

THE GWENT HILLS AND VALES CIRCUIT OF THE METHODIST CHURCH TRUSTEES' ANNUAL REPORT TO THE CHARITIES COMMISSION FOR THE YEAR SEPTEMBER 1, 2019 – 31st August 2020

Introduction

The Gwent Hills and Vales Circuit of the Methodist Church came into being as a result of a decision by the Wales Synod of the Methodist Church which was formally acknowledged on September 1, 2009. At the beginning of the year under review the circuit consisted of 29 churches located across several valleys in Mid and South Wales.

The Circuit's trustees are the members appointed by the twenty-nine churches to the Circuit Meeting, which gathers three times per year to discuss and make decisions on matters pertaining to the life and work of the Circuit.

Aims and Organization

The Circuit is given leadership by a Leadership Team consisting of five ordained ministers. We continued to receive significant assistance from ministers retired from the full-time work but who are still active in leadership. Four lay persons have been appointed as circuit stewards, with 2 vacancies being carried forward, and three other lay persons have specific responsibility for finance, property and the work of Local Preachers. Administrative services are available to the Leadership Team and the Circuit generally through a part time Administrator paid by the Circuit, though during the year in question this post was vacant.

In considering its aims, the Circuit Leadership Team has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. Hence, the Gwent Hills and Vales Circuit exists to promote the gospel of Jesus Christ through providing opportunities for worship, mission and evangelism. Since its inception, the circuit has made mission a priority with churches being challenged to undertake outreach on a regular basis. There is a particular emphasis on impacting the community beyond the membership of the churches. The Circuit has responsibility for finance related to the upkeep of ministers and their homes (manses) and the support of mission related activities across the Circuit.

The individual churches do much of the day to day planning of events and projects to support these aims, but the Circuit has set certain priorities and placed emphasis on certain activities to encourage the churches to carry out their mandate.

Review of the Year

For the first half of the year churches continued to look for ways to serve the communities around the places of worship which would benefit the public and spread the gospel message. This was encouraged and supported by the Circuit.

The Circuit ensured that worship services took place regularly in all its churches and that buildings and ministers were available for special services, including baptisms, weddings and funerals. Services were offered with varying formats and to appeal to various groups within the society such as children, families and adults with learning disabilities. Emphasis was placed on coming together with joint services between two or more congregations, geographically close, happening regularly and larger gatherings being planned at least once per quarter. There were also two whole-circuit gatherings organized to which members were encouraged to invite friends and family members not regularly at worship services.

Over the year training continued for those involved in the leading of worship and local preaching. Many of our church buildings continued to be used by community groups requiring safe and suitable spaces for meetings and this is encouraged by the Circuit Meeting. These activities range from Local History Groups, to Alcoholics Anonymous Groups, to Community Choirs and Care Groups for persons living with Alzheimer's. In addition, many of our churches run groups on church premises which are not specifically church-orientated, but which are certainly for the public benefit. These include Parent and Toddlers Groups, Uniformed Organizations for girls and boys, Coffee Mornings and lunch clubs. These activities seek to enhance the communities in which our churches are located, improve wellbeing and reduce isolation and loneliness. Individual churches and the Circuit itself supported specific charitable causes in its special services held during the year.

God in Love Unites us

Following the publication of the Methodist Church Report, *"God in Love Unites Us: a report of the Marriage and Relationships Task Group 2019 for study and prayerful discussion"*, information and consultation sessions took place throughout the circuit for members of the charity, led by the ordained staff. The final 2 face-to-face sessions were cancelled due to the Covid lockdown, and some email comments on the report were received. In total 77 people attended the information sessions and 28 the consultation sessions. Comments recorded at these sessions were made available to the Synod, as requested.

