £145,365). No employees had employee benefits in excess of £60,000 (2021 - none).

6 Telephone & Travel including Administration

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2022 Total	2021 Total
	£	£	£	£	£	£
Ministerial Travel	16,847	-	-	-	16,847	9,256
Supernumerary Travel	459	-	-	-	459	153
Lay Travel	5,044	-	-	-	5,044	2,384
Telephone - Ministers & Offices	6,033	-	-	-	6,033	7,390
Other administration	8,112	969	-	10	9,091	13,926
	36,495	969	-	10	37,474	33,109

7 Insurance, Utilities on occupied Manses.

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2022 Total	2021 Total
	£	£	£	£	£	£
Insurance	6,412	-	-	-	6,412	6,726
Council Tax	22,633	-	-	-	22,633	20,666
Water rates	3,862	-	-	-	3,862	3,698
	32,907	-	-	-	32,907	31,090

8 Expenditure on other Circuit Property.	Unrestricted	Circuit Model Trust Fund	Restricted	2022 Total	2021 Total
	£	£	£	£	£
Unoccupied Manses held for sale or sold		-	-	-	-
Other Manses either unoccupied or let	5,735	-	-	5,735	1,090
Churches closed and awaiting sale or sold	5,306	-	-	5,306	4,832
Cleobury Mortimer Methodist Church premises	903	-	-	903	690
Other	323	-	-	323	1,800
	12,267	-	-	12,267	8,412

9 Other expenditure	Unrestricted	CMTF	Endowment	2022 Total	2021 Total
	£		£	£	£
Presbyteral disturbance allowances	600	-	-	600	600
Removal costs	-	-	-	-	4,214
Supernumerary Ministers' Fees	950	-	-	950	225
Churches for office accommodation	840	-	-	840	1,020
Worship Materials	2,156	-	-	2,156	3,417
Costs relating to rental of Clun property	-	-	-	-	7,383
ZOOM facility and related costs	244	-	-	244	1,797
Legal expenses	1,240	-	-	1,240	-
Other	2,143	-	72	2,215	970
	8,173	-	72	8,245	19,626

10 Grants and Donations	Unrestricted	Circuit Model Trust Fund	2022 Total	2021 Total
	£	£	£	£
Churches				
Wem	-	-	-	600
Moors	-	-	-	1,205
Belle Vue	-	5,000	5,000	-
Connexional levy & Grants repaid	-	-	-	-
Bishops Castle	-	-	-	12,625
Morda	-	19,977	19,977	-
Vron Gate	-	7,463	7,463	-
Ewyas Harold	-	6,119	6,119	-
Caynham	-	23,329	23,329	-
District Agricultural Chaplain	-	10,000	10,000	10,000
St. Mary's Youth Project, Cleobury Mortimer **	6,000	-	6,000	6,000
Herefordshire Churches Together	375	-	375	375
	6,375	71,888	78,263	30,805

** This amount is returned to the Circuit as rental for the premises and is included in income received.

Belle Vue Church Council has committed to repaying the Circuit a further £Nil (2021: £5,000).

11 Analysis of support and governance costs

	Support	Governance	2022	2021	Basis of allocation
Auditors remuneration	-	5,340	5,340	5,000	Governance
	-	5,340	5,340	5,000	

The total included in auditors remuneration relates to the audit and no other services are provided.

12 Payments to Trustees

	2022	2021
Number of Trustees who were paid expenses excluding Presbyters and employed lay staff	4	4

	2022	2021
Nature of the expenses	£	£
Supernumerary Fees and Travel expenses	1,058	67
Lay Travel and expenses excluding costs reimbursed	876	197
Total amount paid	1,934	264

During the year £568 (2021: £396) was paid to a trustee for carrying out PAT testing. This amount includes both mileage and labour costs.

None of the Trustees received any remuneration in the year for their services as Trustees.

13 Tangible Fixed Assets

	2022	2021
	£	£
Cost/valuation		
Balance brought forward	2,351,792	2,067,000
Additions		284,792
Transfers to / from properties held for sale	-	-
Transfer from Investment properties	-	-
Disposals	-	-
Balance carried forward	2,351,792	2,351,792

Net book value	
31 August 2022	2,351,792
31 August 2021	2,351,792

14 Investment properties

	2022	2021
	£	£
Balance brought forward	390,000	370,000
Additions	-	-
Revaluations	20,000	20,000
Balance carried forward	410,000	390,000

The investment properties were valued by independent valuers with relevant professional qualifications. Ruyton X1 Towns property is valued on the basis of open market value in accordance with The Royal Institute of Chartered Surveyors.

The property at Cleobury Mortimer is valued on the basis that there is a lease in favour of St. Mary's Youth Project.

15 Fixed Asset Investments

	Listed investments	Unlisted investments	Total
	£	£	£
Market value			
Balance brought forward	40,703	11,402	52,105
Add net gain on revaluation	(9,536)	(717)	(10,252)
Balance carried forward	31,168	10,686	41,853
Net book value			
31 August 2022	31,167	10,685	41,852
31 August 2021	40,703	11,402	52,105

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

16 Analysis of debtors and prepayments

	2022	2021
	£	£
Debtors	9,705	7,624
Prepayments	30,951	32,488
	40,656	40,112

17 Properties etc held for sale

	2022 £	2021 £
Cost/valuation		
Balance brought forward	202,000	45,000
	-	-
Additions	436,000	157,000
Revaluations	-	-
Disposals	(202,000)	-
Balance carried forward	436,000	202,000
Net book value		
31 August 2022	436,000	
31 August 2021	202,000	

18 Analysis of current liabilities

Creditors under 1 year	2022 £	2021 £
Accruals	5,340	5,000
Deferred income	99,268	98,762
	104,608	103,762

Deferred income comprises of assesments received in advance to the period that they relate to:

Balance as at 1 September 2021	98,762
Amounts released to income in the year	(98,762)
Amounts deferred in the year	99,268
Balance as at 31 August 2022	99,268

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	3,465,565	502,190	(668,870)	174,990	244,413	3,718,288
CMTF	339,905	343,353	(89,600)	(174,990)	(452)	418,216
	3,805,470	845,543	(758,470)	-	243,961	4,136,504

Analysis of movements in unrestricted funds - previous year

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	2,999,944	513,725	(693,271)	454,106	191,061	3,465,565
CMTF	703,105	159,574	(69,785)	(454,106)	1,117	339,905
	3,703,049	673,299	(763,056)	-	192,178	3,805,470

The unrestricted funds are available to be spent for any purposes of the charity.

