

## THE METHODIST CHURCH STANDARD FORM OF ACCOUNTS

Dorset South and West	Circuit
-----------------------	---------

**FOR THE YEAR ENDED  
31 August 2023**

Southampton	District	Circuit no	26-Aug
-------------	----------	------------	--------

**Registered Charity - Charity Registration number**

1150182

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:

Revd John Yarrien
Revd Ruth Lownsborough
Revd Jane Wilson

Circuit Stewards:

Ms Sue Bird
Mrs Janice Young
Mrs Margaret Sibley
Mrs Pamela Woodland
Mr Ross Seagrave
Mr Christopher Smith

Treasurer:

Mrs Jacqueline Trent
----------------------

SECTION A		Un - restricted Funds	Circuit Model Trust Fund	Restricted Funds	Totals this year	Totals last year
a1	RECEIPTS	Note	£	£	£	£
a2	Assessment/Share		153,511		153,511	115,196
a3	Capital receipts		785		86,350	
a4	Bank and CFB interest and Investment income			19,159	2,312	2,207
a5	Grants					14,636
a6	Other receipts		9,213	423,947	433,159	
a7	<b>TOTAL RECEIPTS</b>		<b>163,509</b>	<b>443,106</b>	<b>88,662</b>	<b>695,277 (a8)</b>

SECTION B						
b1	<b>PAYMENTS</b>					
b2	Stipends, salaries, NIC, Pension and travel costs			183,468	183,468	147,225
b3	Manse Costs		27,198		27,198	27,902
b4	Administration etc		7,896		7,896	2,681
b5	District Assessment		22,158	71,104	93,262	55,425
b6	Grants & donations		12,520		12,520	
b7	Westham & Tolpuddle		40,510		40,510	21,011
b8	Other payments		19,505		19,505	198,791
b9	<b>TOTAL PAYMENTS</b>		<b>129,786</b>	<b>254,572</b>	<b>384,358 (b9)</b>	<b>453,035</b>

SECTION C						
c1	<b>NET RECEIPTS/PAYMENTS FOR THE YEAR</b>	(a7-b9)	<b>33,723</b>	<b>188,534</b>	<b>88,662</b>	<b>310,918</b>
c2	Total funds brought forward from last year		11,002	515,121		526,123 (c6)
c3	<b>Sub total</b>	(c1+c2)	<b>44,725</b>	<b>703,655</b>	<b>88,662</b>	<b>837,041</b>
c4	Transfers and adjustments					(c7)
c5	<b>TOTAL FUNDS AT END OF YEAR</b>	(c3+c4)	<b>44,725</b>	<b>703,655</b>	<b>88,662</b>	<b>837,041 (c8)</b>

SECTION D					
d	<b>FOR INFORMATION ONLY: MONEY RECEIVED AND PASSED ON TO EXTERNAL ORGANISATIONS</b> (these amounts should not be included in total receipts/payments above)				
d1	Balance brought forward from last year				
d2	Offerings/Gifts - received for external organisations				
d3	Offerings/Gifts - passed to external organisations				
d4	<b>BALANCE STILL TO BE PAID (d1 + d2 - d3)</b>				

**SUMMARY OF CIRCUIT ACCOUNTS AND INTERNAL ORGANISATION REPORTING TO THE CIRCUIT MEETING****SECTION E** Please follow the Guidance Notes to complete this page

Summary of the Circuit accounts for the year ended 31 August 2023 and Internal Organisations reporting to the Circuit Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose. This section must be completed to arrive at the gross receipts and payments totals of the Circuit. If gross income exceeds the Accruals threshold of £250,000, then the Accruals method of accounting AND A DIFFERENT FORM must be used to report the accounts (see Methodist website). Please refer to the guidance notes regarding transfers between the Circuit and connected Circuit Organisations.