Covid

For the latter half of the Connexional year church and circuit life was impacted by the Corona Virus pandemic. Buildings remained shut during lockdown in accordance with Welsh Assembly Government, UK Government and the Methodist Church of Great Britain and Northern Ireland regulations. Whilst church buildings were shut the mission of the charity was promoted through the use of postal and digital means. Letters and service sheets were sent out regularly, by Royal Mail and by email, and services were made available to people via Zoom. Pastoral visiting was not possible, so contact was largely by telephone calls and letter. Staff and pastoral teams continued to offer spiritual, emotional and mental support as best they could to members and adherents as well as through practical initiatives such as local food banks and community hubs.

The pandemic resulted in experimentation, and as a result new and exciting forms of worship and spiritual support have developed and grown. The digital platform has enabled people from all over the world to join in the activities, along with local people of different denominations and those with no regular church connections.

During this time many churches have experienced a drop in income, whilst outgoings have remained. The circuit trustees approved a means by which churches in need could be offered assessment holidays subject to qualification criteria. This has proved a life-line to some. By the end of the reporting period 2 churches had been helped in this way with holidays amounting to £5,024

During the pandemic the charity trustees have been kept informed of developments and consulted about matters needing trustee approval by email and post. Latterly, as acceptance of video conferencing has grown it has been possible to hold trustee meetings by Zoom whilst ensuring that those not able to access digital media were consulted by mail, ensuring full engagement with the matters of the charity.

During 2019/20 the sale of the church building at Aberbeeg was completed, and the church trustees at Snatchwood voted to cease worship and close the building.

Income Trends

The Circuit income is primarily drawn from assessment paid by the circuit churches.

Total income for the year amounted to £303,138.

Expenditure Trends

Stipend expenditure has increased each financial year in line with Conference approved increases. The expenditure budget approved for the year was £323,205. Of this £302,411 was received from churches by way of assessment. The budget anticipated £16,000 of expenditure being funded from

reserves. The actual spend for the year was £296,905. The main components of the £26k underspend were:

- Staff travel costs: £5k
- Wales Synod Assessment waiver: £2k
- Manses repair & maintenance: £5k
- Administrator vacancy: £8k
- Resources and contingency: £7k

18.2% of expenditure was the Circuit's contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

Fund Balances

As of 31 August 2020, the net current assets of the Circuit were £405k, giving approximately 15 months' cover for expenditure. A multi-year manse upgrade programme concluded in July 2019 with the sale of the Blackwood manse. This programme drew on circuit reserves to provide bridging finance between purchase of replacement manses and sale of the corresponding redundant property. The trustees are making reserves available for church and circuit projects, the support of churches unable to pay their quarterly contribution due to the impact of church closures due to COVID restrictions, and the improvement of Varteg Cemetery to bring it to a safe and sustainable condition.

Plans for 2020/21

Circuit financial plans for the 2020/21 have been prepared based on an on-going full-time ordained staff of 5, appointment of a part time administrator, and cost of living stipend increases. Prior year areas of underspend were reviewed, and the budget reduced accordingly. This resulted in a £4k year-on-year budget saving. The trustees decided not to fund operating costs from reserves resulting in an average 3.9% increase in assessment requested from the circuit churches.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2020 have been prepared in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRSSE) 2015.

Full Name of Charity: Gwent Hills and Vales Methodist Circuit

Registration Charity Number: 1140255

Date of Registration: 2009

Main Communication Address: Circuit Office, Llanyrafon Methodist Church, Llanyrafon Way, Cwmbran, NP44 8RA.

The members of the Gwent Hills and Vales Circuit Meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by local churches.

Circuit Ministers and Officers:

Active Ministers: Rev. Sue Lawler, Rev. Gareth Edwards, Rev. Stephen Boxall, Rev. Andrea Sims, Rev. Catherine Lewis,

Circuit Lay Worker: Mr. John Evans, Mr. John Penny, Mrs Celia Price

Circuit Property Steward: Mrs. Jan Jackson

Circuit Preachers Secretary: Miss Margaret Webber.