The transfer of funds between General and CMTF, related to the following:- general support of circuit activities - £115,000 (2021 - £100,000), specific support for lay employee costs - £34,000 (2021 - £37,000), contribution towards costs of properties subsequently sold - £4,832 (2021 - £ Nil), contribution towards cost of alterations, repairs and maintenance at 2 Manses -£ 21,158 (2021 - £45,225) and various legal and land registry costs £ Nil (2021- £ Nil).

19 Analysis of charitable funds - continued

Analysis of movements in endowment funds

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	325	7	(7)	-	(20)	305
George Parton Bequest	2,051	50	(50)	-	(129)	1,922
Mary Ann Price Legacy	1,015	25	(25)	-	(64)	951
	3,391	82	(82)	-	(213)	3,178

Analysis of movements in endowment funds - previous year

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	274	5	(5)	-	51	325
George Parton Bequest	1,733	32	(32)	-	318	2,051
Mary Ann Price Legacy	858	16	(16)	-	157	1,015
	2,865	53	(53)	-	526	3,391

All the endowment funds are invested in CFB Managed Mixed Fund and the income is used for general circuit purposes.

20 Reconciliation of net movements in funds to cash flow from operating activities

	2022	2021
Net movement in funds	330,821	102,947
Deduct interest income shown in investing activities	(5,095)	(3,461)
Deduct receipts from sale of tangible fixed assets	(342,548)	(63,955)
Loss / (Gain) on revaluation of properties	-	(20,000)
Decrease (increase) in debtors	(544)	(3,515)
Increase (decrease) in creditors	846	(9,774)
Loss / (Gain) on revaluation of fixed asset investment properti	(254,000)	(157,000)
Loss / (Gain) on revaluation of fixed asset investments	10,252	(15,704)
(Gain) / Loss on revaluation of current asset investments	(104,660)	396,348
	(364,929)	225,886

21 Contingent liability relating to the potential claim over a sold estate

It continues to be the case that a third party may have a claim over an estate which was sold during 2018/2019 financial year end. This amount cannot be reliably measured therefore no accounting provision has been recognised in the accounts.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

England & Wales - Charity number 1139091

Accounts

THE METHODIST CHURCH

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT AND ACCOUNTS
for the year ended 31 August 2021

Registered Charity number 1139091

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SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

ADMINISTRATIVE INFORMATION

Registered Charity	Registration number	1139091

Presbyters	Hall, Rev'd. H Richard **	Hides, Rev'd Roger
	Cooper, Rev'd Shalome M	Skitt, Rev'd Julia. **
	Eaton – Challinor, Rev'd. James **	Stilwell, Rev'd Kim **
	Heinz, Rev'd George	Windsor – Hides, Deacon S.
		Woodley, Deacon G. Carys
Circuit Stewards	Davies, Mrs A	Harlington, David **
	Davies, Mrs Lynne	Knowles, Mrs V A
	Evans, Mrs N C **	Threadgold, Mrs Ann **
	Hallworth, Mrs B	
Circuit Treasurer	Eccleshall, Mr David **	
Other Trustees	Bache, Mr Anthony	Hoos, Mr J (until 19.07.2021)
	Bache, Mrs J	Howard, Mrs C
	Beaman, Mr R J	Huband, Revd, William
	Biseker, Rev'd. Frances C.	Jackson, Mrs June
	Blanchard, Mr J.	Jackson, Mr M
	Bradley Ms Lynne	Jennings, Mr C P
	Burnham, Mr Paul (from 17.11.2020)	Johnson, Mrs Ann
	Burrows, Mrs Elizabeth S.	Johnson, Mr Paul
	Butler, Mrs Christine A.	Jones, Mrs Christine A.
	Cansdale, Mrs Elizabeth	Jones, Mrs Dilys
	Cartwright Mrs Gillian A.	Jones, Mr Haydn
	Chesworth. Rev'd J	Jones, Mr J C
	Chidlow, Miss J	Jones, Mrs Sylvia M
	Chorley, Rev'd K	Kennett, Mr Christopher
	Cockayne, Mrs A	Kennett, Mrs Mary
	Coleman, Mrs B	Killick, Mrs R Y
	Curtis, Mrs Christine A.	Knight, Mrs E A
	Curtis, Mr David	Knight, Mr M
	Davies, Mrs Dorothy	Lewis, Mrs E A
	Davies, Revd. R. Ward (until 09.11.2020)	Lewis, Mrs Sandra M.
	Davies Mrs Susan	Link, Mrs C
	Diggory, Mrs H	Littlehales, Ms V J
	Dorsett, Mrs J	Lloyd, Mr M G
	Drummond, Mr Roger	Mathews, Miss Susan **
	Dutton Mr A D	Miller, Mrs C S
	Dutton, Mr David C.	Mayo, Mrs A
	Edlington, Mr Keith	Molyneux, Pastor Jacob (until 20.02.2021)
	Edwards, Mrs P A	Moores, Mrs L
	Faulkner, Mrs Christine	Morris,Mr N
	Finnigan, Mr R	Morris, Mr R.
	Gibbon, Mrs J P	Morrison, Mrs Patricia
	Gilbride Mrs Linda	Norris, Mrs Beth A
	Gwatkin, Mr David B	Owens, Mrs Lynne P
	Gwatkin, Mr John B	Parkinson, Mrs D M (until 13.08.2021)
	Gwatkin, Mrs Jean	Parry, Ms C
	Hallworth, Mr Michael J.	Pickard Rev'd D
	Harmer, Mrs Diana	Pitchford Miss L M
	Harmer, Mr Philip W	Powell, Mrs C A
	Harrison-Koring Mrs R (from 19.07.2021)	Price, Miss Heather G.
	Holloway, Mrs E E	Price Miss S P
	Holt, Mrs Heather M.	Pring, Mr John L. (until 01.04.2021)

