SOUTH WARWICKSHIRE METHODIST CIRCUIT

England & Wales · Charity number 1154830

Details

Other names	MID-WARWICKSHIRE METHODIST CIRCUIT
Status	Registered
Legal form	Previously excepted
Registered	2013-12-02
Register	View on the Charity Commission register

Contact

Address	9 Northvale Close Kenilworth CV8 2EN
Phone	07578 640013
Email	swc.katetennyson@gmail.com
Website	www.methodist-swc.org.uk

Activities

Objects: 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 SUBSIDUARY 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.

Activities: 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.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Warwickshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£353,931	£473,063	-	-
2023-08-31	£335,104	£417,730	-	-
2022-08-31	£312,959	£420,287	-	-
2021-08-31	£338,234	£449,885	-	-
2020-08-31	£1,132,492	£700,871	£3,484,323	8

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Trustees

Name	Role	Appointed
Revd Dr Iain Mark Ballard	Chair	2020-09-01
ANNE ELIZABETH OLIVER		2021-10-12
Andrew Davidson		2022-04-01
Andrew James Steele		2019-09-01
Christopher Alan Benson		2024-06-19
David James Witham		2019-09-01
David Keverne Sandy		2024-05-19
Deacon Jane Elizabeth Mills		2022-09-01
Edward Matthew Timmins		2024-02-20
Fiona Helen Pethick		2025-06-05
Graham Howe		2025-05-11
HEATHER CHAMBERLAIN		2015-09-01
Janet Victoria Grant		2023-06-01
Jill Elizabeth Lloyd		2022-09-07
Jonathon Edward Burrows		2023-06-01
Keith Henwood Hicks		2024-09-11
Kenneth Hayward		2023-06-01
Lindsey Gail Sullivan		2023-07-01
MARGARET BULL		2013-11-15
Maurice Roy Mills		2024-02-20
Patricia Helen Wilkinson		2026-06-07
Phillip Neil Ledgard		2023-09-19
Professor Edward Royle		2023-06-01
RUSSELL BLACKWELL		2016-03-16
Rev David Michael Butterworth		2024-09-11
Rev Eric Brian Mason		2019-09-01
Rev Richard Walton Wilde		2019-09-01

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Name	Role	Appointed
Rev Sally Ann Jones BMus,PCGE,		2021-09-01
Rev Tina Jane Brooker		2023-09-01
Roger Ian John Carter		2023-06-01
Rosina Margaret Blakemore		2019-09-01
Sally McCawley		2022-09-01
Sheila Brown		2022-03-03
TBA Penelope Sharples		2023-06-01
TREVOR WILLS FCA		2013-11-15

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SOUTH WARWICKSHIRE METHODIST CIRCUIT

England & Wales - Charity number 1154830

Accounts

South Warwickshire Methodist Circuit

Registered Charity Number 1154830

Trustees' Report and Audited Accounts

for the year ended 31 August 2024

PDF processed with CutePDF evaluation edition www.CutePDF.com

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2024

Introduction

This report and accounts covers the year to 31 August 2024.
The Circuit seeks to live out the calling of the Methodist Church to respond to the gospel of God's love in Christ and to live out its discipleship and to:

- increase awareness of God's presence and to celebrate God's love
- help people to grow and learn as Christians through mutual support and care
- be a good neighbour to people in need and to challenge injustice

The mission of the South Warwickshire Methodist Circuit is to encourage and support people to be open and responsive to God, each other and the world.

Review of the year

The Statement of Financial Activities shows a net deficit on the General Fund, before investment and other recognised gains and losses, of £117,710 for the year. This reflects planned utilisation of reserves to fund a policy of spending reserves on new initiatives to spread the word of God.
During the year the Leamington Spa manse was sold in order to replace it with a more suitable house. The replacement was not purchased until after the year end.
When a Methodist Church closes, the managing trusteeship of any land and buildings passed to the Circuit. If the plan is to dispose of the buildings they are recognised at fair value in the Financial Statements of the Circuit. The gain arising on recognising the value is shown in the Statement of Financial Activity and they are classified as current asset investments on the Balance Sheet. Following difficulties in selling the former church at Fenny Compton it's fair value has been reduced from £113,435 to £88,849.
Net expenditure of £1,422 on the Circuit Model Trust Fund is after a District Advance Fund contribution of £33,447.
At the year end total reserves were £3,671,088. Of that £2,526,842 is held in fixed assets or property awaiting sale.

Income trends

The principal funding sources during the year were:
1) *General Fund* Assessments received from the churches in the Circuit: £269,998 (2023: £270,682).
2) *Circuit Model Trust Fund:* Investment income of £33,628 (2023: £13,529).

Expenditure trends

The principal items of expenditure were the stipends of ministers and provision of their manses, as well as the salaries of lay workers employed by the Circuit. Stipends increase each year in line with increases approved by the Methodist Conference. Lay workers are paid at or above the Living Wage (determined each November by the Living Wage Foundation). Lay worker salaries are reviewed periodically to take account of any change in the scope and scale of responsibilities, individual performance and local comparators.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2024 (continued)

Expenditure trends (continued)

An assessment of £56,832 (2023: £56,832) was paid to the Birmingham Methodist District, to support the work of the Methodist District and the wider Methodist Church. The annual contribution to the District Advance Fund, £33,447 (2023: £12,500), was an increase from the previous year as a result of the higher Model Trust Fund balance. The contribution is made under Standing Order 955(6) and is a tariff based on Circuit funds held by the Trustees for Methodist Church Purposes at the previous year end.

Fund balances

At 31 August 2024 net current assets were £1,599,738 (2023: £986,682). Once a building is sold the net proceeds become part of the Circuit Model Trust Fund. The transfer between funds of £758,368 represents the net proceeds of asset sales banked into the Circuit Model Trust Fund. Consequently, there is a significant increase in fund during the year.

Plans for 2024/25 and future years

The Circuit aims to cover normal ongoing costs from the assessment income. The cost of additional mission activities is to be met from reserves. At the time of writing this report the Circuit has succeeded in selling the former Fenny Compton chapel and has purchased the replacement Leamington manse.

Basis of preparation of accounts and legal framework

The Charity's annual report and accounts for the year ended 31 August 2024 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS) 102.

These financial statements are subject to audit owing to the gross asset value of the Circuit exceeding the relevant threshold.

Charity registration number: 1154830

Main communication address : 9 Northvale Close, Kenilworth, CV8 2EN

South Warwickshire Methodist Circuit

Trustees' Report for the year ended 31 August 2024 (continued)

Charity trustees

The members of the South Warwickshire Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches (see Appendix to Trustees' Report for a full list of Trustees). The Circuit meeting delegates the day to day running of the circuit to a leadership team.

Circuit Leadership Team for the year to 31 August 2024

Active circuit ministers	Rev Iain Ballard
	Rev Sally Jones
	Deacon Jane Mills
	Rev Tina Brooker
	Rev Jemima Strain (part time)
	Rev Richard Wilde (part time)
Circuit stewards	Sheila Brown
	Trevor Pethick
	David Witham (Treasurer)

David Witham acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Auditors	JW Hinks LLP - Chartered Accountants and Statutory Auditors
Bankers	Central Finance Board of the Methodist Church
	Trustees for Methodist Church Purposes
	CAF Bank

Aims and organisation

The charity's objective is to act as a resource provider in South Warwickshire for the Methodist Church.

