

THE GWENT HILLS AND VALES CIRCUIT OF THE METHODIST CHURCH TRUSTEES' ANNUAL REPORT TO THE CHARITY COMMISSION FOR THE YEAR 1st SEPTEMBER 2020 – 31st August 2021

Introduction

The Gwent Hills and Vales Circuit of the Methodist Church came into being as the result of a decision by the Wales Synod of the Methodist Church and was formally acknowledged on 1st September 2009. At the beginning of the year under review, the Circuit consisted of twenty-eight churches located across several valleys in mid and south Wales.

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

Aims and Organization

The Circuit leadership is provided by a team consisting of five ordained ministers. We continue to receive significant assistance from ministers retired from the full-time work, but who are still active in leadership. Five lay persons have been appointed as circuit stewards, 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 through a part-time Administrator paid by the Circuit, a post which was filled in March 2021.

In considering its aims, the Circuit Leadership Team has considered the Charity Commission's guidance on public benefit, 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 them to carry out their mandate.

Review of the Year

Under normal circumstances the Circuit ensures that worship services take place regularly in all its churches and that buildings and ministers are available for special services, including baptisms,

weddings and funerals. Services are offered with varying formats and to appeal to various groups within the society such as children, families and adults with learning disabilities.

Covid

During this entire Connexional year, both church life and circuit life were impacted by the Corona Virus pandemic. Buildings remained closed during lockdown in accordance with Welsh Assembly Government, UK Government and the Methodist Church of Great Britain and Northern Ireland regulations and guidance. Whilst church buildings were shut, the mission of the charity was promoted by postal and digital means. Letters and service sheets were sent out regularly through Royal Mail and by email, and services were made available to people via Zoom. Pastoral visiting was not possible, so contact was 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 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 lifeline to some. During the current reporting period, seven churches had been helped in this way with holidays amounting to £29k.

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.

Income Trends

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

Total income for the year amounted to £370,120. Of this, £74,523 was a capital receipt in the form of Snatchwood Chapel which passed to Circuit responsibility when the church ceased to meet. This was subsequently sold on 03/09/2021.

Expenditure Trends

Stipend expenditure has increased each financial year in line with Conference-approved increases. The expenditure budget approved for the year was £319,266. This was to be raised from churches by way of assessment. The actual amount raised from churches was £291,197 the shortfall being funded from reserves in support of churches who were suffering shortfalls of income due to COVID lockdowns in accordance with a COVID Relief Scheme approved by Circuit Trustees. The actual spend against budget for the year was £292,721. The main components of the £27k underspend were:

- Staff travel: £9k
- Relocation (over-spend): -£4k
- Administrator: £4k
- Print Stationery & Post (over-spend): -£8k
- Preaching fees and travel: £7k
- Wales Synod assessment holiday: £8k
- Manses Repair & Maintenance: £6k
- Water Rates (over-spend due to Pontllanfraith leak): -£2k
- Resources and contingencies: £7k

17.2% 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 31st August 2021, the net current assets of the Circuit were £391k, giving approximately 15 months' cover for expenditure. 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 because of COVID restrictions, and the improvement of Varteg Cemetery to bring it to a safe and sustainable condition.

Plans for 2021/22

Circuit financial plans for 2021/22 have been prepared based on an on-going, full-time ordained staff of five, a part-time administrator and cost of living stipend increases. Considering the financial pressures on churches due to COVID, trustees agreed a budget which maintained the same level of assessment per member as in 2020/21. This resulted in a budget of £302k. Whilst this resulted in a higher than previous risk of overspend, it was felt that the Circuit reserves were in a position to bear this.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31st August 2021 have been prepared in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (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, Castle Street Methodist Church, Castle Street, Abergavenny, NP7 5EE

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. Stephen Boxall, Rev. Gareth Edwards, Rev. Catherine Lewis, Rev. Andrea Sims

Supernumerary Ministers: Rev Anthony Gregory, Deacon Gwenllian Knighton, Rev Roy Watson

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

Circuit Finance Officer: Mr Ken Bailey

Circuit Property Steward: Mrs. Jan Jackson

Circuit Local Preachers Secretary: Miss Margaret Webber

Circuit Stewards: Miss Jane Evans; Mrs Siân Millar; Mrs Rachel Rimmer; Mrs Gillian Timm; Mrs Christine White