Pritchard, Mrs Catherine M
Pritchard, Mrs E R
Purcell, Mr Philip J (until 31.12.2020)
Rees, Mr Bill
Rees, Miss M
Reeves, Mrs K
Richardson, Rev'd Neil
Roberts, Mr Barry
Roberts, Mr Bryan O (until 31.08.2021)
Roberts, Mrs Doris
Roberts, Mrs Linda M
Roberts, Mrs P M (until 19.03.2021)
Salmon, Mrs H H
Sheehy, Mrs V
Sides, Mrs J (until 10.05.2021)
Sparey, Miss D (until 19.03.2021)
Stock, Mr Brian
Taylor, Mr G W (until 01.03.2021)
Taylor, Mr J S W
Taylor, Mrs S
Turner, Mrs M C
Vaughan Mrs J A (until 08.09.2020)
Waldegrave, Mrs Sharman
Walker, Mr R (until 08.09.2020)
Watts, Mrs H E
Weller, Mr J H
White, Mr Henry E.G.
Wilford, Mrs B
Williams, Mr Adrian J **
Williams, Mrs Jean I
Williams, Mrs S E
Wilson, Mrs J (from 28.11.2020)
Wise, Mrs B
Wood, Mrs Margaret O
Wright, Mrs E Margaret
Wright, Mrs M (from 31.12.2020)
Wright, Revd. Maurice H

Trustees appointed after 31 August 2021

Arnold, Rev'd Paul (from 01.09.2021)

Contact	Shropshire and Marches Methodist Circuit, The Methodist Centre, Lansdowne Road, Bayston Hill, Shrewsbury, SY3 0HZ
Governing Document	Deed of Union (1932) and Methodist Church Act (1976)

The Circuit is the primary unit within the Methodist Church in which Local Churches express and experience their interconnexion in the Body of Christ, for purposes of mission, mutual encouragement and help. It is constituted in accordance with Standing Orders set down in the Constitutional Practice & Discipline of the Methodist Church [C P D] that is updated each year by the Methodist Conference. The full C P D is available to view on the Methodist Church website via the following link: https://www.methodist.org.uk/for-churches/governance/cpd.

The Circuit Meeting is the appointed authority for the management of the Circuit and its constitution and composition is dictated by the terms laid down in Standing Orders within the C P D. The basis on which Churches are represented by Trustees is there too and the process ensures that each has a voice. The meeting is chaired by the Superintendent Minister who is effectively the Chief Executive Officer of the Circuit. The basis of decision making within the Circuit Meeting is set down within the C P D. The day to day operation of the Circuit is delegated to an Executive Committee which is also chaired by the Superintendent Minister. This Committee is constituted in a way that allows representation from Presbyteral and Lay individuals who are also drawn from across the Circuit geographically. The members of this Committee have been identified in the list of Trustees that appears earlier in this document.

Should advice and guidance be required this is available within the Connexional structure of the Methodist Church either from the Wolverhampton & Shrewsbury District or from the central Connexional Offices and Officials. Where it is appropriate and necessary reference is made to qualified Professionals. Financial and legal guidance is, where required, also available from the Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes.

REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements for the charity for the year ended 31st August 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Shropshire & Marches Methodist Circuit is an unincorporated charity, registered with the Charity Commission.

Trustees are not 'recruited' in the generally accepted sense. They are appointed to the Circuit Meeting in accordance with the requirements set down in the C P D. These include the basis on which each Church is represented at the Circuit Meeting. Whilst no formal training is in place the responsibilities of Trustees undertaking the role is communicated to them when they are first appointed. They have access to The Methodist Church website via https://www.methodist.org.uk/for-churches/office-holders/managing-trustees. This site is updated regularly.

In addition Trustees are able to view various Charity Commission documents through the following links: https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do & https://www.charitygovernancecode.org/en

OBJECTS OF THE CHARITY

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 the 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

REVIEW OF ACTIVITIES

In designing and monitoring the Charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit. The review of activities in the following sections demonstrates how the Charity has provided benefit directly to the individual churches in the Circuit and thereby to the congregations of those churches and other sections of the community in the area.

General Review

This has been a most challenging year which began with the hope that the worst effects of the COVID-19 pandemic were at an end and an expectation that restrictions on the Circuit's activities would soon be coming to an end. As it turned out, that hope was a false one. Legal restrictions were first re-imposed then replaced with a confusing urge to caution.

Despite this, during the year 2020/21 Shropshire and Marches has continued to be the largest Circuit within the Wolverhampton and Shrewsbury District. Support for the churches that make up the Circuit has been maintained by a staff team of presbyters and lay employees. The leadership team which forms the Executive Committee consists of the Superintendent, Circuit Treasurer and Circuit Property Secretary in addition to presbyteral and lay appointees chosen to represent the diversity of the Circuit. A team of Circuit Stewards has played a vital part in the Circuit Leadership, especially in respect of overseeing the Stationing process and care for the Circuit Manses.

At a more local level the churches and congregations have continued their own programmes of worship, pastoral care of their church families and projects designed to serve their local communities and provide Christian care and witness. The Superintendent Minister exercises leadership for the whole Circuit working with others in a collaborative ministry. He oversees the wider work of the Circuit by chairing meetings across the Circuit and initiating gatherings or consultation, training and fellowship for the whole staff and leadership.

Circuit Staff

We were glad to welcome Revd George Heinz as a Probationer Minister to the Craven Arms cluster and Revd Roger Hides to a half-time role operating out of Knighton.

In February 2021 Jacob Molyneux resigned from his position as lay pastor in the north of the Circuit. Although this creates an obvious gap in the staff team it has not felt to be appropriate to seek a replacement and this position remains open.

Covid-19

The work of the Circuit has been massively disrupted by the pandemic, and it remains unclear what the long-term impact will be. Although all churches have returned to "on site" meeting, many previously regular attendees continue to be wary. Risk assessments and mitigations are in place across the circuit and this means that attending church is a very different experience to that of pre-March 2020.

The loss of singing at full voice is particularly mourned by many. Creating the quarterly Preaching Plan has become an ever greater challenge than before as preachers understandably are only able to offer a reduced availability both in quantity and flexibility. Other means of sharing worship across the Circuit are being actively explored. A weekly online service has continued

FINANCIAL REPORT

General Fund.