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

a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other 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.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2024 (continued)

Aims and organisation (continued)
The Circuit encourages and supports the Methodist churches in South Warwickshire in:
the organisation and resourcing of regular public acts of worship which are open to members of the church and non members alike.
- the teaching of Christianity through sermons, courses and small groups.
- the resourcing of pastoral work including visiting the sick and bereaved.
- taking religious assemblies in local schools.
-promotion of Christianity through the staging of events and services.
-provision of clubs, activities and support groups with a Christian ethos.
- supporting other charities in the UK and overseas financially and with prayer.

The Circuit reviews its aims, objectives and activities and identifies opportunities for future action. It promotes mission and gives appropriate support to churches that demonstrate that they are outward looking, mission focused, not averse to change and taking risk and, where possible and appropriate, seeking to work in partnership with others.

Public Benefit
The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management
The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976).
Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).
Day to day management of the Circuit is undertaken by the Circuit Leadership team.

Selection of Trustees and Training of Trustees
Trustees are appointed as set out in the Constitutional Practice and Discipline of the Methodist Church. Appointment is made by local churches or existing trustees or, in the case of ministers, on stationing in the Circuit.
A range of guidance produced by Methodist Connexion to support the effective running of the Circuit is given to Circuit Meeting members. In particular the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit Meeting members as induction to their role as trustees. Other training is provided to Trustees appropriate to their role and responsibility within the Circuit.

Related Parties
The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist Churches and Local Ecumenical Projects (LEP) are linked to the Circuit: Cubbington, Dale Street, Henley in Arden, Kenilworth, Kineton, Radford Road (LEP), Stockton (LEP), Stratford upon Avon, Welford on Avon, Warwick, Wellesbourne and Whitnash.

The trustees and their close family members are also related parties.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2024 (continued)

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required. There is a regular annual review process undertaken and recorded.
Income and expenditure is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process and avoid unforeseen calls on reserves.

Safeguarding

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

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2024 (continued)

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and continue planned activities for the short term in the event of any inability to raise the full circuit assessment from churches.

At 31 August 2024, the Circuit held reserves of £1,599,738, excluding reserves held as tangible fixed assets. This represents £1,442,050 in excess of the amount determined under the Circuit's reserves policy. The Circuit continues to develop a strategy to utilise surplus reserves for the furtherance of its objectives. The Circuit Meeting has agreed that the following costs should be excluded from the base for calculating assessments on churches and will be funded from reserves:

- Manse refurbishment costs in excess of regular maintenance
- Costs of part time presbyters for the length of their appointments
- Cost of additional mission focussed ministry
- Costs of maintaining and administering surplus property
- Grants

The policy is continuing.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2024 (continued)

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).

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;
- 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 17 June 2025 and signed on its behalf by:

Rev Iain Ballard
Superintendent Minister

Appendix A

South Warwickshire Methodist Circuit
Circuit Meeting Membership

MINISTERS	Rev Dr Iain Ballard	
	Rev Jemima Strain	To 31 August 2024
	Rev Sally Jones	
	Deacon Jane Mills	
	Rev Tina Brooker	From 1 September 2023
OTHER MINISTERS RESIDING IN THE CIRCUIT WHO WISH TO BE MEMBERS OF THE CIRCUIT MEETING		
	Rev E Brian Mason	
	Rev Richard Wilde	
	Rev David Butterworth	From 11 September 2024
CIRCUIT STEWARDS	Trevor Pethick	To 31 August 2024
	David Witham - Treasurer	
	Sheila Brown	
	Christopher Benson	From 19 June 2024
LOCAL PREACHERS REPRESENTATIVES		
	Russell Blackwell	
CHURCH REPRESENTATIVES		
Cubbington	Derek Dwyer	To 30 April 2024
	David Chirnside	To 30 April 2024
Dale Street & Cubbington	June Gabbitas	To 11 May 2025
	Jill Lloyd	
	Joanna Rhodes	To 31 March 2024
	Mark Whitehouse	To 11 May 2025
	David Sandy	From 19 May 2024
	Graham Howe	From 11 May 2025
Kineton & Wellsbourne	Roger Carter	
	Keith Hicks	From 11 September 2024
	L Jane Rimell	
	Carol Cave	To 20 March 2024
	Roger Thompson	To 20 March 2024
Kenilworth	Sandra Quarterman	
	Lindsey Sullivan	
	Sally McCawley	
	Jonathon Burrows	
	Fiona Pethick	From 5 June 2025
Radford Road	Margaret Bull	
	Andrew Davidson	
Stockton	Heather Chamberlain	
Stratford upon Avon	Janet Grant	
Inc Henley in Arden	Philip Ledgard	From 19 September 2023
	R Margaret Blakemore	
	Andrew Steele	
Warwick & Whitnash	Anne Oliver	
	Julie Barr	To 1 April 2025
	Ken Hayward	
	Trevor Wills	
	Jan Tyrrell	To 31 August 2024
Welford upon Avon	Brian Bradley	To 20 February 2024
	Edward Timmins	From 20 February 2024
	Maurice Mills	From 20 February 2024
OTHERS APPOINTED		
Climate Change	Mark Boulton	To 3 December 2024
Safeguarding	Penelope Sharples	
Archivist	Edward Royle	

South Warwickshire Methodist Circuit
Statement of Financial Activities (SOFA) for the year ended 31 August 2024

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.24	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.23
		£	£	£	£	£	£
Income							
Charitable activities							
Assessments from churches	5	269,998	-	**269,998**	270,682	-	270,682
Lettings	6	23,876	-	**23,876**	8,644	-	8,644
Other	7	22,318	-	**22,318**	38,788	-	38,788
Interest receivable	8	4,111	33,628	**37,739**	3,461	13,529	16,990
Total income		**320,303**	**33,628**	**353,931**	321,575	13,529	335,104
Expenditure							
Stipends, salaries, NI, Pension	9	280,851	-	**280,851**	260,908	-	260,908
District Assessment		56,832	-	**56,832**	56,832	-	56,832
Telephone & travel		18,942	-	**18,942**	12,594	-	12,594
Insurance, utilities, etc		28,335	-	**28,335**	20,739	-	20,739
Maintenance on manses		3,053	-	**3,053**	10,541	-	10,541
Office costs		5,834	-	**5,834**	9,995	-	9,995
Surplus properties		18,757	-	**18,757**	19,714	-	19,714
Other Expenditure		13,670	1,603	**15,273**	10,951	808	11,759
Grants and donations		9,681	-	**9,681**	627	-	627
Depreciation		2,058	-	**2,058**	1,521	-	1,521
Contributions to District Advance Fund		-	33,447	**33,447**	-	12,500	12,500
Total expenditure		**438,013**	**35,050**	**473,063**	404,422	13,308	417,730
Net (expenditure) / income		**(117,710)**	**(1,422)**	**(119,132)**	(82,847)	221	(82,626)
Gains and losses on investment assets							
Loss on disposal		-	-	**0**	(3,608)	-	(3,608)
Other recognised gains and losses							
Gain on disposal of fixed asset	11	286,439	-	**286,439**	-	-	-
Change in fair value of property held for sale	12	(24,586)	-	**(24,586)**	100,934	-	100,934
Reclassification of funds		-	-	-	-	-	-
Transfers between funds		(758,368)	758,368	-	(270,851)	270,851	-
Draw down from model trust		120,000	(120,000)	-	140,000	(140,000)	-
Net movement in funds		**(494,225)**	**636,946**	**142,721**	(116,372)	131,072	14,700
Reconciliation of funds:							
Total funds brought forward		**3,113,726**	**414,641**	**3,528,367**	3,230,098	283,569	3,513,667
Total funds carried forward		**2,619,501**	**1,051,587**	**3,671,088**	3,113,726	414,641	3,528,367

