

THE GWENT HILLS AND VALES CIRCUIT OF THE METHODIST CHURCH TRUSTEES' ANNUAL REPORT TO THE CHARITY COMMISSION FOR THE YEAR 1st SEPTEMBER 2022 – 31st August 2023

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-three churches located across several valleys in south Wales and extending north-east to the border with England.

The Circuit's trustees are the members appointed by the twenty-three 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 four 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

The Circuit ensures that services of worship take place regularly in all its churches and that buildings and ministers are available for special services, including baptisms, weddings and funerals. Wherever possible, services are offered to appeal to various groups within society such as children, families, and adults with learning disabilities. Services are routinely led by lay (Local) Preachers as well as ordained ministers. During this Connexional year three Local Preachers received authorisations to preside at the Lord's Supper and there were three new Local Preachers in training. Some of the churches registered their buildings for the marriage of same-sex couples. Two of the churches merged to form a single church on two sites in an effort to make more effective use of their resources. Another of the Circuit churches hosts a large and growing Tongan congregation which meets regularly for worship and also contributes to mission and outreach in the local community.

Practices which began as a result of the Coronavirus pandemic (namely services by Zoom and the distribution by post or email of sermons and service sheets to those who are housebound) have continued and are regarded as a positive outcome of an otherwise difficult time. There now exists within the Circuit a 'Zoom community' which meets weekly for worship, prayer, Bible study and fellowship. 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. The practice of using Zoom for trustee meetings has ceased since the end of the pandemic but Zoom continues to be used for meetings of the Circuit Leadership Team.

Pastoral visiting by both lay people and ordained staff happens regularly across the Circuit and some members (who due to age or infirmity cannot come to church) receive Holy Communion at home or in residential care. Pastoral care and support is also provided through telephone calls, email and letter.

The Circuit has encouraged churches to consider their environmental impact and to work wherever possible towards carbon neutrality by 2030. Some of the churches have engaged in the Eco-Church programme and/or undertaken environmental impact assessments of their buildings. The Circuit has supported churches in this through its 'Green Strategy'.

Most churches provide outreach to their local community through weekly coffee mornings, helping to reduce social isolation and, during a period of rising energy costs, offering 'Warm Spaces' to those experiencing 'fuel poverty'. Most churches also support local Foodbanks. Some churches extended hospitality (through host families, the provision of meeting rooms and language classes) to Ukrainian citizens seeking refuge in the UK.

The Circuit and individual churches have supported (through prayer and financial giving) the work of their members overseas, notably on 'Mercy Ships' (providing medical assistance to developing countries) and the 'Project Misa Lole' (sending furniture to Tongan churches affected by the tsunami of 2022).

The Circuit began the implementation of 'Equality, Diversity and Inclusion' (EDI) training for ministers, Local Preachers, Worship Leaders, Circuit and Church stewards, and the Circuit Safeguarding Officer.

Income Trends

The Circuit income is primarily drawn from assessments paid by the circuit churches, totalling £268,544. Total income for the year was £381,632. Of this, £88,594 was capital receipts in the form of Abertillery and Trinant Chapels which passed to Circuit responsibility when the churches ceased to meet. The Circuit is also responsible for Pontypool chapel following the church also ceasing to meet during the previous year. A capital receipts for Pontypool is shown in the current year accounts due to difficulties in valuing the property due to its leasehold status.

Expenditure Trends

Stipend expenditure has increased each financial year in line with Conference-approved increases.

The expenditure budget approved for the year was £328,081. This was to be funded as follows:

Average of 3 previous years' budget surpluses from reserves	£29,081
Subsidy from reserves to assist churches post COVID	£31,148
Assessment on churches	£267,852

The actual amount raised from churches was £265,544. The shortfall resulted from churches mentioned ceasing to meet and was funded from Circuit reserves. The actual spend against budget for the year was £292,058. The main components of the £36k underspend were:

	Underspend	Overspend
Minister sick pay refund	£37k	
Share of Local Preacher Trainer Stipend		£2k
Manse Repairs & Utilities	£5k	
Quinquennial Building Inspections		£3k
Other variances		£1k
Total	£42k	£6k

20.9% 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 2023, the net current assets of the Circuit were £ 514,303, giving approximately 21 months' cover for expenditure. The trustees are making reserves available for church and circuit projects, and the improvement of Varteg Cemetery to bring it to a safe and sustainable condition.