The overall position reveals a net deficit of £179,546 and this shortfall together with the cost of the replacement Manse at Craven Arms [£ 284,792] has been substantially covered by transfers from the Circuit Model Trust Fund of £ 454,106.

- Income from Churches by way of assessment was almost in line with the budget but transfers from Circuit Model Trust Fund were materially greater than the £159,950 budgeted. This was so despite savings achieved in lay employment costs and Ministerial travel expenditure due to the COVID 19 Pandemic. The principal reason for the additional transfer was expenditure on Manses which included a substantial refurbishment of the Leominster Manse [c £24,000] prior to the arrival of a new Presbyter.

Circuit Model Trust Fund.

The fund has benefited from the disposal of only 1 Property during the year. The Church at Bishop's Castle generated c £50,000 net of costs and Connexional Levy. However, as anticipated last year the Connexional Levy paid on the disposal of the Church Stretton Manse [£89,923] was refunded to contribute to the purchase of a replacement Manse in Craven Arms. That property cost £284,792 after taking into account the conversion of the garage into an office.

Transfers totalling c £454,106 have been made to the Circuit to cover the cost of the Craven Arms Manse, certain costs and provide general support. The annual District levy based on the balance held at the beginning of the year has been paid [£43,950] (2020 – £26,423). This payment is our direct contribution to the work of the District and is used with allotted Connexional funds to provide grant support to Churches and Circuits within the District for approved projects. This Circuit received grants to the value of £5,950 during the year [See No.3 of the Notes on Accounts.]

A payment of £ 10,000 has been made to the District as a contribution to the employment costs of the District Agricultural Chaplain who is based within the Circuit.

Various grants have been made available to Churches as specified in Note 10 of the Accounts.

The closing value of £ 339,905 is held as a reserve for the future work and development of the Circuit as indicated in the Reserve Policy Statement.

Endowment Funds.

Only minimal activity has occurred on these funds during the year in accordance with the inbuilt restrictions.

Overall position.

Although the underlying financial position is sound, it continues to be necessary to support the ongoing work of the Circuit from reserves. The challenge of balancing the cost of providing Ministerial leadership across such a wide geographical area within which are many small chapels and churches is immense. Fresh approaches are constantly being considered and implemented where potential is identified. The effects of the Corona Virus Pandemic will have an additional influence on the decisions that will need to be made.

Properties – Manses and redundant Churches – are being sold as opportunities arise and the proceeds provide the wherewithal to maintain a significant involvement in the mainly rural communities that make up the Circuit.

Executive Committee is constantly aware of the need to manage the financial position in a positive but careful manner thus seeking to ensure that the future work of the Methodist Church is not in doubt.

Aims

Our aim is twofold:

- To secure and sustain the Circuit's viability and future.
- To give reassurance to the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

PROCESS

Mission Policy

A revised Mission Policy, approved by the Circuit Executive Committee on 28th September 2021, will be placed before the Circuit Meeting (as the charity trustees) for approval on 7th December 2021. It reads as follows:

- To speak about and live out the relevance of Jesus Christ in our Shropshire and Marches context.
- To facilitate and encourage the worship of God according to Methodist belief, making this open and available to all.
- To work with our local communities, exploring and using the gifts and skills of all people, those of faith and those of none.
- To use the resources of property, finance and people within the Circuit to continue to shape and develop our Church life, so that we are best able to identify and respond to opportunities for mission.
- To inspire and lead, so that all are able to discern and deepen their understanding of discipleship, broadening the relationships between churches and individuals, to bring the good news of God's kingdom on earth to all.

Financial Plans.

- The Circuit Assessment required to be paid by the individual Churches is reviewed annually and the income generated covers a high proportion of the costs of the Circuit. The contribution made by each church is arrived at by having regard to the overall size of its membership and its ability to pay.
- We make provision for a property maintenance programme for the Manses occupied by the Ministers by designating a sum agreed by the Circuit Meeting each year for this purpose. We also have regard to the longer term need arising from local inspections and Quinquennial reports and where necessary provide additional funds for these identified purposes.
- The Circuit Fund (Unrestricted General Fund). Balance at the year end excluding property was £ 723,773 although this balance does include c £ 160,000 proceeds from a property sale that is held in suspense at the moment [See Note 21]. Under Standing Orders the Circuit must meet its financial obligations in relation

to the support of its Ministers and the maintenance of the manses. Total costs for the last financial year were in the region of £700,000.

- The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand i.e. £ 350,000; so the present figure meets that criteria.
- Within the Circuit there are a large number of smaller Churches many of whom are struggling to meet their financial obligations including their commitment to Circuit finances. This situation places continuing pressure on the Circuit and, as is evident from the Accounts a substantial transfer has been required from reserves again to counter an operating shortfall. This position is constantly under review.

Circuit Model Trust Fund [CMTF].

The value at the year end was £ 339,905 (2020: £ 703,105). The substantial decrease arises from the purchase of a replacement Manse at Craven Arms and the support needed for the ongoing operations of the Circuit.

This fund derives from sales of churches and chapels and other property and whereas this used to be a restricted fund it is now unrestricted. Although the fund can be used for a variety of purposes there are guidelines set down that need to be respected as well as the principles agreed by the Circuit Meeting.

Reserves Policy.

Our Reserves Policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all its money not simply those which are defined as reserves.

The Reserves Policy is to hold the equivalent of at least six months' expenditure in hand.

The Charity Commission has agreed that it is appropriate for the Trustees to set a policy for the management of this fund and that policy is set out below:

A proportion of the money held in the CMTF has been earmarked by the Trustees for the following purposes:

- Contribution to the employment costs of lay employees within the Circuit of £ 41,000 for 2021/22.
- General support of Circuit activities whilst it continues its ongoing review of the way in which its presbyters, lay workers and members pursue its mission policy. £129,000 is the budgeted amount for 2021/22 with a continuing recognition that support at this level and beyond cannot be sustained indefinitely.
- Circuit Meeting has agreed to provide financial support to the District to the extent of £ 10,000 p.a. for a further period as a contribution towards the employment costs of an Agricultural Chaplain. The fourth instalment of 5 is due in 2021/22.
- Support for projects within individual churches – whether for property schemes or for mission – based on the principle that only 10% of cost will be provided by the Circuit in the normal course but larger amounts can be made available dependent upon the project details and the underlying objectives.
- The balance is maintained to support the Circuit in achieving its objectives.