South Warwickshire Methodist Circuit
Balance Sheet as at 31 August 2024

	Notes	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	31 August 2024 £	31 August 2023 £
Tangible Fixed Assets					
Land, buildings & equipment	11	2,071,350		**2,071,350**	2,541,685
Investment property		-		-	-
Total fixed assets		2,071,350		**2,071,350**	2,541,685
Current Assets					
Current investments	12	455,492	-	**455,492**	480,078
Debtors and prepayments	13	27,277	264,015	**291,292**	19,502
Trustees for Methodist Church Purposes		-	937,987	**937,987**	562,623
Central Finance Board Deposits		78,185	-	**78,185**	78,518
Cash at bank		8,005	-	**8,005**	11,370
Total current assets		**568,959**	**1,202,002**	**1,770,961**	1,152,091
Creditors and Accruals (due in under 1 yr)	14	20,808	150,415	**171,223**	**165,409**
Net current assets		**548,151**	**1,051,587**	**1,599,738**	986,682
Net assets		**2,619,501**	**1,051,587**	**3,671,088**	3,528,367
Funds of the Circuit					
General Fund	15	2,619,501	-	**2,619,501**	3,113,726
Circuit Model Trust Fund	15	-	1,051,587	**1,051,587**	414,641
Total Funds		**2,619,501**	**1,051,587**	**3,671,088**	3,528,367

Signed: D Witham **Dated:** **17 June 2025**

David Witham FCA
Circuit Treasurer

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

1. Basis of accounting
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 with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRC 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.

2. Public benefit entity
The charity constitutes a public benefit entity as defined by FRS 102.

3. Consolidation
The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of those Churches within the Circuit are not consolidated into these financial statements.

4. Accounting policies
i. Income Recognition
Income is brought into account when the Circuit becomes entitled to the resources and the Trustees believe it is more likely than not that they will receive the resources, and the monetary value can be measured with sufficient reliability.
In accordance with Charities SORP (FRS 102), the time of volunteers is not recognised.

ii. Expenditure and Liabilities
Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Trustees to pay out resources and the amount of the obligation can be measured with reasonable certainty.

iii. Grants
Where there are no conditions attaching to a grant made by the Circuit from its own funds, the grant is recognised in full at the time of agreement to make the grant. Where the Circuit gives a grant with conditions for its payment, being a specific level of service or output to be provided, the grant is only recognised in the SOFA once the recipient of the grant has provided the specified service or output. When the grant to be accured 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.

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

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

4. Accounting policies (continued)

v. Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £250.
The freehold property held at 1 September 2015 is shown in the accounts at 2015 deemed value, being that property's insurance reinstatement value. The freehold property purchased after 1 September 2015 is shown at cost on acquisition. The freehold property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit. The land component of the freehold property is deemed to be £50,000 per property.
No depreciation is provided on property because the Trustees consider the current residual fair value of the property in its present condition to be not less than the value at which it is stated in the balance sheet and, in the absence of any evidence of impairment, any depreciation for the buildings component of the property would be immaterial. Depreciation is provided on fixtures, fittings and equipment on a straight line basis over three years.

vi. Properties held for sale

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit Trustees becoming the managing trustees for the property so that the Trustees decide whether the property can be used in a different way to further the mission of the Circuit or whether it is redundant and should be sold. If a decision is made to sell the property, it is classified as a current asset investment. Similarly, any other property held for resale would be a current asset investment. Such properties are recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking account of the levy to be charged by the Connexion. Any expenditure on the property that is likely to enhance its sales value is capitalised at the time that the expenditure is incurred. Where proceeds are intended to be spent on activities, the property is included in assets at the lower of cost and net realisable value.

vii. Debtors, creditors, bank and cash

Debtors are stated at settlement amount or amount advanced by the charity. Subsequently they are measured at the cash or other consideration expected to be received. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or the amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

viii. Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

4. Accounting policies (continued)
ix. Ministers' Manse Costs

The Circuit is required to provide accomodation for each minister in the Circuit and their families and 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, as well as the cost of ministers' removal to the Circuit. Where any manse costs are viewed by HMRC as taxable benefits to the minister, the resulting employer NI charge is included as part of the NI cost for the year.

5. Assessments from Churches

During the year end the Circuit comprised 10 church councils which were assessed for a contribution to meet the overall net core, ongoing costs of the Circuit. Normally, 80% of the assessment is apportioned to the Churches on the basis of their adjusted income, including only 50% of letting income to allow for increased running costs and excluding one-off receipts, and 20% of the assessment is apportioned on the basis of their unrestricted reserves.

	Year ended 31.8.24	Year ended 31.8.23
	£	£
Cubbington	**18,324**	20,428
Dale Street	**62,136**	69,276
Henley in Arden	**-**	6,024
Kenilworth	**62,664**	58,320
Kineton	**7,153**	6,524
Mickleton	**-**	1,915
Radford Road	**9,228**	8,412
Stratford upon Avon and Henley in Arden	**51,148**	41,136
Warwick	**36,144**	34,060
Welford on Avon	**5,393**	4,919
Wellesbourne	**10,400**	11,432
Whitnash	**7,408**	8,236
	269,998	270,682

6. Lettings

Lettings income relates to either manses that are not required to house Circuit ministers in the short term or church buildings where the circuit meeting is the managing trustee body rather than a local church council. Letting income is shown gross of fees and commission.

7. Other Income from Charitable Activities

Unrestricted income of £22,318 includes reimbursement from the Coventry and Warwickshire University Free Church Standing Committee (FCSC) of £20,023, being expenditure by the circuit in providing on the payroll cost of a chaplain at the University of Warwick, and £2,000 from the estate of Mr Roy Slingsby.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

8. Interest receivable

	Unrestricted	Circuit Model Trust Fund	Year ended 31.8.24	Year ended 31.8.23
	£	£	£	£
Central Finance Board	**4,086**	-	**4,086**	3,405
Trustees for Methodist Church Purposes	-	**33,628**	**33,628**	13,529
CAF Bank	**25**	-	**25**	56
Total	**4,111**	**33,628**	**37,739**	16,990

9. Stipends, Salaries and Associated costs

Staff Costs paid during the year were:

	Ministers (Circuit Trustees)	Mission staff	Administ-ration	Year ended 31.8.24 Total	31.8.23 Total
	£	£	£	£	£
Gross stipends and salaries	155,247	26,309	39,754	**221,310**	205,556
Employer's National Insurance costs	13,604	2,375	1,720	**17,699**	16,762
Pension costs	39,059	1,579	-	**40,638**	37,546
Apprenticeship Levy	895	131	178	**1,204**	1,044
Total staff costs	**208,805**	**30,394**	**41,652**	**280,851**	260,908

Average number of full time equivalent number of staff employed during the year were :

Ministers	**5.17**	5.12
Mission staff	**1.00**	1.00
Administration	**1.79**	1.19
	7.96	7.31

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

9. Stipends, Salaries and Associated costs (continued)

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage as calculated by the Living Wage Foundation.

Methodist Ministers are not employees of the Methodist Church although for simplicity, when accounting for National Insurance and pension contributions, the terms employer and employee are used as they would be in an employing body.

Contributions are made to the Methodist Ministers' Pension Scheme for all ministers. This is a defined benefit scheme which is accounted for in the financial statements of the Methodist Church in Great Britian. This scheme is in deficit but a plan for the removal of the deficit is being implemented.

Lay workers have the option of joining a defined contribution pension scheme which the Circuit has set up with TPT Retirement Solutions.

Each minister is entitled to a 3 month sabbatical every 7 years and the expenses incurred by the minister are met by the Connexion with the Circuit continuing to pay the stipend. The Circuit does not accrue for holiday pay cover as the remaining staff cover as needed without extra pay.

