

**Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2021
for
BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

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FOR THE YEAR ENDED 31 AUGUST 2021**

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**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Reference and Administrative Details
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES	See Appendix
PRINCIPAL ADDRESS	Churchways Avenue Horfield Bristol BS7 8SN
REGISTERED CHARITY NUMBER	1150295
INDEPENDENT AUDITORS	Haines Watts Partnership (Bristol) Limited Bath House 6-8 Bath Street Bristol BS1 6HL

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Circuit's Aims as a Charity

The core purpose of the Bristol and South Gloucestershire Methodist Circuit is to be a Discipleship movement shaped for mission. These are defined by the Methodist Church Act 1976 s.4 in the context of the Circuit these are Worship, Learning and Caring, Evangelism and Service. To enable that movement to progress the Circuit enables the provision of sacred spaces (buildings) for prayer and contemplations and for social care and outreach projects.

The Circuit also supports other charities in the UK, overseas, financially and with prayer.

Significant activities

The Circuit invites and supports both lay volunteers and ordained ministers and enables them in their work. As a result, the Circuit provides spiritual guidance to the Methodist congregations throughout the Bristol and South Gloucestershire area.

The key elements of the Circuit Medium to Long Term Strategy

Having set up the 'Our Calling' Groups during 2012/13 the key elements of these groups are as follows:

Worship	Increase awareness of God's presence and celebrate God's love.
Learning and Caring	Help people to learn and grow as Christians, through mutual support and care.
Service	Be a good neighbour to people in need and to challenge injustice.
Evangelism	Make more followers of Jesus Christ

Two other groups deal with:

Resources	Dealing with people, finance and property
Communication and Engagement	Promoting good communication across the circuit and making links between groups and outside associations and wider community.

The Circuit operates the Bristol Methodist Centre, looking after homeless and vulnerable people. It has set up The Ark Pioneer Project, outreach workers and converted vans, which can assist and support churches and outreach events anywhere within the Circuit with any task and also operate independently interacting with people of any faith and none at festivals and shows and in shopping centres.

The Circuit also has a chaplaincy service and this is well used by various employers within the area covered by the Circuit.

Public benefit

The Trustees are aware of, and have regard to, the Charity Commission guidance on public benefit, evidenced by:

- Ensuring regular public worship (in most cases for this period via Zoom/Youtube and hard copies)
- Encouraging and supporting a wide range of accessible activities for all age groups
- Engaging in social action (foodbanks, homelessness, climate change etc)
- Providing pastoral care to its members and local community.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

OBJECTIVES AND ACTIVITIES

Social investments

Financial investments are held either by Trustees for Methodist Church Purposes, TMCP, or by the Methodist Church Central Finance Board. Investment properties such as surplus manses are sometimes rented at best value rent rather than market value if there is a case of need or hardship.

Grantmaking

- The Circuit will consider grant applications for projects which meet both the mission policy of the local church making the application, and the mission policy of the Circuit.
- To affectively target District & Connexional grants.
- If a grant is not claimed after 24 months, there must be an annual review, to avoid circuit resources being tied up.
- To ensure that payments are not made for purposes which conflict with the purposes of the Methodist Church or Circuit Policy.
- Generally, Circuit grants would be restricted to a maximum of 50% of the cost of any project, regardless as to whether other Methodist funding is being sought or not.
- A Covid-19 recovery grant was made available to churches that met the policy criteria.

Volunteers

The Trustees would like to acknowledge the work carried out across the circuit by Local Preachers, and Circuit Officers for the work they do supporting and running the church, as well as in all of its congregations in leading worship, providing pastoral care and maintaining church premises.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The total membership of the Circuit at November 2020 was 1787 - a fall of 52 members on the previous year.

During the year 2020-21, work began on formulating the Circuit Mission Action Plan to set the priorities for the Circuit's work, and to encourage local churches to set their own priorities for mission and worship.

Areas of work achieved over the year included:-

ECO-CIRCUIT Working towards becoming an Eco-Circuit, the Service Our Calling group developed a Circuit Environmental Policy, and encouraged churches to use 'Creationtide' liturgy to highlight environmental issues.

MARRIAGE & RELATIONSHIPS - The circuit engaged in discussions around the Methodist Marriage and Relationship report, "God in love Unites Us" and took the required votes to be sent to Methodist Conference June 2021.

ARK TEAM The pioneering project, the Ark engaged with the city centre Galleries in ventures such as "Your City Your Space" and the Easter trail in April 2021, "Emerging Hope". New members of staff were recruited to the team during the year.

BRISTOL METHODIST CENTRE continued to provide 'take away' service at the door for the homeless in our city, as the Centre was not yet fully open due to the pandemic.

WORK-PLACE CHAPLAIN - The pandemic affected the amount of contact the Work-place Chaplain was able to offer to the sites he served - Avon Fire & Rescue, Airbus, Rolls Royce, etc. He was able to offer socially distanced 'Walk & Talk' sessions in the open air, and on-line meditation sessions.

WORSHIP YouTube Carol Services and other worship opportunities were provided by the Worship Our Calling Group. The Circuit YouTube channel was set up, and attracted 100+ subscribers.

FAITHSPACE in Redcliffe offered outdoor and window events. The food bank continued to operate, and the Worker was able to provide support to community groups and individuals. Faithspace hosted a film crew making a drama on cyber-crime, and "Dreamspace" was offered for the residents of Redcliffe.

METHODIST WAY OF LIFE - spiritual practice was commended to members.

COVID RECOVERY GRANTS were offered to churches struggling with raising their assessments. Approximately a dozen applications (out of a potential 45) were approved.

LOCAL PREACHERS TRAINING - Three new students were given a Note to Preach to begin their local preachers' training.