Circuit Administrator: Ms Joanna Saunders

Circuit Treasurer: Mr Ken Bailey functioned 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 function as a resource provider for the Methodist Church within the area around the valleys of southeast 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, Pontllanfraith, 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 people 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 one on one for an hour and a half with a trained, resourced and approved supervisor to reflect on their vocation and practice at least six 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

In September 2021 the Trustees voted to amend the Reserves Policy to the following:

1. To hold a minimum sum equivalent to twelve months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and 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. This was increased from six to twelve months by the Circuit Meeting on 10th September 2020 in response to the additional risks posed by the COVID pandemic. In order to achieve this minimum, at the start of each Quarter (1st September, December, March and June) 15

months' expenditure should be in reserve, as church assessments are due at the end of each quarter, one quarter in advance.

2. To hold £100,000 against future requirements for remedial work to boundary and internal walling at Varteg Cemetery.

3. Any remaining reserves are available for Circuit or Church mission projects which may include related building maintenance or improvement works.

Report approved at Circuit Meeting held on 9th June 2022 and signed on behalf of the Trustees by its Chair, Rev Sue Lawler

A handwritten signature in cursive script, appearing to read 'SMLawler'.

**THE METHODIST CHURCH
STANDARD FORM OF ACCOUNTS**

Gwent Hills & Vales	Circuit
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**FOR THE YEAR ENDED
31 AUGUST 2021**

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:

Mrs J Edmunds
Miss J Evans
Mrs J Jackson
Mrs S Millar
Mrs R Rimmer
Mrs G Timm
Miss M Webber
Mrs C White

Treasurer:

Mr K Bailey

Statement of Financial Activities (SOFA) for the year ended 31 August 2021

Notes to the accounts		General Fund	Circuit Model	Designated	Restricted	Endowment	Total
		(Unrestricted)	Trust	Funds	Funds	Funds	2020-21
		£	£	£	£	£	£
Income							
12	1 Donations and legacies	1,021	-	-	500	-	1,521
	2 Income from monetary investments	70	2,808	-	-	-	2,879
	3 Income from investment properties	-	-	-	-	-	0
	4 Assessments on Churches	291,197	-	-	-	-	291,197
	5 Capital Receipts	74,523	-	-	-	-	74,523
	6 Grants received	-	-	-	-	-	0
	7 Other charitable income	-	-	-	-	-	-
8	Total income	366,812	2,808	-	500	-	370,120
Expenditure							
6	9 Grants and donations	-	-	-	-	-	0
	10 Salaries and associated costs	193,304	-	-	-	-	193,304
	11 Property maintenance	33,032	-	-	500	-	33,532
	12 Connexional assessment & model trust levy	48,409	679	-	-	-	49,088
	13 District Assessment & Levy	1,925	16,713	-	-	-	18,639
	14 Depreciation	-	-	-	-	-	0
3(f)	15 Office expenses	3,864	-	-	-	-	3,864
	16 Other outgoings	11,688	-	-	-	-	11,688
3(k)	17 Total charitable expenditure	292,221	17,392	-	500	-	310,114
12	18 Gains/(losses) on monetary investments	-	20,105	-	-	-	20,105
	19 Gains/(losses) on investment properties	6	-	-	-	-	6
	20 Net income/(expenditure)	74,597	5,520	-	-	-	80,117
	21 Transfers between funds	63,561	-176,527	100,000	12,966	-	0
	22 Other gains/(losses)	-	-	-	-	-	0
	23 Net movement in funds	138,158	-171,007	100,000	12,966	-	80,117
24	Total funds brought forward	1,347,903	339,513	-	-	-	1,687,416
25	Total funds carried forward	1,486,061	168,506	100,000	12,966	-	1,767,533

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

Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust		Designated Funds (unrestricted)	Restricted Funds		Endowment Funds	Total 2019-20
	£	(Unrestricted)	£	£	£	£	£	£
Income								
1 Donations and legacies	0	-	-	-	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	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	-	-	-	-	-	-	-	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)	-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

Balance Sheet as at 31 August 2021

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

Circuit Manages & Equipment	3(f), 9	1,207,270				1,207,270	1,207,270
Investment properties	3(g), 10	74,523				74,523	0
Investments	3(h)	94,918				94,918	74,813
Total fixed assets		1,281,793	0	0	0	1,376,711	1,282,083