Payments to Trustees

The Superintendent Minister, other ministers of the Circuit and the Circuit Stewards constitute the Circuit Leadership Team and are considered as Key Management Personel. The Superintendent chairs meetings of the Circuit Leadership Team and the Circuit Meeting. The Circuit Leadership Team, together with church and other representatives, are members of the Circuit Meeting and are the Trustees of the Circuit. The stipends, employer's National Insurance and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit, as determined by the Methodist Church, and are separately disclosed as part of staff costs above. Manses are provided by the Circuit and the Circuit maintains the property.

	Year ended	
	31.8.24	31.8.23
Payments made to trustees who are part of the leadership team		
Travel expenses	**£11,461**	£6,688
Phone expenses	**£3,830**	£4,283
	£15,291	£10,971
Payments made to trustees who are not part of the Circuit Leadership Team for additional services - preaching fees and related expenses	**£475**	£1,135
Number of trustees who were paid expenses	**8**	8

10. Fees for audit of the accounts

	Year ended	
	31.8.24	31.8.23
Audit fees	**£3,780**	£3,804

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

11. Tangible Fixed Assets

	Manses Land	Manses Buildings	Fixtures, Fittings & Equipment	Total
Cost or valuation	**£**	**£**	**£**	**£**
Balance at 1 September 2023	300,000	2,239,363	8,649	2,548,012
Additions	-	-	1,612	1,612
Disposals	(50,000)	(419,889)		(469,889)
Balance at 31 August 2024	**250,000**	**1,819,474**	**10,261**	**2,079,735**
Depreciation				
Balance at 1 September 2023	-	-	6,327	6,327
Disposals	-	-		0
Charge of year	-	-	2,058	2,058
Balance at 31 August 2024	-	-	**8,385**	**8,385**
Net book value				
At 31 August 2024	**250,000**	**1,819,474**	**1,876**	**2,071,350**
At 31 August 2023	300,000	2,239,363	2,322	2,541,685
Basis of depreciation	-	-	**Straight line 3 years**	

Disposal of 48 Warwick Place, Leamington Spa	**£**	**£**
Sale price		800,000
Less: Expenses of sale	12,786	
CPF Levy net of refund on purchase of replacement	30,886	
		43,672
Net proceeds of sale		756,328
Value of fixed asset brought forwards		469,889
Gain on disposal of fixed asset		286,439

Manses at 31 August 2024 comprise:

9 Northvale Close, Kenilworth	Occupied by Circuit Minister
101 West Street, Warwick	Occupied by Circuit Minister
22 Gardiner Road, Kineton	Occupied by Circuit Minister
61 Murcott Road East, Whitnash	Occupied by Circuit Minister
1a Hillside Road, Stratford upon Avon	Occupied by Circuit Minister

12. Current Investments

During the year to 31 August 2024 attempts were made to sell the former chapel at Fenny Compton. However, the sale did not take palce until March 2025. The fair value of the property has been reduced to reflect the net proceeds after expenses.

	£
Balance at 1 September 2023	480,078
Reduction to fair value of Fenny Compton chapel	24,586
Balance at 31 August 2024	**455,492**

The fair value at 31 August is made up of the following properties:

	31 August 2024	31 August 2023
	£	**£**
Fenny Compton chapel	88,849	113,435
Tysoe chapel	208,040	208,040
Mickleton chapel and hall	158,603	158,603
	455,492	**480,078**

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

13. Debtors	**31 August 2024**	31 August 2023
	£	£
Prepayments accrued income	**31,292**	19,502
Other debtors	**260,000**	-
	291,292	19,502

14. Creditors due in less than one year	**£**	£
Accruals and deferred income	**20,808**	14,994
Other creditors	**150,415**	150,415
	171,223	165,409

15. Reserves	General Fund	Circuit Model Trust Fund	Total
	£	£	£
At 1 September 2023	3,113,726	414,641	3,528,367
Net (expenditure)/ income for the year	(117,710)	(1,422)	(119,132)
Other recognised gains and losses	261,853	-	261,853
Transfers between funds	(758,368)	758,368	-
Drawdown from CMTF	120,000	(120,000)	-
At 31 August 2024	**2,619,501**	**1,051,587**	**3,671,088**

The purpose of the General Fund is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. About 96% of this fund is held as freehold property and so is not available to meet expenditure in the short term.

The purpose of the Circuit Model Trust Fund (CMTF) is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. Its main source of income is contributions from the sale of manses and church buildings in the Circuit, after contributions and levies to the Connexion determined by the Methodist Church. Although technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

16.Related party transactions

			Year ended 31 August 2024		Year ended 31 August 2023	
Name of related party	**Relationship**	**Description of transaction**	**Income from related party**	**Paid to or goods provided to related party**	Income from related party	Paid to or goods provided to related party
			£	£	£	£
Methodist Churches within the South Warwickshire Circuit	Churches within the Circuit	Assessments (share of Circuit costs)	269,998	-	270,682	-
Wellesbourne Methodist Church	A Circuit Church	Grant for low energy lighting	-	-	-	519
Kenilworth Methodist Church	A Circuit Church	Eco grant towards solar panels	-	5,368	-	-
Stratford upon Avon Methodist Church	A Circuit Church	Eco grant towards battery storage.	-	4,313	-	-
Stratford upon Avon Methodist Church	A Circuit Church	Grants for Audio Visual equipment	-	-	-	2,294
Birmingham Methodist District	Methodist District in which Circuit located	Assessment (share of costs of District and Methodist Connexion)	-	56,832	-	56,832
Birmingham Methodist District	Methodist District in which Circuit located	District Advance Fund contribution	-	33,447	-	12,500
Mickleton Methodist Church	Churches within the Circuit	Assets transferred on closure	-	-	119,830	-

There were no amounts owed to related parties at the year end.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2024

17. Contingent Liabilities and Capital Commitments

At 31 August 2024 the Circuit has no contracted capital commitments. However, the Circuit Meeting had authorised the purchase of a replacement Leamington manse at a value up to the net proceeds of from the previous manse's disposal. In January 2025 a suitable house was purchased for £582,500 plus fees and a refurbishment budget of £67,500 has been authorised.

At 31 August 2024 there were no contingent liabilities.

Independent Auditor's Report to the Trustees of South Warwickshire Methodist Circuit

Opinion

We have audited the financial statements of South Warwickshire Methodist Circuit (the 'charity') for the year ended 31 August 2024 which comprise of the Statement of Financial Activities, Statement of Cash Flows, Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's 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 charitable company'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 o

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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; c
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactio
- Testing documentation supporting account balances or classes of transactions.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's 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

JW Hinks LLP
Chartered Accountants and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

17 June 2025

SOUTH WARWICKSHIRE METHODIST CIRCUIT

England & Wales - Charity number 1154830

Accounts

South Warwickshire Methodist Circuit

Registered Charity Number 1154830

Trustees' Report and Audited Accounts

for the year ended 31 August 2023

PDF processed with CutePDF evaluation edition www.CutePDF.com

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2023

Introduction

This report and accounts covers the year to 31 August 2023.
The Circuit seeks to live out the calling of the Methodist Church to respond to the gospel of God's love in Christ and to live out its discipleship and to:

- increase awareness of God's presence and to celebrate God's love
- help people to grow and learn as Christians through mutual support and care
- be a good neighbour to people in need and to challenge injustice

The mission of the South Warwickshire Methodist Circuit is to encourage and support people to be open and responsive to God, each other and the world.