INTERNAL ORGANISATIONS	Receipts	Payments	Net Receipts/ Payments	Adjustments	Opening balances	Closing balances
e1						
e2						
e3						
e4						
e5						
e6						
e7						
e8 Sub total of Internal Organisations funds					(e11)	(e12)
e9 Circuit accounts (totals brought forward from page 2 - totals column)	695,277 (a8)	384,358 (b9)	310,918	(c7)	526,123 (c6)	837,041 (c8)
e10 TOTAL CASH FUNDS HELD BY CIRCUIT	695,277	384,358	310,918		526,123 (x)	837,041 (y)
Continue on a separate sheet if necessary and bring the totals forward	TOTAL RECEIPTS	TOTAL PAYMENTS				

**SECTION F****STATEMENT OF ASSETS AND LIABILITIES****CIRCUIT - CASH FUNDS HELD at 31 August 2023**

	OPENING BALANCES	CLOSING BALANCES
f1 Cash in hand		
f2 Bank Current Account	3,345	28,315
f3 Bank Deposit Account		
f4 Central Finance Board	7,657	65,638
f5 Trustees for Methodist Church Purposes	515,122	743,089
f6 Other funds		
f7 SUB TOTAL	526,123 (c6)	837,042 (c8)
f8 Total funds held by Internal Organisations (the closing balance totals above) (e12)	(e11)	(e12)
f9 TOTAL CASH FUNDS HELD BY CIRCUIT	526,123 (x)	837,042 (y)

**SECTION G****OTHER ASSETS and LIABILITIES**

	At 1 September 2022	At 31 August 2023
g1 Investments (include Endowments)		
g2 Land and Buildings (see notes re Insurance value)	8,138,420	5,718,902
g3 Other Assets		
g4 Loan(s) - show amount outstanding at year end		
g5 Other Liabilities		

f4 Include only Funds held at the Central Finance Board

f5 Include only CFB Funds held at Trustees for Methodist Church Purposes

g1 Include any other investments (not the cash element of TMCP trust accounts this is inserted in line f5)

Name of Circuit DORSET SOUTH+WEST No 26/08

## Declarations and Scrutiny

I confirm that these Receipt and Payment 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 [Signature] Date 3 Oct 23  
Name and address of treasurer JACQUELINE TRENT  
47 WYKE RD WEMMOUTH Post Code DT4 9QQ

### 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 12<sup>th</sup> March 2024

Signature of the Chair of the meeting [Signature]  
Name of the Chair of the meeting Rev John Yarnier Date 12/03/2024

### Independent Examiner's Report to the Trustees of the

DORSET SOUTH+WEST Circuit

Charity Number 1150182

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the DORSET SOUTH+WEST Circuit for the year ended 31 August 2023 set out on pages 1. to 5. 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 DORSET SOUTH+WEST No 26/08

### Independent Examiner's Statement

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.

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 Bee

Name of independent examiner Mr Ben Elliott

Relevant professional qualification of independent examiner FMAAT

Name of firm (where appropriate) Elliott and Co LLP

Address ELLIOT & CO LLP

7 King Street  
Weymouth  
Dorset DT4 7BJ

Post Code

Date 14/02/24

\* delete or circle as appropriate

Form reviewed

May-23

The Methodist Church  
Annual Report and Accounts  
Dorset South and West Circuit  
For the year 1 September 2022 to 31 August 2023  
Registered Charity: Registration Number 1150182

Southampton District Circuit No 26/8

Ministers	Revd John Yarrien Revd Ruth Lownsborough Revd Jane Wilson	Superintendent Minister
Circuit Stewards	Ms Sue Bird Mrs Jacqui Trent Mr Ross Seagrave Mrs Margaret Sibley Mrs Pam Woodland Mrs Janice Young Mr Chris Smith	Senior Steward Circuit Treasurer     appointed 14 June 2023

## Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2023 have been prepared in accordance with Accounting Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland - Charities SORP FRS 102 effective 1 January 2015.