Current Assets

Debtors	3(i)	22,364				22,364	20,680
Loans by the Circuit	11					0	0
Investments with TMCP			73,588			73,588	264,699
Central Finance Board Deposits		114,768		12,966		227,735	61,340
Cash at Bank and in hand		140,026				140,026	132,763
Total current assets		277,158	73,588	12,966	0	463,713	479,483

Current liabilities

Creditors (due in under 1 year)	3(j)	72,891				72,891	74,150
Grants payable within 2020-21						0	0
Total current liabilities		72,891	0	0	0	72,891	74,150
Net current assets/liabilities		204,267	73,588	12,966	0	390,822	405,333

Total assets less current liabilities		1,486,061	168,506	12,966	0	1,767,533	1,687,416
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Long term liabilities (due after more than one year)

Grants payable after 2020-21						0	0
Loans to the Circuit	11					0	0
Net assets		1,486,061	168,506	12,966	0	1,767,533	1,687,416

Funds of the Circuit

General Fund (Unrestricted)		1,486,061				1,486,061	1,347,903
Circuit Model Trust Fund (Unrestricted)			168,506			168,506	339,513
Designated Funds (Unrestricted)			100,000			100,000	0
Total Unrestricted Funds						1,754,567	1,687,416
Restricted Funds	12			12,966		12,966	0
Endowment Funds					0	0	0
Total Funds		1,486,061	168,506	12,966	0	1,767,533	1,687,416

Declarations and Scrutiny

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

Signature of treasurer *KRB Bailey* Date *11/12/21*

Name and address of treasurer: Kenneth Robin Bailey, Pembroke House,

Lower Park Terrace, Pontypool..... Post Code: NP4 6LB.....

☒ Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were ~~will be~~* presented to the Circuit meeting held on *17/03/22*

Signature of the Chair of the meeting *SM Lawler*

Name of the Chair of the meeting *REV S LAWLER* Date *17/03/22*

Independent Examiner's Report to the Trustees of the

Gwent Hills & Vales Circuit

Charity Number 1140255

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Gwent Hills & Vales Circuit for the year ended 31 August 2021 set out on pages 2 to 4. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

* delete or circle as appropriate

Independent Examiner's Statement

The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (*insert name of applicable listed body*).

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

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

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

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

Signature of independent examiner



Name of independent examiner

RAYMOND J. LEWIN

Relevant professional qualification of independent examiner

I.C.A.E.W. (F.C.A.)

Name of firm (where appropriate)

NEWTON GREEN CHARTERED ACCOUNTANTS

Address

17 WYELANDS VIEW, MATHERN, CHESHIRE

Post Code NP16 6HN

Date

* delete or circle as appropriate

September 2021

Notes to the Gwent Hills & Vales Circuit Accounts 2020-21

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 2021 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

Snatchwood Chapel became unused during the year further to the Circuit Trustees agreeing that the church cease to meet (minute 1 of 21/05/2020). It was sold on 03/09/2021 (after the end of this reporting period) realising £74,523 after expenses and Connexional levy. This value is therefore shown as a Capital Receipt on the SOFA and an Investment Property on the Balance Sheet.

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 (£22,364) comprises the prepayment of September 2021 stipends in August 2021 (£14,930), prepayment of 2021-20 insurance premium (£2,884), insurance, utility and essential maintenance costs incurred on Snatchwood Chapel which will be funded from the proceeds of sale (£2,945) and late payment of an assessment and donation (£1,605)

(j) Creditors

Creditors (£72,891) comprises the 1st quarter 2020/21 assessment received from most churches in August 2019 (£61,134), minister and preacher expenses claimed after the period end (£5,297), Administrator's salary for August (£524), property maintenance (£3,603), and other sundry expenses (£168) and collections for others (£2,165)

(k) Other Outgoings

The increase from £5,872 in 2019/20 to £11,688 in 2020/21 is due to relocation costs totalling £6,101 to support a reconfiguration of pastoral responsibilities following the stationing of Revd Lewis to Vale of Glamorgan Circuit:

1. Revd Lawler moving from Cwmbran to Abergavenny manse
2. Revd Donnison newly stationed to the Cwmbran cluster.

Minute 4.1 of Circuit Meeting of 10/09/2020 refers.