Review of the year

The Statement of Financial Activities shows a net deficit on the General Fund, before investment and other recognised gains and losses, of £82,847 for the year. This reflects planned utilisation of reserves to fund a policy of spending reserves on new initiatives to spread the word of God.
During the year the Mickleton manse was sold. The net proceeds for the Circuit were £3,608 less estimated in last year's report.
When a Methodist Church closes the managing trusteeship of any land and buildings passed to the Circuit. If the plan is to dispose of the buildings they are recognised at fair value in the Financial Statements of the Circuit. The gain arising on recognising the value is shown in the Statement of Financial Activity and they are classified as current asset investments on the Balance Sheet. The Methodist Current at Mickleton closed in the year so its land and buildings have been recognised at a fair value of £158,603. Following difficulties in selling the former church at Fenny Compton its fair value has been reduced from £171,104 to £113,435.
Net income of £221 on the Circuit Model Trust Fund is after a District Advance Fund contribution of £12,500.
At the year end total reserves were £3,528,367. Of that £3,021,763 is held in fixed assets or property awaiting sale.

Income trends

The principal funding sources during the year were:
1) *General Fund* Assessments received from the churches in the Circuit: £270,682 (2022: £277,958).
2) *Circuit Model Trust Fund:* Investment income of £13,529 (2022: £1,614).

Expenditure trends

The principal items of expenditure were the stipends of ministers and provision of their manses, as well as the salaries of lay workers employed by the Circuit. Stipends increase each year in line with increases approved by the Methodist Conference. Lay workers are paid at or above the Living Wage (determined each November by the Living Wage Foundation). Lay worker salaries are reviewed periodically to take account of any change in the scope and scale of responsibilities, individual performance and local comparators.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2023 (continued)

Expenditure trends (continued)

An assessment of £56,832 (2022: £57,420) was paid to the Birmingham Methodist District, to support the work of the Methodist District and the wider Methodist Church. The annual contribution to the District Advance Fund, £12,500 (2022: £19,160), was reduced from the previous year as a result of lower Model Trust Fund reserves. The contribution is made under Standing Order 955(6) and is a tariff based on Circuit funds held by the Trustees for Methodist Church Purposes at the previous year end.

Fund balances

At 31 August 2023 net current assets were £986,682 (2022: £972,864). Once a building is sold the net proceeds become part of the Circuit Model Trust Fund. The transfer between funds of £270,851 represents the net proceeds of asset sales banked into the Circuit Model Trust Fund. Consequently, there is a significant increase in fund during the year.

Plans for 2023/24 and future years

Historically the Circuit sort to cover normal ongoing costs from the assessment income. The disruption of the Covid 19 pandemic has impacted on the income of many churches and caused some to close. As a consequence, the Circuit is not yet able to return to its previous funding model. In the short term income from property disposals will bridge the gap.

Basis of preparation of accounts and legal framework

The Charity's annual report and accounts for the year ended 31 August 2023 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS) 102.

These financial statements are subject to audit owing to the gross asset value of the Circuit exceeding the relevant threshold.

Charity registration number: 1154830

Main communication address : 9 Northvale Close, Kenilworth, CV8 2EN

South Warwickshire Methodist Circuit

Trustees' Report for the year ended 31 August 2023 (continued)

Charity trustees

The members of the South Warwickshire Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches (see Appendix to Trustees' Report for a full list of Trustees). The Circuit meeting delegates the day to day running of the circuit to a leadership team.

Circuit Leadership Team for the year to 31 August 2023

Active circuit ministers	Rev Iain Ballard
	Rev Sally Jones
	Rev Jeongsook Kim
	Deacon Jane Mills
	Rev Jemima Strain (part time)
	Rev Richard Wilde (part time)
Circuit stewards	Sheila Brown
	Trevor Pethick
	David Witham (Treasurer)

David Witham acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Auditors	JW Hinks LLP - Chartered Accountants and Statutory Auditors
Bankers	Central Finance Board of the Methodist Church
	Trustees for Methodist Church Purposes
	CAF Bank

Aims and organisation

The charity's objective is to act as a resource provider in South Warwickshire for the Methodist Church.

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2023 (continued)

Aims and organisation (continued)
The Circuit encourages and supports the Methodist churches in South Warwickshire in:
the organisation and resourcing of regular public acts of worship which are open to members of the church and non members alike.
- the teaching of Christianity through sermons, courses and small groups.
- the resourcing of pastoral work including visiting the sick and bereaved.
- taking religious assemblies in local schools.
-promotion of Christianity through the staging of events and services.
-provision of clubs, activities and support groups with a Christian ethos.
- supporting other charities in the UK and overseas financially and with prayer.

The Circuit reviews its aims, objectives and activities and identifies opportunities for future action. It promotes mission and gives appropriate support to churches that demonstrate that they are outward looking, mission focused, not averse to change and taking risk and, where possible and appropriate, seeking to work in partnership with others.

Public Benefit
The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management
The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976).
Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).
Day to day management of the Circuit is undertaken by the Circuit Leadership team.

Selection of Trustees and Training of Trustees
Trustees are appointed as set out in the Constitutional Practice and Discipline of the Methodist Church. Appointment is made by local churches or existing trustees or, in the case of ministers, on stationing in the Circuit.
A range of guidance produced by Methodist Connexion to support the effective running of the Circuit is given to Circuit Meeting members. In particular the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit Meeting members as induction to their role as trustees. Other training is provided to Trustees appropriate to their role and responsibility within the Circuit.

Related Parties
The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist Churches and Local Ecumenical Projects (LEP) are linked to the Circuit: Cubbington, Dale Street, Henley in Arden, Kenilworth, Kineton, Radford Road (LEP), Stockton (LEP), Stratford upon Avon, Welford on Avon, Warwick, Wellesbourne and Whitnash.

The trustees and their close family members are also related parties.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2023 (continued)

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required. There is a regular annual review process undertaken and recorded.
Income and expenditure is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process and avoid unforeseen calls on reserves.

Safeguarding

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

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

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

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and continue planned activities for the short term in the event of any inability to raise the full circuit assessment from churches.

At 31 August 2023, the Circuit held reserves of £986,682, excluding reserves held as tangible fixed assets. This represents £846,000 in excess of the amount determined under the Circuit's reserves policy. The Circuit continues to develop a strategy to utilise surplus reserves for the furtherance of its objectives. The Circuit Meeting has agreed that the following costs should be excluded from the base for calculating assessments on churches and will be funded from reserves:

- Manse refurbishment costs in excess of rental income
- Costs of part time presbyters for the length of their appointments
- Cost of additional mission focussed ministry
- Costs of maintaining and administering surplus property
- Grants

The policy is continuing.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2023 (continued)

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).

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;
- 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 19 June 2024 and signed on its behalf by:



Rev Iain Ballard
Superintendent Minister

Appendix A

South Warwickshire Methodist Circuit
Circuit Meeting Membership

MINISTERS	Rev Dr Iain Ballard	
	Rev Jemima Strain	
	Rev Jeongsook Kim	To 31 August 2023
	Rev Sally Jones	
	Deacon Jane Mills	
	Rev Tina Brooker	From 1 September 2023
OTHER MINISTERS RESIDING IN THE CIRCUIT WHO WISH TO BE MEMBERS OF THE CIRCUIT MEETING		
	Rev E Brian Mason	
	Rev Richard Wilde	
	Rev Ros Murphy	To 15 June 2023
CIRCUIT STEWARDS	Trevor Pethick	
	David Witham - Treasurer	
	Sheila Brown	
LOCAL PREACHERS REPRESENTATIVES		
	Russell Blackwell	
CHURCH REPRESENTATIVES		
Cubbington	Derek Dwyer	To 30 April 2024
	David Chirnside	To 30 April 2024
Dale Street	June Gabbitas	
	Jill Lloyd	From 7 September 2022
	Joanna Rhodes	To 31 March 2024
	Mark Whitehouse	From 7 September 2022
	David Sandy	From 19 May 2024
Kineton	Roger Carter	From 1 June 2023
	Lesley Rimell	
Kenilworth	Sandra Quarterman	From 7 September 2022
	Lindsey Sullivan	From 1 July 2023
	Sally McCawley	From 1 September 2022
	Jonathon Burrows	From 1 June 2023
Mickleton	Mark Boulton	To 30 October 2022
	Timothy Mead	To 30 October 2022
Radford Road	Margaret Bull	
	Andrew Davidson	
Stockton	Heather Chamberlain	
Stratford upon Avon	Janet Grant	From 1 June 2023
Inc Henley in Arden	Kathleen Fraser	To 31 August 2023
	David Dumper	To 31 August 2023
	Philip Ledgard	From 1 September 2023
	Margaret Blakemore	
	Andrew Steele	
Warwick	Anne Oliver	
	Julie Barr	From 1 June 2023
	Ken Hayward	From 1 June 2023
	Trevor Wills	
Welford upon Avon	Brian Bradley	To 20 February 2024
	Edward Timmins	From 20 February 2024
	Maurice Mills	From 20 February 2024
Wellesbourne	Carol Cave	To 20 March 2024
	Roger Thompson	To 20 March 2024
Whitnash	Jan Tyrrell	
OTHERS APPOINTED		
Climate Change	Mark Boulton	
Safeguarding	Penelope Sharples	
Archivist	Edward Royle	

South Warwickshire Methodist Circuit
Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.23	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.22
		£	£	£	£	£	£
Income							
Charitable activities							
Assessments from churches	5	270,682	-	**270,682**	277,958	-	277,958
Lettings	6	8,644	-	**8,644**	11,409	-	11,409
Other	7	38,788	-	**38,788**	21,738	-	21,738
Interest receivable	8	3,461	13,529	**16,990**	240	1,614	1,854
Total income		**321,575**	**13,529**	**335,104**	311,345	1,614	312,959
Expenditure							
Stipends, salaries, NI, Pension	9	260,908	-	**260,908**	261,419	-	261,419
District Assessment		56,832	-	**56,832**	57,420	-	57,420
Telephone & travel		12,594	-	**12,594**	12,254	-	12,254
Insurance, utilities, etc		20,739	-	**20,739**	20,210	-	20,210
Maintenance on manses		10,541	-	**10,541**	8,923	-	8,923
Office costs		9,995	-	**9,995**	12,047		12,047
Surplus properties		19,714	-	**19,714**	8,542		8,542
Other Expenditure		10,951	808	**11,759**	15,292	1,061	16,353
Grants and donations		627	-	**627**	3,239	-	3,239
Depreciation		1,521	-	**1,521**	720	-	720
Contributions to District Advance Fund		-	12,500	**12,500**	-	19,160	19,160
Total expenditure		**404,422**	**13,308**	**417,730**	400,066	20,221	420,287
Net (expenditure) / income		**(82,847)**	**221**	**(82,626)**	(88,721)	(18,607)	(107,328)
Gains and losses on investment assets							
Loss on disposal	12	(3,608)	-	**(3,608)**	-	-	-
Loss on reclassification		-	-	-	(204,187)	-	(204,187)
Other recognised gains and losses							
Change in fair value of property held for sale	12	100,934	-	**100,934**	371,910	-	371,910
Reclassification of funds		-	-	-	-	-	-
Transfers between funds		(270,851)	270,851	-	-	-	-
Draw down from model trust		140,000	(140,000)	**0**	70,000	(70,000)	0
Net movement in funds		**(116,372)**	**131,072**	**14,700**	149,002	(88,607)	60,395
Reconciliation of funds:							
Total funds brought forward		**3,230,098**	**283,569**	**3,513,667**	3,081,096	372,176	3,453,272
Total funds carried forward		**3,113,726**	**414,641**	**3,528,367**	3,230,098	283,569	3,513,667

South Warwickshire Methodist Circuit
Balance Sheet as at 31 August 2023

	Notes	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	31 August 2023 £	31 August 2022 £
Tangible Fixed Assets					
Land, buildings & equipment	11	2,541,685		**2,541,685**	2,540,803
Investment property		-		-	-
Total fixed assets		2,541,685		**2,541,685**	2,540,803
Current Assets					
Current investments	12	480,078	-	**480,078**	648,323
Debtors and prepayments	13	17,069	2,433	**19,502**	18,517
Trustees for Methodist Church Purposes		-	562,623	**562,623**	283,339
Central Finance Board Deposits		78,518	-	**78,518**	13,242
Cash at bank		11,370	-	**11,370**	29,375
Total current assets		**587,035**	**565,056**	**1,152,091**	992,796
Creditors and Accruals (due in under 1 yr)	14	14,994	150,415	**165,409**	**19,932**
Net current assets		**572,041**	**414,641**	**986,682**	**972,864**
Net assets		**3,113,726**	**414,641**	**3,528,367**	3,513,667
Funds of the Circuit					
General Fund	15	3,113,726	-	**3,113,726**	3,230,098
Circuit Model Trust Fund	15	-	414,641	**414,641**	283,569
Total Funds		**3,113,726**	**414,641**	**3,528,367**	3,513,667

Signed: 

Dated: **19 June 2024**

David Witham FCA
Circuit Treasurer

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

1. Basis of accounting
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 with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRC 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.

2. Public benefit entity
The charity constitutes a public benefit entity as defined by FRS 102.

3. Consolidation
The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of those Churches within the Circuit are not consolidated into these financial statements.

4. Accounting policies
i. Income Recognition
Income is brought into account when the Circuit becomes entitled to the resources and the Trustees believe it is more likely than not that they will receive the resources, and the monetary value can be measured with sufficient reliability.
In accordance with Charities SORP (FRS 102), the time of volunteers is not recognised.

ii. Expenditure and Liabilities
Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Trustees to pay out resources and the amount of the obligation can be measured with reasonable certainty.

iii. Grants
Where there are no conditions attaching to a grant made by the Circuit from its own funds, the grant is recognised in full at the time of agreement to make the grant. Where the Circuit gives a grant with conditions for its payment, being a specific level of service or output to be provided, the grant is only recognised in the SOFA once the recipient of the grant has provided the specified service or output. When the grant to be accured 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.

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

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

4. Accounting policies (continued)

v. Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £250.
The freehold property held at 1 September 2015 is shown in the accounts at 2015 deemed value, being that property's insurance reinstatement value. The freehold property purchased after 1 September 2015 is shown at cost on acquisition. The freehold property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit. The land component of the freehold property is deemed to be £50,000 per property.
No depreciation is provided on property because the Trustees consider the current residual fair value of the property in its present condition to be not less than the value at which it is stated in the balance sheet and, in the absence of any evidence of impairment, any depreciation for the buildings component of the property would be immaterial. Depreciation is provided on fixtures, fittings and equipment on a straight line basis over three years.

vi. Properties held for sale

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit Trustees becoming the managing trustees for the property so that the Trustees decide whether the property can be used in a different way to further the mission of the Circuit or whether it is redundant and should be sold. If a decision is made to sell the property, it is classified as a current asset investment. Similarly, any other property held for resale would be a current asset investment. Such properties are recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking account of the levy to be charged by the Connexion. Any expenditure on the property that is likely to enhance its sales value is capitalised at the time that the expenditure is incurred. Where proceeds are intended to be spent on activities, the property is included in assets at the lower of cost and net realisable value.

vii. Debtors, creditors, bank and cash

Debtors are stated at settlement amount or amount advanced by the charity. Subsequently they are measured at the cash or other consideration expected to be received. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or the amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

viii. Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

4. Accounting policies (continued)
ix. Ministers' Manse Costs
The Circuit is required to provide accomodation for each minister in the Circuit and their families and 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, as well as the cost of ministers' removal to the Circuit. Where any manse costs are viewed by HMRC as taxable benefits to the minister, the resulting employer NI charge is included as part of the NI cost for the year.