RISK ASSESSMENT

The Trustees acknowledge that there are areas of Risk within the Circuit, the principal ones being as follows:

- **Financial Position** – The Circuit continues to operate with a significant shortfall that is counterbalanced by transfers from reserves that are bolstered from time to time by the disposal of churches and chapels that have ceased to meet for worship and so have closed. At the end of the financial year there were 60 places of worship within the Circuit and of these 30 have less than 10 members.
  The majority are under some financial pressure and so their contribution to the Circuit finances is precariously balanced. It is also the case that the age profile of the membership is increasing and this accelerates the existential and financial vulnerability However, each of the Churches/Chapels has a

value and so when closed each of them realises at least a modest sum which tends to replenish reserves. As has been said many times before, such a policy cannot be sustained over the long term. The members of the Executive Committee are constantly aware of this and continue to seek a solution that could be the basis of growth in the future.

- **Corona Virus pandemic** – As this report is written [October 2021] we are less constrained than we were by Governmental requirements but it cannot be said that we are back to normal. To date the financial impact has been substantial across the Circuit as income streams have been difficult to sustain. Whilst the membership continues by various means to contribute financially to their individual Churches, the loss of letting income from much used buildings is considerable. To date Churches have been able to make their assessment contributions using reserves to differing extents but the coming months will bring added pressure. In those circumstances, the Circuit will need to depend on its Reserves at a level even greater than budgeted. Although the Reserves appear considerable at the present time it is acknowledged that critical decisions may need to be made. Support from the Connexion is likely to be very restricted and although no assistance has yet been sought from any of the Governmental schemes to protect employment such steps would need to be considered.

- **Property** - Directly, the Circuit includes within its Annual Accounts the properties occupied by its Ministers even though the title is actually vested in the Trustees for Methodist Church Purposes. A property formerly occupied by a Minister but now let to generate income to support the activities of the Circuit is also included even though that too is actually registered in the name of Trustees for Methodist Church Purposes. Whilst susceptible to the movement in the domestic property market, it is envisaged that the majority of properties owned will not be disposed of in the foreseeable future and so the risk of loss of capital is not considered to be great.

- **Safeguarding** – The aim of the Methodist Church Safeguarding policy is 'to create Christian communities of love and care, where good practice in this area becomes a way of life.' A handbook is made available to each Church and information is disseminated through Districts and Circuits via training and publications. Each Church has a nominated Safeguarding Officer and a policy agreed by its Church Council. The Circuit has responsibility for the overview of the Churches within its area.

- **Key positions** – Within the Circuit there are key positions held by lay members of the Methodist Church who act on a voluntary unpaid basis. Principal among these are Circuit Stewards who represent different geographical parts of the Circuit, a team of people who are responsible for overseeing all matters in connection with Circuit property and the Circuit Treasurer who is accountable to the Circuit Meeting Trustees for all financial matters relating to the Circuit. The Executive Committee is aware of the dangers of having too much reliance on any one individual either for a significant part of the work or for a period that is unreasonably long. The Methodist Church policy is that in the normal course no officer should occupy a post for more than six years and so succession is an issue constantly under review and discussion.

Endowment Funds.

At the year end the following was the balance on these funds:

- Endowment Funds, including Trusts domiciled with Trustees for Methodist Church Purposes £3,391 (2020: £2,865).

The income arising on these funds and the capital involved is available only for the various purposes originally designated.

SHROPSHIRE & MARCHES METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

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

The trustees' report was approved by the Board of Trustees.

.....

Rev H Richard Hall
Superintendent Minister

Date
20 DECEMBER 2021

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SHROPSHIRE & MARCHES METHODIST CIRCUIT IN RESPECT OF THE YEAR TO 31 AUGUST 2021

Opinion

We have audited the financial statements of Shropshire & Marches Methodist Circuit (the "Charity") for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2021- and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We did not identify any key audit matters relating to irregularities, including fraud.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

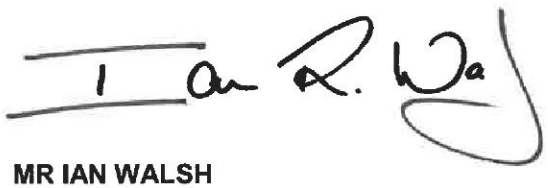
Other matter

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



MR IAN WALSH
DYKE YAXLEY LIMITED
CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS

Date 18/1/22

1 BRASSEY ROAD
OLD POTTS WAY
SHREWSBURY
SY3 7FA

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting Policies

a) Basis of preparation and assessment of going concern

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

b) Funds structure

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in note 19 to these accounts. Any funds may be represented by more than just cash.

c) Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount

Grants are recognised on receipt unless performance conditions require deferral of the amount.

Capital receipts are recognised when the charity is entitled to the income.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised on receipt of the income.

d) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

e) Allocation of governance costs

Administration expenses of the charity relate to the costs of running the Charity, such as insurance, accountancy fees and costs of statutory compliance, and include any costs which cannot be specifically attributed to another expenditure classification. See note 11 for basis of allocation.

f) Charitable activities

The Shropshire & Marches Methodist Circuit exists to encourage and support the ministry and mission of all the churches in its care. Any expenditure specifically to achieve these objects is included in direct charitable expenditure.

g) Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised at cost if they can be used for more than one year, and cost at least say £1,000. Provision is made for depreciation where appropriate.

Properties used for the purposes of the charity are included in the Circuit's accounts when responsibility for maintenance, etc rests with the Circuit.

They are valued at cost or a reasonable value on receipt. Where cost is not available, the Circuit Meeting has estimated the buildings' current value to the circuit, based on insurance values and taking account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation.