Plans for 2023/24

Circuit financial plans for 2023/24 have been prepared based on an on-going, full-time ordained staff of four, a part-time administrator and cost of living stipend increases. This resulted in a budget of £315,844. Of this, £18,169 was to be funded from prior

years' surpluses held in reserves. Considering the financial pressures on churches due to COVID and the energy crisis, trustees agreed assessments which maintained the same level per member as in 2022/23 plus an inflation factor of 7.8%. This resulted in planned underfunding of the budget of £25,915 which trustees agreed would be funded from Circuit reserves.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31st August 2023 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. Catherine Brobbey, Rev. Stephen Boxall,
Rev. Dr. Gareth Edwards, Rev. Paul Donnison,
Rev. Andrea Sims

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

Circuit Lay Worker: 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 Cymru 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, Beaufort Hill, Bedwas, Blackwood, Blaenau Gwent, Blaina, Cwmcelyn, Fairhill, Garndiffaith, Glasbury, Hope, Llanelly Hill, Llanyrafon, Nantyglo, Pontllanfraith, Pontnewynydd, Race, St. James, Tredegar, 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 Methodist Church's Supervision Policy 2021. 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 13th June 2024 and signed on behalf of the Trustees by its Chair, Rev Catherine Brobbey.

A handwritten signature in black ink, appearing to read 'C Brobbey', is written over a faint, circular, dotted watermark. The signature is fluid and cursive, with the first letter 'C' being large and prominent.

THE METHODIST CHURCH

STANDARD FORM OF ACCOUNTS

Gwent Hills & Vales	Circuit
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**FOR THE YEAR ENDED
31 AUGUST 2023**

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 C Brobbey
Rev G Edwards
Rev S Boxall
Rev A Sims
Rev P Donnison

Circuit Stewards:

J Evans
J Jackson
K Jones
S Millar
R Rimmer
G Timm
M Webber
C White

Treasurer:

Mr K Bailey

Statement of Financial Activities (SOFA) for the year ended 31 August 2023

Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust		Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2022-23
	£	(Unrestricted)	£	£	£	£	£
Income							
1 Donations and legacies	7,963	-	-	-	250	-	8,213
2 Income from monetary investments	4,810	7,173	-	-	407	-	12,390
3 Income from investment properties	3,740	-	-	-	-	-	3,740
4 Assessments on Churches	268,544	-	-	-	-	-	268,544
5 Capital Receipts	88,594	-	-	-	-	-	88,594
6 Grants received	-	-	-	-	-	-	0
7 Other charitable income	60	-	-	-	-	-	60
8 Total income	373,712	7,173	-	-	657	-	381,541
Expenditure							
9 Grants and donations	2,000	-	-	2,250	-	-	4,250
10 Salaries and associated costs	182,534	-	-	-	-	-	182,534
11 Property maintenance	38,861	-	-	1,260	-	-	40,121
12 Connexional assessment & model trust levy	50,032	535	-	-	-	-	50,567
13 District Assessment & Levy	6,852	6,878	-	-	-	-	13,730
14 Depreciation	678	-	-	-	-	-	678
15 Office expenses	5,331	-	-	-	-	-	5,331
16 Other outgoings	7,771	-	-	-	3,159	-	10,930
17 Total charitable expenditure	294,058	7,412	3,510	3,159	-	-	308,139
18 Gains/(losses) on monetary investments	-	1,865	-	-	-	-	1,865
19 Gains/(losses) on investment properties	-82,728	155,760	-	-	-	-	73,032
20 Net income/(expenditure)	-3,075	157,385	-3,510	-2,501	-	-	148,299
21 Transfers between funds	-100,000	-	100,000	-	-	-	0
22 Other gains/(losses)	-	-	-	-	-	-	0
23 Net movement in funds	-103,075	157,385	96,490	-2,501	-	-	148,299
24 Total funds brought forward	1,570,034	187,558	99,088	10,612	-	-	1,867,293
25 Total funds carried forward	1,466,960	344,943	195,578	8,111	-	-	2,015,592