Covid-19

The impact of Covid-19 continues to affect the income generated by the charity, and therefore may affect its ability to maintain adequate free reserves. The Trustees have prepared forecasts of income and expenditure for the period to 31 August 2027 and subjected these forecasts to sensitivity analysis which shows that they have sufficient reserves to be able to continue for the foreseeable future.

Where necessary staff were furloughed under the job retention scheme. No staff suffered financial loss throughout the pandemic.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Principal funding sources

The Circuit has the following principal sources of funds:

- Assessments on Churches within the Circuit
- Grants
- Property rental
- Donations

These sums are used to administer the Circuit and to provide grants to Churches and individuals in the Circuit so that they may embark on or continue with projects that fulfil the mission of the Circuit by bringing more people to Christ or by providing facilities that might enable this to happen. The work of the Bristol Methodist Centre is a key activity of the Circuit and is administered in a separate restricted fund.

Investment policy and objectives

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20K) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE 100 index. The deposit income mirrors the deposit rates elsewhere. The Circuit's investment policy is aligned with that of the Central Finance Board (CFB) and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable to the Methodist Church.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the Circuit's policy to manage the cash and investment resources of the circuit so that a rate of return on investment, both by way of dividend and capital appreciation, is obtained at least as good as market rate considering the Circuit's low appetite for risk.

Reserves policy

General Fund

Circuit policy is to maintain a balance in the General Fund (free reserves), which is equivalent to at least one third of the annual resources expended as shown in the Statement of Financial Activities excluding grants, letting professional fees and repairs on let properties in the Circuit's most recent audited accounts.

This equates to approximately £320,000 based on the general fund resources expended per the accounts. At the year end, free reserves were £280,071. The trustees are discussing how to bring the reserves in line with the reserves policy.

Model Trust fund

The balance held in the Circuit's Model Trust is largely designated for expenditure on various projects approved by the Circuit Meeting. The authority of the Circuit Meeting will be required to fund expenditure from the balance not currently designated.

Property Funds

The balance held in the property funds represent the value of various properties owned by the Circuit. If properties are sold, the net proceeds of sale will be transferred to the Model Trust Fund and will be used as directed by the Circuit Meeting.

As part of the Circuit Reserves policy the Circuit continued to rent seven manses on short hold tenancies.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Going concern

The trustees have considered the impact that the Covid-19 pandemic will have on the Circuit's current and future financial position. The Circuit is taking the following steps to mitigate the threats that Covid-19 may pose to the organisation:

- - suspending future grant awards to churches
- - carrying out only essential property repairs
- - local churches to carry out a Covid 19 strength & weakness report

The trustees consider that the Circuit will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved as the circuit holds sufficient reserves.

The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

Principal risks facing the charity

Safeguarding Concerns - There were no safeguarding incidents that needed referring to LADO/Police/charity commission during this period.

We have one Safeguarding Contract in place and this is regularly monitored at both local and circuit level.

The Circuit continues to take safeguarding of children and vulnerable adults seriously, holding an annual training session for all church safeguarding officers.

There is an ongoing funding risk for The Methodist Centre project, provision has been made for any deficit to be covered by the circuit, if grant funding cannot be sourced.

The Trustees have assessed the major risks to which the Circuit is exposed, in particular those related to the operations and finances of the Circuit, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. These major risks are considered to be Covid-19, future income - Church Assessments, controls on payments, safeguarding, circuit property, employees and ministerial staff. Plans are in place to mitigate these risks and the Circuit are in the process of collating an official risk register to be reviewed on a regular basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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 Stewards along with the Circuit Council and the Circuit Resource Committee.

Charity constitution

The Circuit Meeting is the managing trustees for the Circuit and is constituted to Methodist Standing Order 500-584 (Constitutional Practice & Discipline of The Methodist Church)

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Ministerial appointments are made annually by The Methodist Conference and are trustees.

Three Lay Appointments to the Circuit Meeting are elected by local churches: the Treasurer, a Church Steward and one other. In addition, the following are appointed as circuit officers: Circuit Stewards, Lay Employees, Circuit Treasurer and other voluntary workers within the Circuit with specific responsibilities.

Organisational structure

The Bristol and South Gloucestershire Methodist Circuit was formed in 2008 and covers both the City of Bristol and the South Gloucestershire Local Authorities. The structure for the current year was headed up with a Circuit Meeting chaired by the Superintendent of the Circuit, to which 3 members of each church, the Treasurer, a Church Steward and one other were appointed. In addition, the following were appointed: Circuit Presbyters, Circuit Stewards, Lay employees and other, voluntary, workers within the Circuit with specific responsibilities. All members of the Circuit Meeting are Managing Trustees of the Circuit. The Circuit Council also met to make recommendations to the Circuit Meeting for its approval or rejection.

The Circuit paid staff consists of 11 Presbyters, 1 Authorised Minister and 1 Methodist Deacon. The Circuit has 7 Local Ecumenical Partnerships (2 of which are paid), 6 Lay employees in Mission and 4 office staff, 3 other workers and 8 support workers (BMC).

The purposes of the Methodist Church are, and shall be deemed to have been since the date of union the advancement of:

- (a) The Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;
 - (b) Any charitable purpose for the time being of any connexional, district, circuit, local or other organisation of the Methodist Church;
 - (c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- Any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

Related and connected parties

The Circuit works closely with The Bristol Methodist District, the Regional Learning Network and John Wesley's Chapel ('The New Room'). The Circuit is a member of Churches Together in Greater Bristol, and also works with the United Reform Church, Anglican diocese, and Connexional Methodist Church.