### 1. Administrative Details

- 1.1 Dorset South and West Methodist Circuit is a registered charity no 1150182. The Circuit is a separate legal entity within the Methodist Church and is required under charity law to prepare separate accounts. The charity was formerly known as Bridport and Dorchester Circuit and the name was changed with the agreement of the Charity Commission with effect from 1 September 2018.
- 1.2 The members of the Circuit Meeting are the managing trustees of the Circuit. Managing trustees are appointed in accordance with SO510 of the Constitution and Discipline of the Methodist Church.
- 1.3 The Circuit Meeting comprises all ordained ministers, circuit stewards and other officers and representatives from all churches within the Circuit. A full list of trustees is shown in Appendix A.
- 1.4 Custodian Trustees are the Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester, M1 1JQ.
- 1.5 The Circuit's registered address is 47 Wyke Road Weymouth Dorset DT4 9QQ.
- 1.6 The Circuit's independent examiners are Elliot & Co., 7 King Street, Weymouth, DT4 7BJ.
- 1.7 The Circuit's bankers are Lloyds Bank plc, Ariel House, 2138 Coventry Road, Sheldon, B26 3JW and the Central Finance Board of the Methodist Church, 9 Bonhill Street, London, EC2A 4PE.
- 1.8 The Circuit engages advisers for legal affairs and property services as required.

#### 1.9 Current Staff

Superintendent Minister	Revd John Yarrien
Ministers	Revd Ruth Lownsborough
	Revd Jane Wilson

#### Lay staff

Circuit Administrators	Mrs Maria Jacobson
	Mrs Jacqui Trent
Community Outreach Worker Westham	Mrs Jayne Newton
Children and Families workers	Mrs Jenny Farmer
	Mr Peter Jenner

## **2. Structure and Governance**

- 2.1 The Circuit is governed in accordance with the Constitutional Practice and Discipline of the Methodist Church; its organisation is structured around the circuit meeting that meets at least three times a year.
- 2.2 The circuit meeting is supported by regular meetings of the Circuit Leadership Team (CLT) to conduct day-to-day business and considers matters to be brought to the circuit meeting. The CLT consists of all active ordained ministers, the circuit stewards, the circuit administrators and other staff members as appropriate.
- 2.3 The Local Preachers and Worship Leaders meeting is held at least three times a year to consider the worshipping life of the church and consists of all ordained ministers, local preachers and worship leaders.
- 2.4 The circuit meeting may also set up other groups and committees to deal with specific tasks that may arise.

## **3. Objectives and Activities**

- 3.1 The purposes of the Methodist Church are and shall be deemed to have been since the date of the Deed of Union, the advancement of (A) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church; (B) any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church; (C) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church; (D) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.
- 3.2 The Circuit's principal objectives and activities are to enable its churches to work towards their vision of deepening their Christian faith to reach out to others by sharing the good news of Jesus Christ.
- 3.3 The Circuit provides staff and preachers education and pastoral oversight which enables the local churches to provide Christian worship, spiritual development and pastoral care both to the church members and the wider community.
- 3.4 The Circuit agrees property and financial policies that help churches focus on their core business; building the kingdom of God through transformed lives as Disciples of Christ.
- 3.5 The Circuit promotes Our Calling priorities; social holiness, by encouraging its members to make disciples, and to work for social justice.
- 3.6 The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the Charity's aims and objectives.



#### 4. Our Mission Statement

The Circuit exists to share the love of God made known to us in Jesus Christ through the power and presence of the Holy Spirit.

We do this through

- Our Churches – welcoming all, providing opportunities to explore and deepen faith, caring for one another in love and reaching out to others
- Our people – affirming and building on the gifts and skills of ordained and lay, paid staff and volunteers in a mixed economy of ministry which calls for collaboration and courage
- Our money – prioritising mission and outreach in the way we use the financial resources entrusted to us
- Our communities – working inclusively and, where appropriate, in partnership with other Churches, to enable the Kingdom of God to be experienced where people most need it.
- In addition to the above, the following paragraphs recognise the emerging definition of "What is Mission?"

**God** is at the centre of all mission activities, and we seek to be guided and shaped by God's presence and Christ's example.