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:

	2020/21	2019/20
Number of Trustees	14	15
Total amount	£14,816	£17,570

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

5 Fees for examination or audit of the accounts

	2020/21 £	2019/20 £
Independent examiner's or auditors' fees for reporting on the accounts	275	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:

	2020/21	2019/20
Gross wages, salaries and benefits in kind	£ 3,146	0
Employer's National Insurance costs	£ 0	0
Pension costs	£ 0	0
Total staff costs	£ 3,146	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 2021

No Contingent liabilities were identified at 31st August 2021

£ 0	0
£ 0	0

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

		2020/21	2019/20
Balance brought forward from last year	£	5,280	4,115
Offerings/Gifts - received for External Organisations	£	3,140	1,165
Offerings/Gifts - passed to External Organisations	£	-6,255	0
Balance carried forward	£	2,165	5,280

9 Tangible Fixed Assets

Cost or valuation

	Land £	Manses £	Other buildings £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward	0	1,207,270	0	0	0	1,207,270
Additions	0	0	74,523	0	0	74,523
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	1,207,270	74,523	0	0	1,281,793

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	1,207,270	0	0	0	1,207,270
Carried forward	0	1,207,270	74,523	0	0	1,281,793

Manses:

There has been no change to the manse estate during the year. Valuations have been compared with online sources and as at December 2021 the lower bound of expected sale value is £1,548k.

Other Property:

Snatchwood Chapel became unused during the year further to the Circuit Trustees agreeing that the church cease to meet (minute 1 of 21/05/2020). It was sold on 03/09/2021 (after the end of this reporting period) realising £74,523 after expenses and Connexional levy. This value is therefore shown as a Capital Receipt on the SOFA and an Investment Property on the Balance Sheet.

10 Investment assets

The circuit took responsibility for Snatchwood Chapel which was disused and was sold after the year end so was carried forward on the balance sheet at the net realised value.

The circuit has no common investment fund holdings

11 Loans

At 31st August 2021 the Circuit was not in receipt of any loans and has no outstanding loans to others. The same was the case at 31st August 2021.

12 Analysis of restricted and designated funds**2020-21**

Restricted Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Fund for Youth Work (Restricted)	0	0	0	12,966	12,966	Youth work (note 1)
Varteg Donations (Restricted)	0	500	500	0	0	Upkeep of Varteg Cemetery
Varteg Reserve (Designated)	0	0	0	100,000	100,000	Future major repairs to Varteg Cemetery (note 2)
Totals	0	500	500	112,966	112,966	

Notes:

1. It became known during the year that the CFB3 account was inherited from the old Islwyn Circuit and is a restricted fund. This had not been reported correctly in previous accounts. Circuit Meeting minute 5.1(a) of 18/03/2021 refers.
2. The Trustees decided to reserve £100k against likely future major maintenance expenditure at Varteg Cemetery. Circuit Meeting minute 5.1.2 of 10/09/2020 refers.
3. The Trustees decided to transfer £100k for the Varteg Reserve from TMCP to CFB, plus £77k spent in previous years on manse improvements and wall repairs at Varteg.

Comparative analysis of restricted and designated funds 2019-2020

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	

Declarations and Scrutiny

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

Signature of treasurer *KR Bailey* Date *11/12/21*

Name and address of treasurer: Kenneth Robin Bailey, Pembroke House,

Lower Park Terrace, Pontypool..... Post Code: NP4 6LB.....

☒ Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were ~~will be~~* presented to the Circuit meeting held on *17/03/22*

Signature of the Chair of the meeting *SM Lawler*

Name of the Chair of the meeting *REV S LAWLER* Date *17/03/22*

Independent Examiner's Report to the Trustees of the

Gwent Hills & Vales Circuit

Charity Number 1140255

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Gwent Hills & Vales Circuit for the year ended 31 August 2021 set out on pages 2 to 4. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

* delete or circle as appropriate

Independent Examiner's Statement

The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (*insert name of applicable listed body*).

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

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

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

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

Signature of independent examiner 

Name of independent examiner RAYMOND J. LEWIN

Relevant professional qualification of independent examiner I.C.A.E.W. (F.C.A.)

Name of firm (where appropriate) NEWTON GREEN CHARTERED ACCOUNTANTS

Address 17 WYELANDS VIEW, MATHERN, CHOS STON,
MANMOUTHSHIRE Post Code NP16 6HN

Date

* delete or circle as appropriate

September 2021