Circuit Stewards: Jean Edmunds; Jane Evans; Jan Jackson; Gill Timm; Chris White; vacancy Abertillery Section; vacancy Pontypool Section. During the course of the year Rachel Rimmer became representative for the Pontypool section, and Sian Millar for the Abertillery section.

Administrator: Vacancy

Circuit Treasurer: Mr Ken Bailey acted as the principal officer overseeing the day to day financial management and accounting for the circuit during the year.

Independent Examiner: Newton Green & Co, 17 Wyelands View, Mathern, Chepstow NP16 6HN

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

Objectives and Purpose

The charity objective is to act as a resource provider for the Methodist Church within the area around the valleys of south east Wales.

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

- a) The Christian Faith in accordance with the doctrinal standards and discipline of the Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organization 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.

Also, the organization and resourcing of regular public acts of worship open to members of the church and non-members alike; the teaching of Christianity through sermons, courses and small groups; the resourcing of pastoral work including visiting the sick and bereaved; taking religious assemblies in local schools; promotion of Christianity through the staging of events and services; provision of chaplaincy services to the local university and other institutions.

Public Benefit

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

Structure, Governance and Management

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

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

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

Trustee Training

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

Related Parties

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

The following Methodist Churches are linked to the circuit at the end of the reporting period: Abergavenny, Abertillery, Beaufort Hill, Bedwas, Blackwood, Blaenau Gwent, Blaina, Cwmcelyn, Fairhill, Garndiffaith, Glasbury, Hope, Llanelly Hill, Llanyrafon, Nantyglo, Newbridge, Panteg, Ponllanfraith, Pontnewynydd, Pontypool, Race, St. James, Tredegar, Trinant, Trinity, Tyllwyn, Upper Cwmbran, Wesley Place.

Risk Management

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

There is a regular annual review process undertaken.

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

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Gwent Hills and Vales Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches. The Gwent Hills and Vales Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles

and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Supervision

The Gwent Hills and Vales Circuit fully embraces the requirements of the Interim Supervision Policy 2017-2020. Supervision in the Methodist Church is an exploratory and reflective process. Every ordained minister is required to meet 1:1 for an hour and half with a trained, resourced and approved supervisor to reflect on their vocation and practice at least 6 times per year. Others with significant pastoral responsibility are encouraged to be in supervision.

GDPR

The Gwent Hills and Vales Circuit commits itself to ensuring the implementation of government legislation, and guidance and good practice as provided by the Methodist Church TMCP, in the circuit and in the churches. The Gwent Hills and Vales Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their responsibilities as required by the GDPR.

Reserves Policy

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

Report approved at Circuit Meeting held on 17th June 2021 and signed on behalf of the Trustees by its Chair, Rev. Sue Lawler

THE METHODIST CHURCH
STANDARD FORM OF ACCOUNTS

Gwent Hills & Vales	Circuit
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FOR THE YEAR ENDED
31 AUGUST 2020

Wales Synod	District	Circuit no	2/13
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Registered Charity - Charity Registration number

1140255

If not a registered charity Her Majesty's Revenue and Customs Gift Aid number

(The HMRC number is equivalent to a registered charity number in terms of evidence of charitable status and may be used to give to donors or grant funders wishing to see evidence of the organisation's charitable status. Methodist charities in England and Wales that are not registered charities are excepted from registration under Statutory Instrument 2014 No.242)

Ministers:

Rev S Lawler
Rev G Edwards
Rev C Lewis
Rev S Boxall
Rev A Sims

Circuit Stewards:

Miss J Evans
Mrs J Meredith
Mrs A Davies
Mrs J Jackson
Mr J Penny
Mrs G Timm
Miss M Webber
Mrs C White

Treasurer:

Mr K Bailey

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-20 £
Income							
1 Donations and legacies		-	-	-	300	-	300
2 Income from monetary investments		477	3,571	-	-	-	4,049
3 Income from investment properties		-	-	-	-	-	0
4 Assessments on Churches		302,411	-	-	-	-	302,411
5 Capital Receipts		-	-	-	-	-	0
6 Grants received		250	-	-	-	-	250
7 Other charitable income		-	-	-	-	-	-
8 Total income		303,138	3,571	-	300	-	307,010
Expenditure							
9 Grants and donations		6,861	8,800	-	-	-	15,661
10 Salaries and associated costs	6	190,161	-	-	-	-	190,161
11 Property maintenance		63,866	-	-	300	-	64,166
12 Connexional assessment & model trust levy		48,573	469	-	-	-	49,042
13 District Assessment & Levy		5,561	9,222	-	-	-	14,783
14 Depreciation	3(f)	-	-	-	-	-	0
15 Office expenses		1,754	-	-	-	-	1,754
16 Other outgoings		5,872	-	-	-	-	5,872
17 Total charitable expenditure		322,647	18,491	-	300	-	341,438
18 Gains/(losses) on monetary investments		-	8,042	-	-	-	-8,042
19 Gains/(losses) on investment properties		154,355	128,029	-	-	-	-26,326
20 Net income/(expenditure)	3(g)	-173,865	105,068	-	-	-	-68,797
21 Transfers between funds		-	-	-	-	-	0
22 Other gains/(losses)		-	-	-	-	-	0
23 Net movement in funds		-173,865	105,068	-	-	-	-68,797
24 Total funds brought forward		1,521,768	234,445	-	-	-	1,756,213
25 Total funds carried forward		1,347,903	339,513	-	-	-	1,687,416

Statement of Financial Activities (SOFA) for the year ended 31 August 2019

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2018-19 £
Income							
1 Donations and legacies		0	-	-	-	-	0
2 Income from monetary investments		367	2,886	-	-	-	3,253
3 Income from investment properties		-	-	-	-	-	0
4 Assessments on Churches		348,286	-	-	-	-	348,286
5 Capital Receipts		103,839	-	-	-	-	103,839
6 Grants received		-	-	-	-	-	0
7 Other charitable income		-	-	-	-	-	-
8 Total income		452,492	2,886	-	-	-	455,378
Expenditure							
9 Grants and donations		6,500	-	-	-	-	6,500
10 Salaries and associated costs		222,871	-	-	-	-	222,871
11 Property maintenance		33,920	-	-	-	-	33,920
12 Connexional assessment & model trust levy		54,043	397	-	-	-	54,440
13 District Assessment & Levy		7,861	7,421	-	-	-	15,282
14 Depreciation		-	-	-	-	-	0
15 Office expenses		943	-	-	-	-	943
16 Other outgoings		5,171	-	-	-	-	5,171
17 Total charitable expenditure		331,309	7,818	-	-	-	339,127
18 Gains/(losses) on monetary investments		-	1,287	-	-	-	-1,287
19 Gains/(losses) on investment properties		81,513	42,244	-	-	-	-39,269
20 Net income/(expenditure)		39,670	36,026	-	-	-	75,696
21 Transfers between funds		-	-	-	-	-	0
22 Other gains/(losses)		1,790	-	-	-	-	-1,790
23 Net movement in funds		37,880	36,026	-	-	-	73,906
24 Total funds brought forward		1,483,888	198,419	-	-	-	1,682,307
25 Total funds carried forward		1,521,768	234,445	-	-	-	1,756,213

Name of Circuit

Gwent Hills & Vales

Circuit No 02/13

Balance Sheet as at 31 August 2020

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Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2019/20 £	Totals 2018/19 £
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Fixed Assets

Circuit Manses & Equipment	3(f), 9	1,207,270				1,207,270	1,331,302
Investment properties	3(g), 10	0				0	7,084
Investments	3(h)		74,813			74,813	82,855
Total fixed assets		1,207,270	74,813	0	0	1,282,083	1,421,241

Current Assets

Debtors	3(i)	20,680				20,680	22,684
Loans by the Circuit	11					0	0
Investments with TMCP			264,699			264,699	151,590
Central Finance Board Deposits		61,340				61,340	90,616
Cash at Bank and in hand		132,763				132,763	151,198
Total current assets		214,783	264,699	0	0	479,483	416,087