- **We** wish to encourage our congregations and communities to see a world where God is active, by sharing our human story and connecting that to God's story of Love.
- **We** seek to build relationships with the communities we serve.
- **We** will find ways to be intentionally inclusive and open for all people.
- **We** want to reach out to our communities with acts of service that meet people at the point of their need
- **Our** buildings need to be resilient, warm and welcoming, so that they can be places of community, mission and outreach.
- **We** intend to explore what the "shape of church" looks like, and seek to offer a "mixed economy" of both lay and ordained ministry, worship, discipleship and outreach.
- **We** hope to build mission teams who share a common interest / passion, and shape mission from there.

Approved by Circuit Meeting 9<sup>th</sup> March 2021

## 5. Achievements, performance and future

The Dorset South and West Circuit was formed on 1 September 2018 by an amalgamation of the former circuits of Bridport & Dorchester, Portland and Weymouth.

### 2022-2023: a review of the year

#### The Westham Centre Progress Report – October 2023

The Westham Centre is a mission project funded and supported by Dorset South & West Methodist Circuit. It is monitored and supported by Westham Management Group, which includes ministers, circuit stewards, lay staff and centre volunteers.

The centre has regular hirings and the centre management team are particularly keen to welcome hirers who will add to the wellbeing of local residents. At present young people's activities, adult support groups and exercise classes go some way towards this aim.

In addition the community worker is developing new and existing activities, in line with the views of people attending the centre.

Our **Foodbank** offers support for those on low incomes providing food, Citizens Advice, clothing and equipment. Soon we will add laundry facilities.

**Warm Welcome Café** developed alongside Foodbank. A free lunch and activities are available. The café ran through the summer at the request of customers.

The local 6th Form College partnered with us on a **garden project**, working on gardening skills and designs, planting in the spring and having a celebration party. We now have local volunteers working in the garden.

**Westham Wigglers Toddler Group** reaches 15-20 families each week. There is a good rapport between the parents and various members have asked for specific support such as food bank, referring to Family Matters etc. There is a popular table for swapping clothing and equipment.

We have had several **one-off events** this year bring the community together. An **Open Day, Fun Days, a week of local activities** in the summer which included clearing gardens for residents.

The Centre team is always looking for ways to support other community development in the area. We have **funded free places** for Westham young people at our local outdoor education centre. This has been greatly appreciated by families.

### Uploders Pop Up Post Office



With post offices closing rather than opening these days, the weekly Pop-Up Post Office facility at Uploders chapel enjoys a steady flow of customers both for the Post Office and for the opportunity to socialise over cake and a cuppa. In a small village where very little happens the chance to socialise on a weekly basis is clearly

Methodist Circuit Charity Number 1150182  
ended 31 August 2023

warmly welcomed. The hosting is now being shared between ourselves and the locals so that this is now fast becoming a community project in which the locals have stepped up to the mark to support it in the most encouraging way



### **Broadmayne Easter Gardens**

In Broadmayne there are excellent relationships between the churches and the First School so just before Easter five church members were invited to make Easter Gardens with Year 1.

The pupils were very excited and eager to make their own gardens, but first Rev David Johnson told them the Easter story. There was much interaction with the pupils demonstrating their knowledge of what happened 2000 years ago.

Then it was time to be creative. The pupils scooped soil into their trays, added a tomb with a large one in front, made a path to the tomb, planted flowers, covered the soil with moss and finally added the three crosses.



### **Weymouth Bay Dementia Café**



In April 2022 we started a drop in cafe for people with dementia and their carers. We meet on the first Friday of the month. We have a different topic each month and have word searches, colouring, quizzes, flower arranging, bingo, cake decorating, and singing. Possibly the most important thing we offer is a safe place where everyone can relax, laugh and chat and find friends.

### **Portland Churches Together Picnic and Parables**

During the summer of 2023, Christians working together on Portland will have prepared and delivered six outreach sessions in the community garden spaces on Portland, three in Easton Gardens and three in Victoria Gardens.

This group has a passion for sharing Christian faith in really creative ways, using drama, music, craft activities, testimony and outdoor preaching. This creative way of sharing faith has enabled people with very different gifts and skills to work together to enable the events to happen.