When properties are sold, the Connexion is entitled to levy a proportion of the proceeds and therefore, when the decision is made to sell a property, the book value is adjusted to reflect the expected realisable value, net of levies and any other selling costs.

h) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/ (expenditure) for the year.

i) Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

l) Basic Financial Liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

m) Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals this year £	Totals 2020 £
Income and endowments							
Assessment or share		464,324	-	-	-	464,324	465,520
Capital receipts	2	826	63,129	-	-	63,955	571,018
Interest and Investment Income		1,887	1,521		53	3,461	9,442
Grants	3	10,430	-	-	-	10,430	14,514
Lettings		14,498	-	-	-	14,498	14,349
Other Income	4	21,760	94,924	-	-	116,684	20,683
Total Income		**513,725**	**159,574**	**-**	**53**	**673,352**	**1,095,526**
Expenditure							
Expenditure on charitable activities							
Stipends, salaries, NIC & Pension costs	5	436,848	-	-	-	436,848	392,658
District assessment		108,150	-	-	-	108,150	109,511
Admin, Telephone & Travel	6	31,698	1,405		6	33,109	43,599
Insurance, Utilities etc	7	31,090	-	-	-	31,090	27,452
Maintenance on Manses		46,119	-	-	-	46,119	6,378
Expenditure on other Circuit property	8	8,412	-	-	-	8,412	10,492
Other expenditure	9	19,579	-	-	47	19,626	15,046
Grants and Donations	10	6,375	24,430	-	-	30,805	201,495
Contribution to District Advance Fund		-	43,950	-	-	43,950	26,423
Governance costs	11	5,000	-	-	-	5,000	5,000
Total Expenditure		**693,271**	**69,785**	**-**	**53**	**763,109**	**838,054**
Net income/ (expenditure)		**(179,546)**	**89,789**	**-**	**-**	**(89,757)**	**257,472**
Transfers between funds		454,106	(454,106)		-	-	-
Property cost movement	14	20,000	-	-	-	20,000	(235,000)
Property value movement	13,14,17	157,000	-	-	-	157,000	(70,000)
Gains & losses on investments (Unrealised)		14,061	1,117	-	526	15,704	4,300
Net Movement in funds		**465,621**	**(363,200)**	**-**	**526**	**102,947**	**(43,228)**
Reconciliation of Funds							
Total funds brought forward		2,999,944	703,105		2,865	3,705,914	3,749,142
Total funds carried forward at end of year		**3,465,565**	**339,905**	**-**	**3,391**	**3,808,861**	**3,705,914**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020 £
Income and endowments						
Assessment or share		465,520	-	-	-	465,520
Capital receipts	2	5,078	565,940	-	-	571,018
Interest and Investment Income		4,799	4,585	-	58	9,442
Grants	3	14,514	-	-	-	14,514
Lettings		14,349	-	-	-	14,349
Other Income	4	20,683	-	-	-	20,683
Total Income		**524,943**	**570,525**	**-**	**58**	**1,095,526**
Expenditure						
Expenditure on charitable activities						
Stipends, salaries, NIC & Pension costs	5	392,658	-	-	-	392,658
District assessment		109,511	-	-	-	109,511
Admin, Telephone & Travel	6	42,655	938	-	6	43,599
Insurance, Utilities etc	7	27,452	-	-	-	27,452
Maintenance on Manses		6,378	-	-	-	6,378
Expenditure on other Circuit property	8	10,492	-	-	-	10,492
Other expenditure	9	14,994	-	-	52	15,046
Grants and Donations	10	6,000	195,495	-	-	201,495
Contribution to District Advance Fund		-	26,423	-	-	26,423
Governance costs	11	5,000	-	-	-	5,000
Total Expenditure		**615,140**	**222,856**	**-**	**58**	**838,054**
Net income/ (expenditure)		**(90,197)**	**347,669**	**-**	**-**	**257,472**
Transfers between funds		113,783	(113,783)	-	-	-
Property cost movement	17	(235,000)	-	-	-	(235,000)
Property value movement	13,14,17	(70,000)	-	-	-	(70,000)
Gains & losses on investments (Unrealised)		4,460	(109)	-	(51)	4,300
Net Movement in funds		**(276,954)**	**233,777**	**-**	**(51)**	**(43,228)**
Reconciliation of Funds						
Total funds brought forward		3,276,898	469,328	-	2,916	3,749,142
Total funds carried forward at end of year		**2,999,944**	**703,105**	**-**	**2,865**	**3,705,914**

SHROPSHIRE & MARCHES METHODIST CIRCUIT
BALANCE SHEET AS AT 31 AUGUST 2021

	Note	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Endowment Funds £	Totals this year £	Totals 2020 £
Fixed Assets							
Manses etc	13	2,351,792	-	-	-	2,351,792	2,067,000
Manses held as investment	14	390,000	-	-	-	390,000	370,000
Investments	15	41,514	7,200	-	3,391	52,105	36,400
Total Fixed Assets		**2,783,306**	**7,200**	**-**	**3,391**	**2,793,897**	**2,473,400**
Current Assets							
Debtors and Prepayments	16	40,112	-	-	-	40,112	36,597
Central Finance Board and Trustees for Methodist Church Purposes deposits etc		526,620	332,705	-		859,325	1,255,673
Properties held for sale	17	202,000	-	-	-	202,000	45,000
Cash at Bank and in hand		17,289	-	-	-	17,289	8,779
Total Current Assets		**786,021**	**332,705**	**-**	**-**	**1,118,726**	**1,346,048**
Liabilities							
Creditors falling due within one year	18	103,762	-	-	-	103,762	113,536
Net Current Assets		**682,259**	**332,705**	**-**	**-**	**1,014,964**	**1,232,513**
Total assets less current liabilities		**3,465,565**	**339,905**	**-**	**3,391**	**3,808,861**	**3,705,914**
Funds of the charity							
General Fund (Unrestricted)	19	3,465,565		-	-	3,465,565	2,999,944
Circuit Model Trust Fund (Unrestricted)	19	-	339,905	-	-	339,905	703,105
Other funds (Restricted)	19	-	-	-	-	-	-
Endowment Funds	19	-	-	-	3,391	3,391	2,865
Total Funds		**3,465,565**	**339,905**	**-**	**3,391**	**3,808,861**	**3,705,914**

The accounts on Pages 13 to 24 were approved by the Board of Trustees and signed on their behalf by:

.....
Rev H Richard Hall

.....
David Eccleshall

SHROPSHIRE & MARCHES METHODIST CIRCUIT
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021	2020
Net cash (used) / generated in operating activities	20	**225,886**	**(575,291)**
Cash flows from investing activities:			
Interest and dividends		3,461	9,442
Receipts from sale of tangible fixed assets		63,955	571,018
Payments from purchase of tangible fixed assets		(284,792)	-
Net cash provided by investing activities		**(217,376)**	**580,460**
Change in cash and cash equivalents in the year		**8,510**	**5,168**
Cash and cash equivalents brought forward		8,779	3,609
Cash and cash equivalents carried forward		**17,289**	**8,779**

2 Capital Receipts comprise the following

	Unrestricted funds			
	General	Circuit Model Trust	2021 Total	2020 Total
	£	£	£	£
Balances and asset sale proceeds from Manses and closed churches	826	-	826	5,078
Sale of Hyssington Chapel	-	-	-	51,278
Sale of Ellesmere Manse	-	-	-	239,853
Sale of Church Stretton Manse	-	-	-	274,809
Sale of Bishops Castle Church	-	63,129	63,129	-
	826	63,129	63,955	571,018

3 Grants

	2021	2020
	£	£
Wolverhampton & Shrewsbury District of the Methodist Church	5,950	11,250
Various sources towards employment cost of Pastoral worker	4,480	3,264
	10,430	14,514

4 Other income

	Unrestricted funds			
	General	Circuit Model Trust	2021 Total	2020 Total
	£	£	£	£
Employment cost of Administrator at Ludlow office has been financed	20,572	-	20,572	20,356
by Ludlow Methodist Church and Hands Together Ludlow	-	-	-	-
Repayment instalment from Belle Vue Methodist Church towards	-	5,000	5,000	-
cost of refurbishment provided by the Circuit	-	-	-	-
Refund of Connexional Levy relating to Church Stretton Manse sale	-	89,924	89,924	-
Other	1,188	-	1,188	327
			-	
	21,760	94,924	116,684	20,683

5 Staff costs

	Salaries	National Insurance	Pension	Apprenticeship Levy	2021 Total	2020 Total
	£	£	£	£	£	£
Ministerial	243,076	20,228	63,510	-	326,814	275,433
Lay employees	97,553	5,614	5,156	-	108,323	115,668
Apprenticeship Levy	-	-	-	1,711	1,711	1,557
	340,629	25,842	68,666	1,711	436,848	392,658

During the year the charity paid termination payments of £2,254 (2020: £NIL).

The average number of employees during the year was 18 (2020 - 18) with all employee time involved in providing support services to charitable activities. All the Ministers are Trustees of the Circuit but stipends relate solely to their duties as Ministers.

The Charity considers its key management personnel comprises the members of the executive committee. The total employment benefits including employer pension contributions of key management personnel were £145,365 (2020 - £141,804). No employees had employee benefits in excess of £60,000 (2020 - none).

6 Telephone & Travel including Administration

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2021 Total	2020 Total
	£	£	£	£	£	£
Ministerial Travel	9,256	-	-	-	9,256	17,605
Supernumerary Travel	153	-	-	-	153	503
Lay Travel	2,384	-	-	-	2,384	5,676
Telephone - Ministers & Offices	7,390	-	-	-	7,390	8,791
Other administration	12,515	1,405	-	6	13,926	11,024
					-	
	31,698	1,405	-	6	33,109	43,599

7 Insurance, Utilities on occupied Manses.

	Unrestricted	Circuit Model Trust Fund	Restricted	Endowment	2021 Total	2020 Total
	£	£	£	£	£	£
Insurance	6,726	-	-	-	6,726	4,724
Council Tax	20,666	-	-	-	20,666	19,907
Water rates	3,698	-	-	-	3,698	2,821
	31,090	-	-	-	31,090	27,452

8 Expenditure on other Circuit Property.	Unrestricted	Circuit Model Trust Fund	Restricted	2021 Total	2020 Total
	£	£	£	£	£
Unoccupied Manses held for sale or sold		-	-	-	1,772
Other Manses either unoccupied or let	1,090	-	-	1,090	3,048
Churches closed and awaiting sale or sold	4,832	-	-	4,832	334
Cleobury Mortimer Methodist Church premises	690	-	-	690	2,718
Other	1,800	-	-	1,800	2,620
				-	
	8,412	-	-	8,412	10,492

9 Other expenditure	Unrestricted	CMTF	Endowment	2021 Total	2020 Total
	£		£	£	£
Presbyteral disturbance allowances	600	-	-	600	1,800
Removal costs	4,214	-	-	4,214	1,125
Supernumerary Ministers' Fees	225	-	-	225	1,575
Churches for office accommodation	1,020	-	-	1,020	1,560
Worship Materials	3,417	-	-	3,417	2,319
Purchase of Manse in Craven Arms	-	-	-	-	864
Costs relating to rental of Clun property	7,383	-	-	7,383	2,169
ZOOM facility and related costs	1,797	-	-	1,797	1,734
Other	923	-	47	970	1,900
				-	
	19,579	-	47	19,626	15,046

10 Grants and Donations	Unrestricted	Circuit Model Trust Fund	2021 Total	2020 Total
	£	£	£	£
Churches				
Wem	-	600	600	-
Moors	-	1,205	1,205	-
Tenbury Wells	-	-	-	2,000
Pontesbury	-	-	-	2,625
Craven Arms	-	-	-	1,000
Wyson	-	-	-	2,250
North Area Churches - 'Tiny Church Project'	-	-	-	1,500
Connexional levy & Grants repaid	-	-	-	-
Bishops Castle	-	12,625	12,625	-
Hyssington Chapel	-	-	-	10,256
Ellesmere Manse	-	-	-	75,941
Church Stretton Manse	-	-	-	89,923
District Agricultural Chaplain	-	10,000	10,000	10,000
St. Mary's Youth Project, Cleobury Mortimer **	6,000	-	6,000	6,000
Herefordshire Churches Together	375	-	375	-
	6,375	24,430	30,805	201,495

** This amount is returned to the Circuit as rental for the premises and is included in income received.

Belle Vue Church Council has committed to repaying the Circuit a further £5,000 (2020: £10,000) but as there is no formal loan agreement and repayment instalments are at the discretion of the Church Council the potential benefit to the Circuit has not been recognised in these accounts.