None of the above are considered related parties.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Risks are managed by being aware of them, quantifying their impact not only in costs terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

Policies:

During the course of the year the Circuit agreed the following policies:

- Access audit
- Anti Bribery
- CCTV
- Children/ groups using Zoom
- Circuit Policy (general)
- Circuit Property
- Circuit Reserves
- Circuit Safeguarding 2020
- Conflicts of interest
- Copyright
- Data Security
- Environmental
- Expenses claims
- Equity, Diversity and inclusion
- Fire safety
- Fraud Prevention
- Guidelines for Ministers, Preachers and Church Stewards.
- Grants
- Health and Safety (General)
- Home working policy
- Honoraria Payment to volunteers
- Internal Stationing
- Live streaming policy
- Loans
- Lone working
- Manse (repairs, expenditure)
- Media
- Plan Making
- Web Editor
- Worship Leaders Course

Guidance notes:

- Supporting Methodist Funds
- Social Media
- Code of conduct for Ministers
- Closing churches
- Retention schedules for retaining documents.

Risk Management:

- Circuit Risk Register
- GDPR Data Mapping & Resource pack for circuit/church

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Report of the Trustees
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

- GDPR annual audit
- Covid-19 recovery policy
- Safeguarding
- Serious incident report

FUNDS HELD AS CUSTODIAN FOR OTHERS

Funds are held on behalf of St Andrews Church Filton, nil (2020 - £34,325)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

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

Approved by order of the board of trustees on 29 June 2022 and signed on its behalf by:

Rev NS Headley - Superintendent

Opinion

We have audited the financial statements of Bristol and South Gloucestershire Circuit of the Methodist Church (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

However, not all future events or conditions can be predicted. The Covid-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's trade, customers, suppliers and wider economy. The Trustees' view on the impact of Covid-19 is disclosed in the Trustees' Report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

(i) We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined the following laws and regulations of most significance were: Charity SORP 2019 and UK GAAP.

(ii) We obtained an understanding of how the charity complies with those legal and regulatory frameworks by making inquiries of management. We corroborated our enquiries through our review of board minutes and other relevant meeting minutes.

(iii) We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- and assessing the extent of compliance with the relevant laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Report of the Independent Auditors to the Trustees of
Bristol and South Gloucestershire
Circuit of the Methodist
Church**

Use of our report

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

Haines Watts Partnership (Bristol) Limited
Bath House
6-8 Bath Street
Bristol
BS1 6HL

30 June 2022

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Statement of Financial Activities
FOR THE YEAR ENDED 31 AUGUST 2021**

					2021	2020
	Notes	Unrestricted funds £	Circuit Model Trust fund £	Restricted funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	27,204	-	117,265	144,469	201,590
Charitable activities	5					
Management of the Circuit		874,414	-	-	874,414	883,657
Other trading activities	3	-	-	1,166	1,166	16,515
Investment income	4	124,152	2,712	744	127,608	112,206
Other income	6	300,775	-	-	300,775	-
Total		1,326,545	2,712	119,175	1,448,432	1,213,968
EXPENDITURE ON						
Charitable activities	7					
Management of the Circuit		1,076,483	11,142	-	1,087,625	1,243,333
Bristol Methodist Centre		-	-	185,090	185,090	193,679
Total		1,076,483	11,142	185,090	1,272,715	1,437,012
Net gains on investments		303,130	12,599	2,175	317,904	120,031
NET INCOME/(EXPENDITURE)		553,192	4,169	(63,740)	493,621	(103,013)
Transfers between funds	23	298,646	(288,646)	(10,000)	-	-
Other recognised gains/(losses)						
Gains on revaluation of fixed assets		394,630	-	-	394,630	249,436
Net movement in funds		1,246,468	(284,477)	(73,740)	888,251	146,423
RECONCILIATION OF FUNDS						
Total funds brought forward		9,478,822	431,233	1,432,940	11,342,995	11,196,572

The notes form part of these financial statements

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Statement of Financial Activities
FOR THE YEAR ENDED 31 AUGUST 2021**

				2021	2020
	Unrestricted	Circuit	Restricted	Total	Total
	funds	Model	funds	funds	funds
Notes	£	Trust	£	£	£
	£	fund	£	£	£
	£	£	£	£	£
TOTAL FUNDS CARRIED FORWARD	10,725,290	146,756	1,359,200	12,231,246	11,342,995

The notes form part of these financial statements

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Balance Sheet
31 AUGUST 2021**

					2021	2020
	Notes	Unrestricted funds £	Circuit Model Trust fund £	Restricted funds £	Total funds £	Total funds £
FIXED ASSETS						
Tangible assets	16	5,959,630	-	1,202,848	7,162,478	7,313,099
Investments						
Investments	17	-	88,910	53,191	142,101	127,327
Investment property	18	4,273,130	-	-	4,273,130	3,155,000
Social investments	19	-	35,000	-	35,000	-
		10,232,760	123,910	1,256,039	11,612,709	10,595,426
CURRENT ASSETS						
Debtors: amounts falling due within one year	20	428,737	-	-	428,737	349,644
Cash at bank	21	358,722	274,690	116,197	749,609	1,039,985
		787,459	274,690	116,197	1,178,346	1,389,629
CREDITORS						
Amounts falling due within one year	22	(294,929)	(251,844)	(13,036)	(559,809)	(642,060)
NET CURRENT ASSETS		492,530	22,846	103,161	618,537	747,569
TOTAL ASSETS LESS CURRENT LIABILITIES		10,725,290	146,756	1,359,200	12,231,246	11,342,995
NET ASSETS		10,725,290	146,756	1,359,200	12,231,246	11,342,995
FUNDS	23					
Unrestricted funds					10,872,046	9,910,055
Restricted funds					1,359,200	1,432,940
TOTAL FUNDS					12,231,246	11,342,995

The financial statements were approved by the Board of Trustees and authorised for issue on 29 June 2022 and were signed on its behalf by:

Rev NS Headley - Superintendent

The notes form part of these financial statements

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Cash Flow Statement
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(382,984)</u>	<u>(92,378)</u>
Net cash used in operating activities		<u>(382,984)</u>	<u>(92,378)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(79,564)
Charitable loan		(35,000)	-
Sale of investment property		-	611,108
Investment income		<u>127,608</u>	<u>112,206</u>
Net cash provided by investing activities		<u>92,608</u>	<u>643,750</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(290,376)	551,372
Cash and cash equivalents at the beginning of the reporting period		<u>1,039,985</u>	<u>488,613</u>
Cash and cash equivalents at the end of the reporting period		<u><u>749,609</u></u>	<u><u>1,039,985</u></u>

The notes form part of these financial statements

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Cash Flow Statement
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	493,621	(103,013)
Adjustments for:		
Depreciation charges	30,251	30,251
Investment income	(127,608)	(112,206)
Revaluation of investment properties	(303,130)	(130,000)
Revaluation of investment assets	(14,774)	9,969
Capital receipts - transfer of church	(300,000)	-
(Increase)/decrease in debtors	(79,093)	90,237
(Decrease)/increase in creditors	<u>(82,251)</u>	<u>122,384</u>
Net cash used in operations	<u>(382,984)</u>	<u>(92,378)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank	<u>1,039,985</u>	<u>(290,376)</u>	<u>749,609</u>
	<u>1,039,985</u>	<u>(290,376)</u>	<u>749,609</u>
Total	<u>1,039,985</u>	<u>(290,376)</u>	<u>749,609</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 2015 (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the Covid-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the charity. The trustees have considered the impact of this issue on the Circuit's current and future financial position. The charity holds unrestricted, general reserves of £280,071 and designated reserves that can be drawn down, if necessary, of £359,215. There is an unrestricted cash balance (including CFB and TMCP deposits) of £343,947. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Critical accounting judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Freehold property shown at fair value
Investment property shown at fair value

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Property valuation provided by the surveyor at 31 August 2020 is reasonable, subject to adjustments made. The application of Land Registry indices for property price movements in respective local authorities is appropriate to the location of the individual properties.

Income

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more than likely than not that the economic benefit of the income will be forthcoming.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Income

Assessment income is accounted for in the period to which it relates, on an accruals basis. Where income is received in advance it is deferred to the next period.

Individual amounts categorised as Other Income in the SOFA will be shown separately if they are considered material.

Where the Circuit acts as agent in the collection from churches and payment over of their contributions to various funds controlled and administered by The Methodist Church - 'Connexional Funds', the transactions are not reflected in the SOFA because they are the income of either the Connexion or churches, as appropriate.

In accordance with the charities SORP (FRS102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the financial statements where the value is considered material.

Grants

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable, where all conditions associated with the grant have been met. Where conditions exist which remain unsatisfied, the grant is treated as a liability until the conditions have been substantially met.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Governance costs

Governance costs comprise all costs involved in the public accountability of the charity and its compliance with regulation and good practice.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Fixtures, fittings and equipment	- 33% on cost
Motor vehicles	- 33% on cost

The freehold property (with the exception of the Bristol Methodist Centre) is shown in the accounts at its fair value. The Bristol Methodist Centre property is considered different in nature to the other properties and the SORP guidance, paragraph 12.14, on treatment of specialist buildings has been applied. The Centre is valued at the deemed cost at donation to the Circuit in 2015. The cost of improvements has been capitalised and the property has not been revalued.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

No depreciation is provided for on the fixed asset properties (with the exception of improvements to the Methodist Centre which is depreciated as shown above) as the trustees consider the current residual fair value of the buildings to be not less than its current value. Any depreciation would not be material. The properties have been reviewed for impairment.

The properties included in tangible fixed assets are revalued annually based on periodic professional valuations as adjusted by the trustees using suitable indices in the intervening periods. Unrealised gains on revaluation are taken to the Revaluation Reserve in accordance with the SORP (FRS 102).

Investment property

Properties are recognised as investment properties when they are no longer required as manses. Investment properties are revalued annually based on periodic professional valuations as adjusted by the trustees using suitable indices in the intervening periods with changes in fair value recognised in 'net gains / (losses) on investments' in the SOFA.

Taxation

The charity is exempt from tax on its charitable activities.

VAT

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

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Debtors include the payment of the September stipend in advance in August.

Cash and short-term investments

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Creditors

The charity has creditors which are measured at settlement amounts.

Fund accounting

Unrestricted funds are incoming resources receivable or generated for the objects of the Circuit without further specified purpose. They are available as general funds and can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets the criteria is charged to the fund together with a fair allocation of support costs, where appropriate.

Endowment funds represent restricted gifts, the capital normally being unavailable for spending.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Most ordained presbyters are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the scheme were a defined contribution scheme.

Lay employees are contractually employees and have the option of joining a multi-employer defined contribution scheme operated by TPT Retirement (formerly The Pensions Trust)

The Connexion accounts for both pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented.

Donated goods

Donated goods, services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, council tax and water charges. These figures are not separately disclosed as benefits-in-kind for ministers as HMRC does not seek to tax these receipts in the hands of ministers.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Basic financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the charity's contractual obligations are discharged, cancelled, or they expire.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	8,509	57,984	66,493	65,979
Legacies	-	-	-	76,000
Grants	18,695	59,281	77,976	59,611
	<u>27,204</u>	<u>117,265</u>	<u>144,469</u>	<u>201,590</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
Bristol District	15,000	10,000
Coronavirus Job Retention Scheme	52,722	17,619
Bristol City Council (Coronavirus support)	-	10,000
The Leonard Laity Quartet	1,500	3,250
The Morel Trust	-	3,800
The Morel Trust	2,000	-
Neighbourly Limited	2,500	-
Other	4,254	14,942
	<u>77,976</u>	<u>59,611</u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Shop income	<u>-</u>	<u>1,166</u>	<u>1,166</u>	<u>16,515</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Property rental	123,849	-	123,849	105,288
TMCP and CFB	<u>3,015</u>	<u>744</u>	<u>3,759</u>	<u>6,918</u>
	<u>126,864</u>	<u>744</u>	<u>127,608</u>	<u>112,206</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Assessment or share	Management of the Circuit	864,914	857,842
Lettings	Management of the Circuit	7,858	12,815
Recharges and sundry	Management of the Circuit	1,642	-
Services provided	Management of the Circuit	<u>-</u>	<u>13,000</u>
		<u>874,414</u>	<u>883,657</u>

Assessment on churches

The Circuit comprises 38 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment the budgeted income from investment income and property letting, confirmed external grants and contribution from churches towards the cost of lay employees is considered. The Circuit aims to cover all its core costs from the assessment.