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

Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
	£	£	£	£	£	£
Income						
1 Donations and legacies	2,565	-	-	100	-	2,665
2 Income from monetary investments	691	2,918	-	52	-	3,660
3 Income from investment properties	13,735	-	-	-	-	13,735
4 Assessments on Churches	288,972	-	-	-	-	288,972
5 Capital Receipts	157,000	-	-	-	-	157,000
6 Grants received	-	-	-	-	-	0
7 Other charitable income	-	-	-	-	-	-
8 Total income	462,963	2,918	-	152	-	466,033
Expenditure						
9 Grants and donations	-	45,000	-	-	-	45,000
10 Salaries and associated costs	202,711	-	-	-	-	202,711
11 Property maintenance	26,396	-	912	100	-	27,408
12 Connexional assessment & model trust levy	50,541	480	-	-	-	51,021
13 District Assessment & Levy	6,926	5,925	-	-	-	12,851
14 Depreciation	339	-	-	-	-	339
15 Office expenses	4,042	-	-	-	-	4,042
16 Other outgoings	10,321	-	-	2,405	-	12,726
17 Total charitable expenditure	301,275	51,406	912	2,505	-	356,098
18 Gains/(losses) on monetary investments	-	10,176	-	-	-	-10,176
19 Gains/(losses) on investment properties	-77,715	77,715	-	-	-	0
20 Net income/(expenditure)	83,973	19,052	-912	-2,353	-	99,759
21 Transfers between funds	-	-	-	-	-	0
22 Other gains/(losses)	-	-	-	-	-	0
23 Net movement in funds	83,973	-19,052	912	2,353	-	99,759
24 Total funds brought forward	1,486,061	168,506	100,000	12,966	-	1,767,533
25 Total funds carried forward	1,570,034	187,558	99,088	10,612	-	1,867,293

Balance Sheet as at 31 August 2023

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2022/23 £	Totals 2021/22 £
Fixed Assets								
Circuit Manses & Equipment	3(f), 9	1,241,087					1,241,087	1,241,765
Investment properties	3(g), 10	173,594					173,594	157,000
Investments	3(h)		86,607				86,607	84,742
Total fixed assets		1,414,681	86,607	0	0	0	1,501,288	1,483,507
Current Assets								
Debtors	3(i)	46,691					46,691	41,076
Loans by the Circuit	11			3,285			3,285	0
Investments with TMCP			258,336				258,336	102,816
Central Finance Board Deposits		4,494		142,293	11,020		157,807	180,048
Cash at Bank and in hand	3(n)	69,076		50,000	-2,909		116,167	134,161
Total current assets		120,261	258,336	195,578	8,111	0	582,286	458,101
Current liabilities								
Creditors (due in under 1 year)	3(j)	67,982					67,982	74,315
Grants payable within 2022-23							0	0
Total current liabilities		67,982	0	0	0	0	67,982	74,315
Net current assets/liabilities		52,279	258,336	195,578	8,111	0	514,303	383,786
Total assets less current liabilities		1,466,960	344,943	195,578	8,111	0	2,015,592	1,867,293
Long term liabilities (due after more than one year)								
Grants payable after 2022-23							0	0
Loans to the Circuit	11						0	0
Net assets		1,466,960	344,943	195,578	8,111	0	2,015,592	1,867,293
Funds of the Circuit								
General Fund (Unrestricted)		1,466,960					1,466,960	1,570,034
Circuit Model Trust Fund (Unrestricted)			344,943				344,943	187,558
Designated Funds (Unrestricted)	13			195,578			195,578	99,088
Total Unrestricted Funds							2,007,480	1,856,680
Restricted Funds	13				8,111		8,111	10,612
Endowment Funds						0	0	0
Total Funds		1,466,960	344,943	195,578	8,111	0	2,015,592	1,867,293

Notes to the Gwent Hills & Vales Circuit Accounts 2022-23

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 resource, 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.