11 Analysis of support and governance costs

	Support	Governance	2021	2020	Basis of allocation
Auditors remuneration	-	5,000	5,000	5,000	Governance
	-	5,000	5,000	5,000	

The total included in auditors remuneration relates to the audit and no other services are provided.

12 Payments to Trustees

	2021	2020
Number of Trustees who were paid expenses excluding Presbyters and employed lay staff	4	9

	2021	2020
Nature of the expenses	£	£
Supernumerary Fees and Travel expenses	67	1,141
Lay Travel and expenses excluding costs reimbursed	197	572
Total amount paid	264	1,713

During the year £396 (2020: £302) was paid to a trustee for carrying out PAT testing. This amount includes both mileage and labour costs.

None of the Trustees received any remuneration in the year for their services as Trustees.

13 Tangible Fixed Assets

	2021	2020
	£	£
Cost/valuation		
Balance brought forward	2,067,000	2,257,000
Additions	284,792	-
Transfers to / from properties held for sale	-	-
Transfer from Investment properties	-	-
Disposals	-	(190,000)
Balance carried forward	2,351,792	2,067,000

Net book value	
31 August 2021	2,351,792
31 August 2020	2,067,000

14 Investment properties

	2021	2020
	£	£
Balance brought forward	370,000	250,000
Additions	-	110,000
Revaluations	20,000	10,000
Balance carried forward	390,000	370,000

The investment properties were valued by independent valuers with relevant professional qualifications. Ruyton X1 Towns property is valued on the basis of open market value in accordance with The Royal Institute of Chartered Surveyors.

The property at Cleobury Mortimer is valued on the basis that there is a lease in favour of St. Mary's Youth Project.

15 Fixed Asset Investments

	Listed investments	Unlisted investments	Total
	£	£	£
Market value			
Balance brought forward	26,755	9,645	36,400
Add net gain on revaluation	13,948	1,757	15,705
Balance carried forward	40,703	11,402	52,105
Net book value			
31 August 2021	40,703	11,402	52,105
31 August 2020	26,755	9,645	36,400

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

16 Analysis of debtors and prepayments

	2021	2020
	£	£
Debtors	7,624	2,171
Prepayments	32,488	34,426
	40,112	36,597

17 Properties etc held for sale

	2021 £	2020 £
Cost/valuation		
Balance brought forward	45,000	280,000
	-	-
Additions	157,000	45,000
Revaluations	-	-
Disposals	-	(280,000)
Balance carried forward	202,000	45,000

Net book value	
31 August 2021	202,000
31 August 2020	45,000

Included in the above balance of £202,000 is £85,000 which relates to Morda Church which was sold after the year end for £115,000 before deducting fees and the levy.

18 Analysis of current liabilities

Creditors under 1 year	2021 £	2020 £
Accruals	5,000	5,000
Deferred income	98,762	108,536
	103,762	113,536

Deferred income comprises of assesments received in advance to the period that they relate to:

Balance as at 1 September 2020	108,536
Amounts released to income in the year	(108,536)
Amounts deferred in the year	98,762
Balance as at 31 August 2021	98,762

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	2,999,944	513,725	(693,271)	454,106	191,061	3,465,565
CMTF	703,105	159,574	(69,785)	(454,106)	1,117	339,905
	3,703,049	673,299	(763,056)	-	192,178	3,805,470

Analysis of movements in unrestricted funds - previous year

	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund c/fwd £
General	3,276,898	524,943	(615,140)	113,783	(300,540)	2,999,944
CMTF	469,328	570,525	(222,856)	(113,783)	(109)	703,105
	3,746,226	1,095,468	(837,996)	-	(300,649)	3,703,049

The unrestricted funds are available to be spent for any purposes of the charity.

The transfer of funds between General and CMTF, related to the following:- general support of circuit activities - £100,000 (2020 - £39,000), specific support for lay employee costs - £37,000 (2020 - £48,500), contribution towards costs of properties subsequently sold - £ Nil (2020 - £14,400), contribution towards cost of alterations, repairs and maintenance at 3 Manses -£ 45,225 (2020 - £10,000) and various legal and land registry costs £ Nil (2020- £ 1,883)

19 Analysis of charitable funds - continued

Analysis of movements in endowment funds

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	274	5	(5)	-	51	325
George Parton Bequest	1,733	32	(32)	-	318	2,051
Mary Ann Price Legacy	858	16	(16)	-	157	1,015
	2,865	53	(53)	-	526	3,391

Analysis of movements in endowment funds - previous year

Endowment Name	Balance b/fwd	Income	Expenditure	Transfers	Gains and losses	Fund c/fwd
	£	£	£	£	£	£
Hazel J Price Gift	279	6	(6)	-	(5)	274
George Parton Bequest	1,764	35	(35)	-	(31)	1,733
Mary Ann Price Legacy	873	17	(17)	-	(15)	858
	2,916	58	(58)	-	(51)	2,865

All the endowment funds are invested in CFB Managed Mixed Fund and the income is used for general circuit purposes.

20 Reconciliation of net movements in funds to cash flow from operating activities

	2021	2020
Net movement in funds	102,947	(43,228)
Deduct interest income shown in investing activities	(3,461)	(9,442)
Deduct receipts from sale of tangible fixed assets	(63,955)	(571,018)
Loss / (Gain) on revaluation of properties	(20,000)	235,000
Decrease (increase) in debtors	(3,515)	(2,955)
Increase (decrease) in creditors	(9,774)	5,312
Loss / (Gain) on revaluation of fixed asset investment properti	(157,000)	70,000
Loss / (Gain) on revaluation of fixed asset investments	(15,704)	(4,300)
(Gain) / Loss on revaluation of current asset investments	396,348	(254,660)
	225,886	(575,291)

21 Contingent liability relating to the potential claim over a sold estate

It continues to be the case that a third party may have a claim over an estate which was sold during 2018/2019 financial year end. This amount cannot be reliably measured therefore no accounting provision has been recognised in the accounts.