An Assessment on churches is annually determined by the Circuit using a formulaic method which takes into account the relative number of members in each church and its freewill giving plus gift aid receipts. Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is treated as a debtor.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

6. OTHER INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Capital receipts	300,000	-	300,000	-
Sundry income	775	-	775	-
	<u>300,775</u>	<u>-</u>	<u>300,775</u>	<u>-</u>

Other income of £300,000 reflects the capital receipt of Fishponds Methodist Church which has been passed to the Circuit on closure and is in the process of being sold. The income reflects the fair value of the property being its estimated selling price less CPF levy and estimated costs of sale.

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Totals £
Management of the Circuit	1,066,661	12,000	8,964	1,087,625
Bristol Methodist Centre	185,090	-	-	185,090
	<u>1,251,751</u>	<u>12,000</u>	<u>8,964</u>	<u>1,272,715</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	725,789	731,034
District assessment and levy	164,330	172,610
CPF and MTF levies	10,543	212,120
Office	27,983	31,389
Manse costs	169,297	132,155
Expenditure on other circuit property	27,060	31,713
Other expenses	96,498	89,520
Depreciation	30,251	30,251
	<u>1,251,751</u>	<u>1,430,792</u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

9. GRANTS PAYABLE

	2021	2020
	£	£
Management of the Circuit	<u>12,000</u>	<u>-</u>

The total grants paid to institutions during the year was as follows:

	2021	2020
	£	£
Yate Methodist Church	<u>12,000</u>	<u>-</u>

10. SUPPORT COSTS

	Governance costs £
Management of the Circuit	<u>8,964</u>

Support costs, included in the above, are as follows:

	2021	2020
	Management of the Circuit £	Total activities £
Auditors' remuneration	<u>8,964</u>	<u>6,220</u>

11. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>8,964</u>	<u>6,220</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

The Circuit employs lay staff involved in both administration and mission work, some of whom are trustees by virtue of their position. The Circuit also pays the stipends of the Circuit Superintendent and presbyters. Costs of employment are reflected in note 13.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

12. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

No trustees (2020: 2) were reimbursed during the year for travelling expenses (2020: £68).

13. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	583,615	585,277
Social security costs	47,305	47,975
Other pension costs	94,869	97,782
	<u>725,789</u>	<u>731,034</u>

The average monthly number of employees during the year was as follows:

	2021	2020
	11	11
Circuit clergy	11	13
Circuit other staff	8	8
Bristol Methodist Centre	<u>30</u>	<u>32</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Circuit Model Trust fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	11,763	-	189,827	201,590
Charitable activities				
Management of the Circuit	870,657	-	13,000	883,657
Other trading activities	-	-	16,515	16,515
Investment income	<u>106,527</u>	<u>3,403</u>	<u>2,276</u>	<u>112,206</u>
Total	988,947	3,403	221,618	1,213,968
EXPENDITURE ON				
Charitable activities				
Management of the Circuit	1,030,723	212,610	-	1,243,333
Bristol Methodist Centre	-	-	193,679	193,679

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Circuit Model Trust fund £	Restricted funds £	Total funds £
Total	1,030,723	212,610	193,679	1,437,012
Net gains/(losses) on investments	130,000	(9,073)	(896)	120,031
NET INCOME/(EXPENDITURE)	88,224	(218,280)	27,043	(103,013)
Transfers between funds	(561,436)	599,436	(38,000)	-
Other recognised gains/(losses)				
Gains on revaluation of fixed assets	249,436	-	-	249,436
Net movement in funds	(223,776)	381,156	(10,957)	146,423
RECONCILIATION OF FUNDS				
Total funds brought forward	9,702,598	50,077	1,443,897	11,196,572
TOTAL FUNDS CARRIED FORWARD	<u>9,478,822</u>	<u>431,233</u>	<u>1,432,940</u>	<u>11,342,995</u>

15. VOLUNTEERS

Every entity (Connexion, district, circuit and church) within the Methodist Church in the UK is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. In the Circuit the principal contribution is by serving on committees of the Circuit that deal with mission, manses, finance, policy, training and safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this Circuit to value the non-monetary contributions to the Circuit in monetary terms.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

16. TANGIBLE FIXED ASSETS

	Manses £	Bristol Methodist Centre £	Improvements to property £
COST OR VALUATION			
At 1 September 2020	6,080,000	1,081,839	302,514
Revaluations	394,630	-	-
Reclassification	(515,000)	-	-
At 31 August 2021	5,959,630	1,081,839	302,514
DEPRECIATION			
At 1 September 2020	-	-	151,254
Charge for year	-	-	30,251
At 31 August 2021	-	-	181,505
NET BOOK VALUE			
At 31 August 2021	5,959,630	1,081,839	121,009
At 31 August 2020	6,080,000	1,081,839	151,260
	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 September 2020	17,821	35,335	7,517,509
Revaluations	-	-	394,630
Reclassification	-	-	(515,000)
At 31 August 2021	17,821	35,335	7,397,139
DEPRECIATION			
At 1 September 2020	17,821	35,335	204,410
Charge for year	-	-	30,251
At 31 August 2021	17,821	35,335	234,661
NET BOOK VALUE			
At 31 August 2021	-	-	7,162,478
At 31 August 2020	-	-	7,313,099

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

16. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 August 2021 is represented by:

	Manse £	Bristol Methodist Centre £	Improvements to property £
Valuation in 2021	394,630	-	-
Valuation to 2020	2,258,436	-	-
Cost	<u>3,306,564</u>	<u>1,081,839</u>	<u>302,514</u>
	<u>5,959,630</u>	<u>1,081,839</u>	<u>302,514</u>

	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
Valuation in 2021	-	-	394,630
Valuation to 2020	-	-	2,258,436
Cost	<u>17,821</u>	<u>35,335</u>	<u>4,744,073</u>
	<u>17,821</u>	<u>35,335</u>	<u>7,397,139</u>

Manse were subject to trustee valuation at 31 August 2021. The methods and significant assumptions used to ascertain the fair value of £5,959,630 are as follows:

Drive by valuation as at 31 August 2020 by Christophers Chartered Surveyor of £5,565,000.