The fruits of these events can be measured by the faith conversations people have had in the preparation and delivery of Picnics & Parables, between Christians and with others, the strengthening of relationships, in showing that the Christian faith is not dull and boring and that relationship with Jesus is relevant in today's living.

**Safeguarding** training has continued this year with Foundation courses being delivered.

Dorset South and West Methodist Circuit Charity Number 1150182

Annual report for year ended 31 August 2023

## Staffing

We were successful in the stationing process and Revd Jane Wilson will be joining us in September 2022, with responsibilities for Bridport United Church and Uploders, together with mission across the Circuit, initially focussing on the Westham Hub. Mrs Jayne Newton started as the Community Support Worker for Westham, as we prepared to say goodbye to Janet Amey, who will be moving to Stockport in her role as Deacon.

Mrs Jacqui Trent was appointed Circuit Treasurer from September, and this forms part of her paid role. Safeguards have been put in place to ensure that there are no conflicts of interest.

## Mission

We were able to support churches across the circuit with Mission and Buildings Resilience grants. These funded such things as new windows at Chickerell, support for a chapel café at Broadmayne and a monthly Dementia Café at Weymouth Bay.

### 5.1 People

Our three ministers have been able to get out and meet people face to face as the Covid pandemic became less serious. The lay team and Supernumeraries have supported the ministers throughout the year.



Revd John Yarrien



Revd Ruth Lownsborough



Revd Jane Wilson

### 5.2 Property.

5.3 All church premises are well used, providing a wide range of worship and activities in their respective communities. All quinquennials are up to date.

5.4 The circuit manses are well maintained. The Circuit has decided to look for a replacement property for Russell Avenue, which had been sold in 2021.

5.5 The circuit continues to benefit from the work of the local preachers and worship leaders and those in training.

5.6 Safeguarding training has taken place in the circuit and there has been a concerted effort to bring all the required DBS checks and training up to date.

## 6. Financial Review

6.1 The circuit has accounts with Lloyds Bank plc, Central Finance Board of the Methodist Church and Model Trust Funds with Trustees for Methodist Church Purposes (TMCP).

6.2 At 31 August 2023, the unrestricted funds of the Circuit totalled £93953.20 excluding properties and the Model Trust Fund. (TMCP). The funds held at TMCP and available for use are £743088.78 (including a new bequest of £88662.12 giving total funds of £837041.98

6.3 The unrestricted funds are allocated as follows:-

General Fund	£67754.17
Mission Fund	£79335.08
Property Fund	£59902.55
Heritage Fund	£ 1851.70
Buildings Resilience Fund	£67754.17

**Totalling** £837041.98

6.4 The Circuit also owns freehold property valued by the trustees at £

6.5 Churches have been able to resume most of their pre-pandemic activities if still appropriate and new initiatives have been started. The mission fund was scaled back to £100,000.00 as there had not been a big take up. However, this is actively reviewed.

## 7. Grants Policy

The Circuit Meeting 9 March 2020 agreed to adopt the following Grants Policy. Each building-funding application should be prepared, and will be assessed, through consideration of the following:

1. How will your scheme increase Kingdom of God work in your community?
2. Is there any other building in your location that could fulfil the functions of your scheme as effectively? – church or secular.
3. Have you discussed your scheme with neighbouring churches of all denominations and with your local community?
4. Is your scheme compatible with the anticipated life of your church fellowship.
5. Have you thought of other ways of doing Kingdom of God work in your community without your building?



6. Without the upgrading and maintenance of your building to occupy you, what would be released in terms of your energy and finance to let God's Kingdom take flight in your community in new ways?
7. Are your premises a hindrance to mission rather than a basis for undertaking Kingdom of God work in your locality?

Applications have been made to both funds, Mission Fund and Buildings Resilience Fund, during the year.