Current liabilities

Creditors (due in under 1 year)	3(j)	74,150				74,150	81,116
Grants payable within 2018-19						0	0
Total current liabilities		74,150	0	0	0	74,150	81,116
Net current assets/liabilities		140,633	264,699	0	0	405,333	334,972
Total assets less current liabilities		1,347,903	339,513	0	0	1,687,416	1,756,213

Long term liabilities (due after more than one year)

Grants payable after 2018-19						0	0
Loans to the Circuit	11					0	0
Net assets		1,347,903	339,513	0	0	1,687,416	1,756,213

Funds of the Circuit

General Fund (Unrestricted)		1,347,903				1,347,903	1,521,768
Circuit Model Trust Fund (Unrestricted)			339,513			339,513	234,445
Designated Funds (Unrestricted)				0		0	0
Total Unrestricted Funds						1,687,416	1,756,213
Restricted Funds	12					0	0
Endowment Funds						0	0
Total Funds		1,347,903	339,513	0	0	1,687,416	1,756,213

Signed

K12 Only

19 Feb - 2021

Circuit Treasurer

DECLARATIONS

Treasurer

I confirm that I have prepared the accounts from the records of the Circuit and that they include all funds under the control of the Circuit

Signature of Treasurer

K R Bailey

Date

19-Feb-21

Name

K R Bailey

Address

Pembroke House
Lower Park Terrace
Pontypool NP4 6LB

Presentation to the *Circuit Meeting for approval.

I confirm that the Accounts have been presented to the Circuit Meeting on

18-Mar-21

and were approved.

Signature of the Chair of the meeting

S Mawles

Name of the Chair of the meeting

Rev S Lawler

Date

29-Jun-21

Independent Examiner's Report to the Trustees of the

Gwent Hills & Vales

Circuit

This Report is on the Circuit Accounts for the year ended 31st August

2020

Respective responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider it is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under Section 145 of the Charities Act
- to follow the procedures laid down in the general Directions given by the Charity Commission (under Section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than that disclosed below*):

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act;
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply appropriate*

(3) I have/have not* obtained independent verification of all investments with the Trustees for Methodist Church Purposes ("TMCP") or held in other Trusts, Bank balances and Funds at the Central Finance Board of the Methodist Church ("CFB"), which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

** Please circle as appropriate*

Name

Mr R Lewin

Signature



Relevant Professional qualification or body

Institute of Chartered Accountants

Address

17 Wyelands View
Mathern
Chepstow NP16 6HN

Date

27/02/2021.

Notes to the Gwent Hills & Vales Circuit Accounts 2019-20

1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

2 Funds

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. There are no Endowment funds. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

3 Accounting policies

(a) Basis

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

(b) Incoming Resources

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

(c) Resources Expended

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

(d) Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment.

(e) VAT

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

(f) Tangible fixed assets for use by the Circuit

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £500. The freehold property is shown in the accounts at 2020 deemed values, of which the land component of Manses value is deemed to be £250,000. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. Any depreciation would not be material. The property has been reviewed for impairment.

(g) Investment Properties

At the start of the year Aberbeeg church was held by the circuit and was unused and in the process of being sold. It was valued on the balance sheet at its anticipated net sale value of £7,084. It was sold in October 2019 at a net loss of £444 after expenses, returnable grants and Connexional levy.

Nantyglo Manse became surplus to requirements during the year on retirement of a minister who will not be replaced. It was valued on the 2019 balance sheet at £140,423. It was sold in August 2020 at a net loss of £25,812 after expenses and Connexional levy.

All other properties are held for the long-term purposes of the charity.

(h) Investments

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year-end are shown in the SOFA.