These were indexed to 31/8/21 using appropriate property indices.

The deemed cost of the properties is £3,227,000.

One property no longer required as a manse has been reclassified as an investment property and is not included in the above figures.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

17. FIXED ASSET INVESTMENTS

	TMCP £
MARKET VALUE	
At 1 September 2020	127,327
Revaluations	<u>14,774</u>
At 31 August 2021	<u>142,101</u>
NET BOOK VALUE	
At 31 August 2021	<u>142,101</u>
At 31 August 2020	<u><u>127,327</u></u>

There were no investment assets outside the UK.

Investments are held by TMCP in;

	2021 £	2020 £
Equity funds	11,841	9,352
Mixed funds	83,854	70,844
Fixed interest funds	26,317	26,824
Corporate bonds	20,089	20,307
	142,101	127,327

18. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 September 2020	3,155,000
Additions	300,000
Revaluation	303,130
Reclassification	<u>515,000</u>
At 31 August 2021	<u>4,273,130</u>
NET BOOK VALUE	
At 31 August 2021	<u>4,273,130</u>
At 31 August 2020	<u><u>3,155,000</u></u>

Investment properties were subject to trustee valuation at 31 August 2021. The methods and significant assumptions used to ascertain the fair value of £4,273,130 are as follows:

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

18. INVESTMENT PROPERTY - continued

Drive by valuation as at 31 August 2020 by Christophers Chartered Surveyor of £3,670,000.

These were indexed to 31/8/21 using appropriate property indices.

One property's fair value was judged to be the agreed price of the property offered for sale at 31 August 2021, less the anticipated levies and costs, being £300,000. Sale of the property was completed before the date of signing the financial statements.

One property no longer required as a manse has been reclassified as an investment property.

Fair value at 31 August 2021 is represented by:

	£
Valuation in 2021	603,130
Valuation to 2020	950,000
Cost	<u>2,720,000</u>
	<u><u>4,273,130</u></u>

19. SOCIAL INVESTMENTS

	Charitable loans £
MARKET VALUE	
New in year	<u>35,000</u>
NET BOOK VALUE	
At 31 August 2021	<u><u>35,000</u></u>
At 31 August 2020	<u><u>-</u></u>

The charitable loan of £35,000 to St Andrews Methodist Church was made in 2021 and is for a 5 year period with 0% interest.

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	65,874	61,488
Amounts due from other funds	304,709	136,522
Prepayments and accrued income	<u>58,154</u>	<u>151,634</u>
	<u><u>428,737</u></u>	<u><u>349,644</u></u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

21. CASH AT BANK

	General fund £	Faithspace fund £	Circuit Model Trust fund £	Manse Repair fund £
Bank account	71,480	13,775	-	1,000
TMCP and CFB	<u>272,467</u>	<u>-</u>	<u>274,690</u>	<u>-</u>
Total	<u>343,947</u>	<u>13,775</u>	<u>274,690</u>	<u>1,000</u>

	Benevolent fund £	Training fund £	Bristol Methodist Centre £	2021 Total funds £	2020 Total funds £
Bank account	445	2,096	53,427	142,223	84,308
TMCP and CFB	-	-	60,229	607,386	520,919
Client account	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>434,758</u>
Total	<u>445</u>	<u>2,096</u>	<u>113,656</u>	<u>749,609</u>	<u>1,039,985</u>

The client account in the prior year reflected the property sale proceeds held by the solicitor which were transferred to the TMCP account during the year to 31 August 2021.

22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	56,057	194,386
Grants payable	-	84,325
Amounts owing to other funds	304,709	136,522
Accrued expenses	21,505	46,104
Assessments received in advance	<u>177,538</u>	<u>180,723</u>
	<u>559,809</u>	<u>642,060</u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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FOR THE YEAR ENDED 31 AUGUST 2021**

23. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	223,749	114,682	(58,360)	280,071
Faithspace fund	13,464	(516)	-	12,948
Chaplaincy fund	(17,432)	(50,928)	68,360	-
Circuit Model Trust fund	431,233	4,169	(288,646)	146,756
Ark Project fund	24,041	(51,619)	50,000	22,422
Manses and properties fund	6,901,564	678,130	-	7,579,694
Revaluation Reserve	2,333,436	319,630	-	2,653,066
Manse Repair fund	-	(49,557)	93,646	44,089
Assessments fund (COVID)	-	(12,000)	145,000	133,000
	<u>9,910,055</u>	<u>951,991</u>	<u>10,000</u>	<u>10,872,046</u>
Restricted funds				
Benevolent fund	445	-	-	445
Training fund	2,096	-	-	2,096
Bristol Methodist Centre	348,560	(73,740)	-	274,820
BMC property fund	1,081,839	-	-	1,081,839
Chaplaincy funding	-	10,000	(10,000)	-
	<u>1,432,940</u>	<u>(63,740)</u>	<u>(10,000)</u>	<u>1,359,200</u>
TOTAL FUNDS	<u><u>11,342,995</u></u>	<u><u>888,251</u></u>	<u><u>-</u></u>	<u><u>12,231,246</u></u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,007,696	(893,014)	-	114,682
Faithspace fund	9,340	(9,856)	-	(516)
Chaplaincy fund	-	(50,928)	-	(50,928)
Circuit Model Trust fund	2,712	(11,142)	12,599	4,169
Ark Project fund	8,509	(60,128)	-	(51,619)
Manses and properties fund	300,000	-	378,130	678,130
Revaluation Reserve	-	-	319,630	319,630
Manse Repair fund	1,000	(50,557)	-	(49,557)
Assessments fund (COVID)	-	(12,000)	-	(12,000)
	<u>1,329,257</u>	<u>(1,087,625)</u>	<u>710,359</u>	<u>951,991</u>
Restricted funds				
Bristol Methodist Centre	109,175	(185,090)	2,175	(73,740)
Chaplaincy funding	10,000	-	-	10,000
	<u>119,175</u>	<u>(185,090)</u>	<u>2,175</u>	<u>(63,740)</u>
TOTAL FUNDS	<u><u>1,448,432</u></u>	<u><u>(1,272,715)</u></u>	<u><u>712,534</u></u>	<u><u>888,251</u></u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	177,996	45,753	-	223,749
Faithspace fund	8,427	5,037	-	13,464
Chaplaincy fund	(13,266)	(42,166)	38,000	(17,432)
Circuit Model Trust fund	50,077	(218,280)	599,436	431,233
Ark Project fund	74,441	(50,400)	-	24,041
Chantry Road Repairs fund	60,000	-	(60,000)	-
Manses and properties fund	7,311,000	130,000	(539,436)	6,901,564
Revaluation Reserve	2,084,000	249,436	-	2,333,436
	9,752,675	119,380	38,000	9,910,055
Restricted funds				
Benevolent fund	445	-	-	445
Training fund	2,096	-	-	2,096
Bristol Methodist Centre	344,517	4,043	-	348,560
BMC property fund	1,081,839	-	-	1,081,839
Chaplaincy funding	15,000	23,000	(38,000)	-
	1,443,897	27,043	(38,000)	1,432,940
TOTAL FUNDS	<u>11,196,572</u>	<u>146,423</u>	<u>-</u>	<u>11,342,995</u>

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	971,799	(926,046)	-	45,753
Faithspace fund	13,203	(8,166)	-	5,037
Chaplaincy fund	-	(42,166)	-	(42,166)
Circuit Model Trust fund	3,403	(212,610)	(9,073)	(218,280)
Ark Project fund	3,945	(54,345)	-	(50,400)
Manse and properties fund	-	-	130,000	130,000
Revaluation Reserve	-	-	249,436	249,436
	992,350	(1,243,333)	370,363	119,380
Restricted funds				
Bristol Methodist Centre	198,618	(193,679)	(896)	4,043
Chaplaincy funding	23,000	-	-	23,000
	221,618	(193,679)	(896)	27,043
TOTAL FUNDS	<u>1,213,968</u>	<u>(1,437,012)</u>	<u>369,467</u>	<u>146,423</u>

General Fund

The purpose of this fund is for the use at the discretion of the trustees in the furtherance of general objectives of the Circuit and which have not been designated for other purposes.

Faithspace Fund (designated)

This represents one third of the cumulative net income and expenditure from the Faithspace activity carried forward as our share of the project which is operated jointly with St Mary Redcliffe (Church of England)

Chaplaincy Fund (designated)

Monies received to fund the chaplaincy provision, sources are Connexional and District grants and from industrial concerns that benefit from regular supply of the service.

Circuit Model Trust Fund (designated)

The purpose of this fund is for the use at the discretion of the trustees in the furtherance of general objectives of the Circuit. Its main source of income is legacies and contributions from the sale of manse and church buildings in the Circuit.

Ark Project fund (designated)

Funds allocated to sustain the work of The Ark team including allocation of the proceeds of sale of Oldbury on Severn. The Ark project works alongside churches and in the community providing resources and inspiration for outreach.

Ark vehicles fund (designated)

Remaining depreciation reserve in respect of the vehicles bought and converted to use for the Ark project.

23. MOVEMENT IN FUNDS - continued

Chantry Road Repairs fund (designated)

This fund is designated for repairs of the property at Chantry Road.

Manses and properties fund (designated)

This fund reflects the value properties held by the Circuit other than properties held for the specific use of the Bristol Methodist Centre. It reflects the value of manses at cost and investment properties at valuation.

Revaluation reserve (designated)

Reserve representing the change in value of fixed asset properties owned by the Circuit.

Manse Repair fund (designated)

This reflects funds set aside from the Model Trust fund for upgrade of manses.

Assessments (Covid) fund (designated)

A fund created to earmark funding to assist churches in meeting their assessment payments.

Benevolent Fund (restricted)

The fund is required by standing orders and is restricted to provide support for the poor and needy within the Circuit

Training Fund (restricted)

Monies held to facilitate relevant training for those unable to self fund.

Bristol Methodist Centre (restricted)

The fund was transferred from the Bristol District in 2015 and is to support the work of the Bristol Methodist Centre in its work with the homeless and vulnerable.

BMC Property Fund (restricted)

The fund reflects the deemed cost of the BMC property.

Chaplaincy funding (restricted)

The fund represents grants received specifically for support of the chaplain.

TRANSFERS BETWEEN FUNDS

During the year, a grant of £10,000 received specifically for chaplaincy funding has been released by the restricted Chaplaincy Funding fund to the Chaplaincy fund and recognised in the SOFA as a transfer. At the year end, the balance of the Chaplaincy fund, £40,928 has been transferred from General fund to the Chaplaincy fund in recognition of underwriting the activity.

Transfers of £145,000 and £93,646 have been made from the CMTF fund to the Assessment (Covid) fund and Manse Repairs fund respectively in recognition of earmarked funding. Similarly, £50,000 has been passed to the Ark project from CMTF.