## **8. Risk Management**

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

## **9. Safeguarding**

It is the Methodist Church's intention to value every human being as part of God's creation and the whole people of God. At the heart of the Methodist community is a deep sense of the place of welcome, hospitality and openness, which demonstrates the nature of God's grace and love for all.

Our church communities are called to be places where the transformational love of God is embodied and life in all its fullness is a gift, which is offered to all people.

There are no distinctions regardless of gender, race, disability, sexual orientation, religion/beliefs, pregnancy/maternity and gender reassignment; as a result, everyone has the right to protection from abuse and to be treated no less favourably than others, irrespective of any personal or protected characteristic.

The Dorset South and West Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy, government legislation, guidance and safe practice in the circuit and in the churches. The Circuit commits itself to the provision of support, advice, training for lay and ordained people that will ensure everyone is clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

## **10. Reserves Policy**

10.1 The Circuit's objectives and activities are to facilitate sharing of resources amongst the local churches to empower them to function as effective witness, mission and caring centres.

10.2 To do this the Circuit

- Provides ministerial oversight for the 10 churches within the Circuit.
  - Employs a team of lay employees to support the activities of the Circuit.
  - Maintains a portfolio of manses across the Circuit to provide residential accommodation for ministers.
- 10.3 The activities are funded by assessments on the churches in the Circuit which are reviewed annually.
- 10.4 In setting its budget for the year the Circuit Meeting considers the projected impact of changes in staffing levels.
- 10.5 The current level of general reserves and property repair fund reserves is £153855.75 giving the Circuit ample funds to meet commitments over the coming year, including the maintenance of the manses.
- 10.6 Taking into consideration all the above factors the Circuit needs to hold in the combined general and property repair funds, £96090.00 being three months expenditure. The current levels could increase over the next three years with the employment of extra staff and setting assessments at a level to meet the needs of the Circuit. No payment holidays were given to churches in this financial year, and all assessments have been collected. It is intended to continue to increase church assessments so that the Circuit can balance its books over time. The increase for 2023-2024 was 10 %
- 10.7 The Model Trust Fund at £743089.00 is held as a reserve to cover major property expense and to expand mission work within the Circuit.

## **Dorset South and West Circuit**

### **Notes to support accounts**

1. These accounts are compliant to the FRS102 and FRS102 2015 SORP standards. The accounts have been prepared in accordance with applicable charity law in England, this being the Charities Act 2011 and SI 2008/629 (Charities Accounting and Reporting Regulations).

### **2. Funds**

The funds held constitute: General Funds, which are unrestricted, are held for any purpose of the Circuit. The Circuit Model Trust Funds has wide purposes defined in Standing Orders and is categorised as unrestricted. Any funds may be represented by more than just cash.

### **3. Accounting policies**

#### **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 accrual basis to show a true and fair view of the Circuit's financial position and activities.

Based on the monetary assets and human resources available to the Circuit at 31 August 2021, the trustees believe the Circuit is a going concern.

### **Income recognition**

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

### **Expenditure**

Expenditure is recognised when a liability is incurred or a constructive obligation arises and the outflow of economic benefit is considered more likely than not, committing the Circuit to pay out resources.

### **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. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

### **VAT**

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

### **Tangible fixed assets for use by the Circuit.**

These are capitalised if they can be used for more than one year, and individually cost less than £1000.00. The freehold property is shown in the accounts at £8,138,420.00 deemed values, of which the land component is deemed to be nil. No depreciation is provided on the buildings because the trustees consider the residual fair value of the manse buildings and others, to be not less than its market value. Any depreciation would not be material. The properties have been reviewed for impairment.

### **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 end of the year are shown in the SOFA.

### **Pensions**

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist Ministers are not employees of the Church. For simplicity when dealing with National Insurance Contributions and pension contributions the terms "employer" and "employee" are used as they would be in an employing body. The Connexion accounts the MMPS a pension scheme and shows the figures in the annual Methodist Church in Great Britain accounts.

On the other hand, lay employees are contractually employees and have the option of joining a Pension Scheme. The Circuit uses the NEST scheme for lay employees. Contributions are 6% for both employer and employee.