(i) Debtors

Debtors (£20,680) comprises the prepayment of September 2020 stipends in August 2020 (£14,700), pre-payment of 2020-21 insurance premium (£2,723), and late receipt of assessment and connexional fund donations (£3,257)

(j) Creditors

Creditors (£74,150) comprises the 1st quarter 2019/20 assessment received from most churches in August 2019 (£61,473), sundry expenses (£7,397) and collections for others (£5,280)

4 Payment to Trustees

There were no payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting, this excludes stipends.

Trustee expenses were:

	2019/20	2018/19
Number of Trustees	15	14
Total amount	£17,570	£20,949

Expense payments primarily relate to reimbursement for travel, postage, stationery and computing costs .

5 Fees for examination or audit of the accounts

	2019/20 £	2018/19 £
Independent examiner's or auditors' fees for reporting on the accounts	250	250
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	NIL	NIL

6 Paid employees (excluding stipendiary ministers)**Staff Costs paid during the year:**

	2019/20	2018/19
Gross wages, salaries and benefits in kind	£ 0	0
Employer's National Insurance costs	£ 0	0
Pension costs	£ 0	0
Total staff costs	£ 0	0

Average number of full-time equivalent employees in the year (rounded to nearest whole number):

0	0
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7 Capital Commitments and Contingent Liabilities

There were no capital commitments at 31st August 2019

No Contingent liabilities were identified at 31st August 2019

£ 0	0
£ 0	0

8 For information only Money received and passed on to External Organisations

		2019/20	2018/19
Balance brought forward from last year	£	4,115	2,155
Offerings/Gifts - received for External Organisations	£	1,165	3,650
Offerings/Gifts - passed to External Organisations	£	0	1,690
Balance carried forward	£	5,280	4,115

9 Tangible Fixed Assets

Cost or valuation

	Land £	Manse £	Other buildings £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward	0	1,331,302	7,084	0	0	1,338,386
Additions	0	16,391	0	0	0	16,391
Revaluations (+/-)	0	0	0	0	0	0
Disposals (-)	0	-140,423	-7,084	0	0	-147,507
Transfers * (+/-)	0	0	0	0	0	0
Balance carried forward	0	1,207,270	0	0	0	1,207,270

Accumulated depreciation

Balance brought forward	0	0	0	0	0	0
Depreciation charge for year (-)	0	0	0	0	0	0
Revaluations (+/-)	0	0	0	0	0	0
Disposals (-)	0	0	0	0	0	0
Transfers* (+/-)	0	0	0	0	0	0
Balance carried forward	0	0	0	0	0	0

Net book value

Brought forward	0	1,331,202	7,084	0	0	1,338,286
Carried forward	0	1,207,270	0	0	0	1,207,270

Manse:

During the year the circuit purchased converted the garage at Llantarnam manse to provide an enhanced office space, at a cost of £16,391, shown as an addition above.

The Nantyglo manse became surplus to requirements during the year. It was valued on the balance sheet at £140k. It was sold in August 2020 at a net loss of £26k after expenses and Connexional levy. This loss is shown on SOFA line 19 Gains/(losses) on investment properties.

Other Property:

At the start of the year Aberbeeg church was held by the circuit and was unused and in the process of being sold. It was valued on the balance sheet at its anticipated net sale value of £7k. It was sold in October 2019 at a net loss of £444 after expenses, returnable grants and Connexional levy. The net value realised from the sale of these properties is shown on SOFA line 19 Gains/(Losses) on investment properties.

10 Investment assets

The circuit held Aberbeeg Church which was disused and was sold during the year. No investment properties were carried forward.

The circuit has no common investment fund holdings

11 Loans

At 31st August 2020 the Circuit was not in receipt of any loans and has no outstanding loans to others. The same was the case at 31st August 2019.

12 Analysis of restricted and designated funds**2019-20**

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
There were no restricted or designated funds	0	0	0	0	0	
Totals	0	0	0	0	0	

Comparative analysis of restricted and designated funds 2018-2019

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
There were no restricted or designated funds	0	0	0	0	0	
Totals	0	0	0	0	0	