A transfer of £17,432 from general funds to the Chaplaincy fund reflects underwriting of the role of Chaplain and clearance of the prior year overspend.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
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**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

24. EMPLOYEE BENEFIT OBLIGATIONS

Methodist ministers are members of the Methodist Minister's Pension Scheme (MMPS). This is a defined benefit scheme.

Lay employees are contractually employees of the Circuit and belong to a multi-employer defined contribution scheme operated by TPT Retirement (formerly The Pensions Trust).

The Connexion accounts for both pension schemes and shows the figures in the annual accounts of the Methodist Church of Great Britain.

The cost attributable to the Circuit for the year ended 31 August 2021 was £94,869 (2020 - £97,782).

25. CONNECTED ORGANISATIONS AND RELATED PARTIES

The son of one of the trustees, C Brown, was paid for services provided to the Circuit. Jim Brown received £604 (2020 -£ 735).

In the prior year, one of the trustees, Philip White, was paid £2,026 to carry out maintenance work on a manse. None of the Circuit trustees made donations direct to the Circuit during the year or the preceding year. All of the Circuit trustees are members of one or another church within the Circuit and may be trustees in their churches.

Connected organisations include the Methodist Connexion, the Bristol District, churches within the Circuit, other Methodist Districts in Great Britain, CFB and TMCP, except as reported in the notes to the accounts. All of these entities have their own trustees or directors and autonomous administration such that the Circuit has no significant influence over any of them, nor they over the Circuit. They are, therefore, not considered related parties.

**BRISTOL AND SOUTH GLOUCESTERSHIRE
CIRCUIT OF THE METHODIST
CHURCH**

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	Appointed	Resigned
Rev D R Alderman - Superintendent Minister		30/09/2021
Mr R C Ascott		30/09/2020
Mrs V Astill	30/09/2021	
Mr J L Baggott		30/09/2020
Mrs D Bailey		
Miss M C Barrington		30/09/2021
Mr A Biddlestone		
Rev M Briggs		
Mr A Britton		
Miss B Brookman	30/09/2021	
Mr B Brown		
Ms C Brown		
Mrs J Browning		30/09/2021
Mr D Chandler		30/09/2020
Mr A Cockwell		30/09/2021
Rev H Cooke		
Mrs J Cornell		30/09/2021
Mr K M Cornell		30/09/2021
Mrs B Cornes-Tomkins		
Mrs R Cowell		30/09/2021
Mr J W G Creech		
Mr M Culshaw		
Dr V Davies		
Mrs G Dean		30/09/2021
Mrs R Doggett		
Mrs R Doyle		
Mr A V Eaves		
Mrs M Eaves		
Rev S Edwards		
D Faulkner		30/09/2021
Mr C Farnham		
Ms E Geldart		
Mrs J George		
Mrs G Giles		
Mrs A S Gillard		30/09/2020
Mrs A Green	30/09/2021	
Miss F M Haddrell		
Mrs M A Harnell		30/09/2020
Mrs J Harris		
Mrs P F Harris		
Rev P T Hatton		
Rev C Hayes		
Mrs P Hayman	30/09/2020	30/09/2021
Mr D Head		

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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FOR THE YEAR ENDED 31 AUGUST 2021

Rev N Headley	30/09/2021
Mr G J Hicks	
Mr r Hills	
Mrs H Hodder	30/09/2020
Mr S Holliday	30/09/2021
Mr J Holly	30/09/2021
Mrs E P Hopper	30/09/2021
Mr A E Hosking	30/09/2021
Rev R E Howard	
Mrs M Hurlstone	
Mr J Ireland	30/09/2020
Rev PJ Jackson	
Mrs S J James	
Mrs M Johnston	
Mr P Jones	
Mrs J Keel	30/09/2021
Ms M Knight	
Mrs J Ladd	30/09/2021
K Ladd	
Mrs S Lang	30/09/2020
Rev E Langley	
Mr T J Lansdown	30/09/2021
Mr I Leslie	
Mrs J Letty	
Mrs G Lewis	30/09/2021
Rev P Luxton	
Mrs J S Manners	
Mrs J Mann	
Rev L Maydew	
Ms J McGrath	
Mrs J P McLaren	
Mr K R Middleton	
Mrs H Moon	
R Morris	30/09/2021
Rev S Newell	
Rev A Ngwana	
Mrs D G North	
Mr P Offer	
Mrs A Osmond	
Mrs E Parry	
Mr D Phillips	
Mrs J Pickering	
Mr A Powell	
Mrs M Powell	
Mrs W J Priddle	
Mr C A Redman	

**BRISTOL AND SOUTH GLOUCESTERSHIRE
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FOR THE YEAR ENDED 31 AUGUST 2021

Mrs V A Redgers	
Mrs C Reynolds	
Mrs M E Ricketts	
Mr J C Roberts	30/09/2020
Mrs S Rooke	
Miss N Sharp	
Mr R Sharples	
Mrs H Shears	30/09/2021
Mr C Sleath	
Mr C Sledge	
Mrs R Sledge	
Mrs C Slinn	
Rev S Spencer	
Mrs M Spooner	
Ms J Stacey	
Mr M Stapleton	
Mrs D Stears	
Rev P Stonehewer	
Mrs K M Strobe	30/09/2020
Mr C Sutton	30/09/2021
Mrs J Sutton	
Mr A Taylor	30/09/2021
Mrs D Teml	30/09/2020
Rev Samuel Uwimina	30/09/2021
Mr M B Vardy	
Mrs C W Varney	30/09/2021
Mrs H Wallbridge	
Mr R D Wallace	
Mr T W Watkins	
Mrs B Weeks	
Dr Anna Wheatley	30/09/2021
Mr P White	
Mr D Willis	
Mr R C Wood	
Mrs J M Yeoman	