The following grants were made:

Tongan community towards the cost the shipment of church supplies to Tonga (minute 4.3 of 16/03/2023)	£2,000
Blaenau Gwent church towards emergency subsidence repairs (minute 4.1 of 16/03/2023)	£2,250
Total	<u>£4,250</u>

(e) VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expense 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 2023 deemed values, of which the land component of Manses value is deemed to be £250,000. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. Any depreciation would not be material. The properties have been reviewed for impairment.

(g) Investment Properties

At the start of the year the Circuit was responsible for 3 empty chapels: Newbridge, Pontypool and Panteg and were shown as Investment Properties on the prior year balance Sheet. During the year Abertillery and Trinant chapels became the circuit's responsibility and are shown as Capital Gains on the SOFA. During the year Newbridge was sold for more than the Balance Sheet valuation so is shown on the SOFA as a Gain on Investment Property. The other 4 properties were unsold at the end of the year and are shown in Investments Properties on the year-end Balance Sheet. The financial treatment of the 5 properties is summarised below:

	Balance Sheet Brought Forward	Surveyor Valuation	Estimated Expenses	Estimated CPF Levy	Capital Receipt SOFA row 5	Sale Price	Expenses	CPF Levy	Gain/(Loss) SOFA row 19	Balance Sheet Carried Forward
Newbridge	£72,000				£0	£222,000	-£13,128	-£63,840	£73,032	£0
Pontypool	£0				£0					£0
Panteg	£85,000				£0					£85,000
Abertillery	£0	£64,000	-£10,090	-£7,316	£46,594					£46,594
Trinant	£0	£65,000	-£10,000	-£13,000	£42,000					£42,000
Total	<u>£157,000</u>				<u>£88,594</u>				<u>£73,032</u>	<u>£173,594</u>

Newbridge Chapel became unused during 2021-22 further to the Circuit Trustees agreeing that the church cease to meet (minute 4.1 of 09/09/2021). The Trustees approved the sale of the property (minute 6.2.1 of 17/03/2022). The property was valued at £72,000 on the balance sheet at the start of the year and was sold at auction in April 2023 for £222,000.

Pontypool Chapel became unused during 2021-22 further to the Circuit Trustees agreeing that the church cease to meet (minute 5.2 of 17/03/2022). The Trustees approved the disposal of the property (minute 6.1 of 16/03/2023). The land is leasehold. It has not yet been possible to obtain a valuation. No Capital Receipt has been recorded to date and there is no value included in Investment Properties on the Balance Sheet.

Panteg Chapel became unused during 2021-22. The Circuit Trustees agreed that the church cease to meet, and that the property be sold (minute 6.2 16/03/2023). The property is expected to be sold in 2024.

Abertillery Chapel became unused during 2021-22 further to the Circuit Trustees agreeing that the church cease to meet (minute 5.1 of 17/03/2022). The Trustees approved the sale of the property (minute 6.2.2 of 17/03/2022). The property was sold in October 2023 (after 2022-23 year-end) realising £46,594 net of levy and expenses. This is shown as a Capital Receipt in the SOFA for the current year and is included in Investment Properties in the Balance Sheet at the end of the year.

Trinant Chapel became unused during 2021-22 further to the Circuit Trustees agreeing that the church cease to meet (minute 5.1 of 09/06/2022). Trustees approved the sale of the property (minute 6.2.2 of 08/09/2022). The property has proven difficult to sell but is expected to be sold in 2024.