5. Assessments from Churches
At the year end the Circuit comprises 11 churches which are assessed for a contribution to meet the overall net core, ongoing costs of the Circuit. Normally, 80% of the assessment is apportioned to the Churches on the basis of their adjusted income, including only 50% of letting income to allow for increased running costs and excluding one-off receipts, and 20% of the assessment is apportioned on the basis of their unrestricted reserves. However, in the basis period the accounts of the churches were distorted by the covid pandemic. Therefore, the previous level of assessment was continued in the year. Subsequently, there has been a return to applying the formula.

	Year ended 31.8.23	Year ended 31.8.22
	£	£
Cubbington	**20,428**	20,428
Dale Street	**69,276**	69,276
Fenny Compton	**-**	1,531
Henley in Arden	**6,024**	6,024
Kenilworth	**58,320**	58,320
Kineton	**6,524**	6,524
Mickleton	**1,915**	7,660
Radford Road	**8,412**	8,412
Stratford upon Avon	**41,136**	41,136
Warwick	**34,060**	34,060
Welford on Avon	**4,919**	4,919
Wellesbourne	**11,432**	11,432
Whitnash	**8,236**	8,236
	270,682	277,958

6. Lettings
Lettings income relates to either manses that are not required to house Circuit ministers in the short term or church buildings where the circuit meeting is the managing trustee body rather than a local church council. Letting income is shown gross of fees and commission.

7. Other Income from Charitable Activities
Unrestricted income of £38,788 includes reimbursement from the Coventry and Warwickshire University Free Church Standing Committee (FCSC) of £17,947, being expenditure by the circuit in providing on the payroll cost of a chaplain at the University of Warwick, and £19,830, being funds received from Mickleton Methodist Church on its closure.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

8. Interest receivable

	Unrestricted	Circuit Model Trust Fund	Year ended 31.8.23	Year ended 31.8.22
	£	£	£	£
Central Finance Board	**3,405**	-	**3,405**	240
Trustees for Methodist Church Purposes	-	**13,529**	**13,529**	1,614
CAF Bank	**56**	-	**56**	-
Total	**3,461**	**13,529**	**16,990**	1,854

9. Stipends, Salaries and Associated costs

Staff Costs paid during the year were:

	Ministers (Circuit Trustees)	Mission staff	Administ-ration	Year ended 31.8.23 Total	31.8.22 Total
	£	£	£	£	£
Gross stipends and salaries	152,408	22,642	30,506	**205,556**	208,176
Employer's National Insurance costs	13,354	1,900	1,508	**16,762**	15,353
Pension costs	36,218	1,328		**37,546**	36,605
Apprenticeship Levy	811	104	129	**1,044**	1,285
Total staff costs	**202,791**	**25,974**	**32,143**	**260,908**	261,419

Average number of full time equivalent number of staff employed during the year were :

Ministers	**5.12**	5.49
Mission staff	**1.00**	1.17
Administration	**1.19**	1.4
	7.31	8.06

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

9. Stipends, Salaries and Associated costs (continued)

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage as calculated by the Living Wage Foundation.

Methodist Ministers are not employees of the Methodist Church although for simplicity, when accounting for National Insurance and pension contributions, the terms employer and employee are used as they would be in an employing body.

Contributions are made to the Methodist Ministers' Pension Scheme for all ministers. This is a defined benefit scheme which is accounted for in the financial statements of the Methodist Church in Great Britian. This scheme is in deficit but a plan for the removal of the deficit is being implemented.

Lay workers have the option of joining a defined contribution pension scheme which the Circuit has set up with TPT Retirement Solutions.

Each minister is entitled to a 3 month sabbatical every 7 years and the expenses incurred by the minister are met by the Connexion with the Circuit continuing to pay the stipend. The Circuit does not accrue for holiday pay cover as the remaining staff cover as needed without extra pay.

Payments to Trustees

The Superintendent Minister, other ministers of the Circuit and the Circuit Stewards constitute the Circuit Leadership Team and are considered as Key Management Personel. The Superintendent chairs meetings of the Circuit Leadership Team and the Circuit Meeting. The Circuit Leadership Team, together with church and other representatives, are members of the Circuit Meeting and are the Trustees of the Circuit. The stipends, employer's National Insurance and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit, as determined by the Methodist Church, and are separately disclosed as part of staff costs above. Manses are provided by the Circuit and the Circuit maintains the property.

	Year ended	
	31.8.23	31.8.22
Payments made to trustees who are part of the leadership team		
Travel expenses	**£6,688**	£5,580
Phone expenses	**£4,283**	£3,359
	£10,971	£8,939
Payments made to trustees who are not part of the Circuit Leadership Team for additional services - preaching fees and related expenses	**£1,135**	£669
Number of trustees who were paid expenses	**8**	8

10. Fees for audit of the accounts

	Year ended	
	31.8.23	31.8.22
Audit fees	**£3,804**	£3,696

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

11. Tangible Fixed Assets

	Manses Land	Manses Buildings	Fixtures, Fittings & Equipment	Total
Cost or valuation	£	£	£	£
Balance at 1 September 2022	300,000	2,239,363	7,307	2,546,670
Additions	-	-	2,403	2,403
Disposals	-	-	(1,061)	(1,061)
Balance at 31 August 2023	**300,000**	**2,239,363**	**8,649**	**2,548,012**
Depreciation				
Balance at 1 September 2022	-	-	5,867	5,867
Disposals	-	-	(1,061)	(1,061)
Charge of year	-	-	1,521	1,521
Balance at 31 August 2023	-	-	**6,327**	**6,327**
Net book value				
At 31 August 2023	**300,000**	**2,239,363**	**2,322**	**2,541,685**
At 31 August 2022	300,000	2,239,363	1,440	2,540,803
Basis of depreciation	-	-	**Straight line 3 years**	

Manses at 31 August 2023 comprise:

9 Northvale Close, Kenilworth	Occupied by Circuit Minister
48 Warwick Place, Leamington Spa	Occupied by Circuit Minister
101 West Street, Warwick	Occupied by Circuit Minister
22 Gardiner Road, Kineton	Occupied by Circuit Minister
61 Murcott Road East, Whitnash	Occupied by Circuit Minister
1a Hillside Road, Stratford upon Avon	Occupied by Circuit Minister

12. Current Investments

During the year to 31 August 2023 the sales of Knightcote chapel and Mickleton manse were completed. In addition the Mickleton chapel and hall were inherited by the Circuit Meeting upon the closure of the societies there and are being held for disposed of by way of sale. Consequently, a value of those buildings is now recognised as a current asset investment.