Five Manses 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 comprises:

Prepayment of September 2023 stipends in August 2023:	£14,353
Insurance, utility, and essential maintenance costs of closed Chapels to be funded from proceeds of sale:	£26,516
Late payment of assessments:	£5,822
Total	£46,691

(j) Creditors

Creditors comprises:

1st quarter 2022/23 assessment received from most churches in August 2022:	£62,795
Property maintenance:	£1,241
Minister and preacher expenses claimed after year end:	£3,663
Collections for others:	£45
HMRC:	£223
Bank charges:	£16
Total	£67,982

(k) Income from Investment Properties

£3,500 was received in rent from Newbridge Joinery who leased the Newbridge Old Hall. £240 was received in rent from Alcoholics Anonymous who used Panteg chapel for weekly meetings. The total of £3,740 is shown on SOFA row 3.

(l) Gains/(losses) on investment properties

Newbridge chapel was sold for £222,000. The auction fee was paid into the General Fund with the balance paid into the Model Trust. The property was sold by auction, so the legal and other costs associated with the sale were paid by the buyer. A levy was taken for the Connexional Priority Fund in accordance with Standing Orders. Since closure the Circuit had spent £13,128 on insurance, utility, legal and maintenance costs. The property had been valued on the Balance Sheet at £72,000. The net gain on sale was therefore £73,032 as detailed below and shown on the SOFA row 19.

<u>Item</u>	<u>General Fund</u>	<u>Model Trust</u>	<u>Total</u>
Sale Price	£2,400	£219,600	£222,000
Connexional Priority Fund Levy		-£63,840	-£63,840
Insurance, utility, legal and maintenance costs	-£13,128		-£13,128
Balance sheet valuation	-£72,000		-£72,000
Total Gain	-£82,728	£155,760	£73,032

(m) Donations

The following donations were received:

<u>From:</u>	<u>For:</u>	<u>Value:</u>
Newbridge Methodist Church	Donation of final balances on closure	£7,963
Llanelly Hill Methodist Church	Support of Rugby Outreach Mission	£250
Total		£8,213

(n) Cash at Bank

Designated Funds: A nominal £50,000 of the £195,578 of designated funds is deemed to be held in the bank account.

Restricted Funds: The -£2,909 shown against the bank account is restricted funds that had been spent during the year but not transferred from the Central Finance Board to the bank until after the year-end.

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:

	2022/23	2021/22
Number of Trustees	11	18
Total amount	£16,944	£18,814

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

5 Fees for examination or audit of the accounts

	2022/23 £	2021/22 £
Independent examiner's or auditors' fees for reporting on the accounts	330	300
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	NIL	NIL

6 Paid employees (excluding stipendiary ministers' costs of £153,928)

Staff Costs paid during the year:

Gross wages, salaries and benefits in kind

Employer's National Insurance costs

Pension costs (including £600 pension scheme set-up fee)

Total staff costs

	2022/23	2021/22
£	16,364	13,112
£	734	554
£	860	1,369
£	17,958	15,034

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

	1	1

7 Capital Commitments and Contingent Liabilities

There were no capital commitments at 31st August 2023

No Contingent liabilities were identified at 31st August 2023

£	0	0
£	0	0

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

Balance brought forward from last year

Offerings/Gifts - received for External Organisations

Offerings/Gifts - passed to External Organisations

Balance carried forward

	2022/23	2021/22
£	3,725	2,165
£	5,312	3,175
£	-8,992	-1,615
£	45	3,725

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	1,240,070	157,000	2,034	0	1,399,104
Additions	0	0	88,594	0	0	88,594
Revaluations (+/-)	0	0	0	0	0	0
Disposals (-)	0	0	-72,000	0	0	-72,000
Transfers * (+/-)	0	0	0	0	0	0
Balance carried forward	0	1,240,070	173,594	2,034	0	1,415,698

Accumulated depreciation

Balance brought forward	0	0	0	-339	0	-339
Depreciation charge for year (-)	0	0	0	-678	0	-678
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	-1,017	0	-1,017

Net book value

Brought forward	0	1,240,070	157,000	1,695	0	1,398,765
Carried forward	0	1,240,070	173,594	1,017	0	1,414,681

Manse:

There has been no change to the manse estate during the year. Valuations have been compared with online sources and as at August 2023 the lower bound of expected sale value is £1,426,750.

Other buildings:

The sale of Newbridge Chapel completed on 20/04/2023 realising £145,032 after expenses and Connexional levy. The circuit continued to be responsible for Abertillery (Powell Street), Panteg, Pontypool and Trinant chapels which it is seeking to sell. See note 3(g) for further detail.

10 Investment assets

Newbridge Chapel was sold during the year. The circuit continued to be responsible for Abertillery (Powell Street), Panteg, Pontypool and Trinant chapels which it is seeking to sell. See note 3(g) for further detail.

The circuit has no common investment fund holdings

11 Loans

- At 31st August 2022 the Circuit was not in receipt of any loans and has no outstanding loans to others.
- At 31st August 2023 a loan of £3,285 to Blaenau Gwent Methodist Church was outstanding.

Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Fund for Youth Work (Restricted)	10,612	657	3,159	0	8,110	Youth work (note 1)
Total Restricted Funds	10,612	657	3,159	0	8,110	
Varteg Reserve (Designated)	99,088	0	1,260	0	97,828	Future major repairs to Varteg Cemetery (note 2)
Church Mission Projects (Designated)	0	100,000	2,250	0	97,750	To support church projects (note 3)
Total Designated Funds	99,088	100,000	3,510	0	195,578	

Notes:

1. The CFB3 account was inherited from the old Islwyn Circuit and is a restricted fund. Circuit Meeting minute 5.1(a) of 18/03/2021 refers. Incoming resources were £250 donation and £407 interest.
2. The Trustees decided to reserve £100,000 against likely future major maintenance expenditure at Varteg Cemetery. Circuit Meeting minute 5.1.2 of 10/09/2020 refers. These funds were transferred in 2021-22.
3. Trustees decided to allocate £100,000 to support church mission projects in accordance with the Circuit Strategy 2021-2026 and the supporting Funding for Church Project Policy. Circuit Meeting minutes 2.2 and 2.3 of 09/09/2021 refer. These funds were transferred in 2022-23.

Comparative analysis of restricted and designated funds 2021-2022

Fund Name	Opening Balance	Incoming Resources	Resources Expended	Transfers	Closing Balance	Purpose of the fund
Fund for Youth Work (Restricted)	12,966	0	2,353	0	10,612	Youth work
Varteg Donations (Restricted)	0	100	100	0	0	Upkeep of Varteg Cemetery
Varteg Reserve (Designated)	100,000	0	912	0	99,088	Future major repairs to Varteg Cemetery
Totals	112,966	100	3,365	0	109,700	

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2023 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  Date 25th March 2024

Name and address of treasurer ...K R 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 2023 ~~were~~/will * be presented to the Circuit meeting held on: ...13th June 2024

Signature of the Chair of the meeting: 

Name of the Chair of the meeting: ...Revd Catherine Brobbey..... Date ..13th June 2024...

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 2023 set out on pages 1 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

Name of Circuit ... Gwent Hills & Vales No...2/13..

Independent Examiner's Statement*

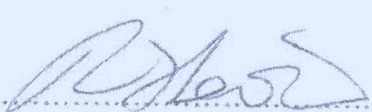
[The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (~~insert name of applicable listed body~~) ~~Delete [-] if not applicable.~~
The I.C.A.E.W.

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

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

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

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

Signature of independent examiner 

Name of independent examiner: *RAYMOND JOHN LEWIN*

Relevant professional qualification of independent examiner: *CHARTERED ACCOUNTANT*

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

Address: *17, WYELANDS VIEW, MATHERN, CHERBON*

Post Code: *NP16 6HN*

Date: *25th MARCH 2024*

* delete or circle as appropriate