	£	£
Balance at 1 September 2022		648,323
Sale of Knightcote chapel		(73,366)
Fair value of Mickleton chapel and hall	158,603	
Adjustment to fair value of Fenny Compton chapel	(57,669)	
		100,934
Sale of Mickleton manse - net proceeds	(192,205)	
adjustment to fair value	(3,608)	
		(195,813)
Balance at 31 August 2023		**480,078**

The fair value at 31 August is made up of the following properties:

	31 August 2023	31 August 2022
	£	£
Knightcote chapel	-	73,366
Fenny Compton chapel	113,435	171,104
Tysoe chapel	208,040	208,040
Mickleton manse	-	195,813
Mickleton chapel and hall	158,603	-
	480,078	**648,323**

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

13. Debtors	**31 August 2023**	31 August 2022
	£	£
Prepayments accrued income	**19,502**	18,517

14. Creditors due in less than one year	**£**	£
Accruals and deferred income	**14,994**	19,932
Other creditors	**150,415**	-
	165,409	**19,932**

15. Reserves	General Fund	Circuit Model Trust Fund	Total
	£	£	£
At 1 September 2022	3,230,098	283,569	3,513,667
Net (expenditure)/ income for the year	(82,847)	221	(82,626)
Gains and losses on investment assets	(3,608)	-	(3,608)
Other recognised gains and losses	100,934	-	100,934
Transfers between funds	(270,851)	270,851	-
Drawdown from CMTF	140,000	(140,000)	-
At 31 August 2023	**3,113,726**	**414,641**	**3,528,367**

The purpose of the General Fund is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. About 91% of this fund is held as freehold property and so is not available to meet expenditure in the short term.

The purpose of the Circuit Model Trust Fund (CMTF) is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. Its main source of income is contributions from the sale of manses and church buildings in the Circuit, after contributions and levies to the Connexion determined by the Methodist Church. Although technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

16.Related party transactions

			Year ended 31 August 2023		Year ended 31 August 2022	
Name of related party	**Relationship**	**Description of transaction**	**Income from related party**	**Paid to or goods provided to related party**	Income from related party	Paid to or goods provided to related party
			£	£	£	£
Methodist Churches within the South Warwickshire Circuit	Churches within the Circuit	Assessments (share of Circuit costs)	270,682	-	277,958	-
Wellesbourne Methodist Church	A Circuit Church	Grant for low energy lighting	-	519	-	-
Warwick Methodist Church	A Circuit Church	Outreach project	-	-	-	400
Wellesbourne Methodist Church	A Circuit Church	Outreach project	-		-	162
Wellesbourne Methodist Church	A Circuit Church	Grants for Audio Visual equipment	-		-	383
Stratford upon Avon Methodist Church	A Circuit Church	Grants for Audio Visual equipment	-	2,294	-	2,294
Birmingham Methodist District	Methodist District in which Circuit located	Assessment (share of costs of District and Methodist Connexion)	-	57,420	-	57,420
Birmingham Methodist District	Methodist District in which Circuit located	District Advance Fund contribution	-	19,160	-	19,160
Mickleton Methodist Church	Churches within the Circuit	Assets transferred on closure	119,830		-	-
Fenny Compton and Tysoe Methodist Churches	Churches within the Circuit	Assets transferred on closure	-	-	421,144	-

There were no amounts owed to related parties at the year end.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

17. Contingent Liabilities and Capital Commitments

Under the agreement that divided the assets of the Stratford and Evesham Methodist Circuit a disposal of the Mickleton manse would result in a liability to share the proceeds with the South Worcestershire Methodist Circuit. At 31 August 2023 the decision to make such a disposal had already been made so the property has been reclassified as a current asset investment at a value net of the amount due to the South Worcestershire Methodist Circuit.

Independent Auditor's Report to the Trustees of South Warwickshire Methodist Circuit

Opinion

We have audited the financial statements of South Warwickshire Methodist Circuit (the 'charity') for the year ended 31 August 2023 which comprise of the Statement of Financial Activities, Statement of Cash Flows, Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; a
- 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 Auditor's 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 charitable company'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 sec

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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' re
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of tra
- Testing documentation supporting account balances or classes of transactions.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during

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 auditor's 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,

J.W. Hinks LLP

JW Hinks LLP
Chartered Accountants and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

19 June 2024

SOUTH WARWICKSHIRE METHODIST CIRCUIT

England & Wales - Charity number 1154830

Accounts

South Warwickshire Methodist Circuit

Registered Charity Number 1154830

Trustees' Report and Audited Accounts

for the year ended 31 August 2022

PDF processed with CutePDF evaluation edition www.CutePDF.com

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2022

Introduction

This report and accounts covers the year to 31 August 2022.
The Circuit seeks to live out the calling of the Methodist Church to respond to the gospel of God's love in Christ and to live out its discipleship and to:

- increase awareness of God's presence and to celebrate God's love
- help people to grow and learn as Christians through mutual support and care
- be a good neighbour to people in need and to challenge injustice

The mission of the South Warwickshire Methodist Circuit is to encourage and support people to be open and responsive to God, each other and the world.

Review of the year

The Statement of Financial Activities shows a net deficit on the General Fund, before investment and other recognised gains and losses, of £88,721 for the year. This reflects planned utilisation of reserves to fund a policy of spending reserves on new initiatives to spread the word of God.
During the year the decision was made to dispose of the Mickleton manse. It was sold in April 2023. To reflect the change in that property's status it was transferred to the current asset investments category on the balance sheet. In doing so, the valuation basis changed and the loss on reclassification is shown in the Statement of Financial Activity.
During the year the Methodist Churches at Fenny Compton and Tysoe closed. As is normal in such cases, managing trusteeship of their assets passed to the Circuit. The plan is to dispose of the buildings. The gain arising on recognising the value for them is shown on the Statement of Financial Activity and they are classified as current asset investments on the Balance Sheet.
Net expenditure of £18,607 on the Circuit Model Trust Fund mainly arises from the District Advance Fund contribution of £19,160.
At the year end total reserves were £3,513,667. Of that £3,189,126 is held in fixed assets or property awaiting sale.

Income trends

The principal funding sources during the year were:
1) *General Fund* Assessments received from the churches in the Circuit: £277,958. (2021: £289,342)
2) *Circuit Model Trust Fund:* Investment income of £1,614. (2021: £1,267)

Expenditure trends

The principal items of expenditure were the stipends of ministers and provision of their manses, as well as the salaries of lay workers employed by the Circuit. Stipends increase each year in line with increases approved by the Methodist Conference. Lay workers are paid at or above the Living Wage (determined each November by the Living Wage Foundation). Lay worker salaries are reviewed annually to take account of any change in the scope and scale of responsibilities, individual performance and local comparators.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2022 (continued)

Expenditure trends (continued)

An assessment of £57,420 (2021: £55,716) was paid to the Birmingham Methodist District, to support the work of the Methodist District and the wider Methodist Church. The annual contribution to the District Advance Fund, £19,160 (2021: £28,778), was reduced from the previous year as a result of lower Model Trust Fund reserves. The contribution is made under Standing Order 955(6) and is a tariff based on Circuit funds held by the Trustees for Methodist Church Purposes at the previous year end.

Fund balances

At 31 August 2022 net current assets were £972,864 (2021 £513,909). The increase in net current assets arises from the recognition of values for buildings inherited when the Methodist Churches at Fenny Compton and Tysoe closed. These are recognised as current asset investments as the Circuit Meeting has resolved that they are surplus to requirements and intends to dispose of them.

Plans for 2022/23 and future years

Historically the Circuit sort to cover normal ongoing costs from the assessment income. The disruption of the Covid 19 pandemic has impacted on the income of many churches and caused some to close. As a consequence, the Circuit is not yet able to return to its previous funding model. In the short term income from property disposals will bridge the gap.

Basis of preparation of accounts and legal framework

The Charity's annual report and accounts for the year ended 31 August 2022 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS) 102.

These financial statements are subject to audit owing to the gross asset value of the Circuit exceeding the relevant threshold.

Charity registration number: 1154830

Main communication address : 9 Northvale Close, Kenilworth, CV8 2EN

South Warwickshire Methodist Circuit

Trustees' Report for the year ended 31 August 2022 (continued)

Charity trustees

The members of the South Warwickshire Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches (see Appendix to Trustees' Report for a full list of Trustees). The Circuit meeting delegates the day to day running of the circuit to a leadership team.

Circuit Leadership Team for the year to 31 August 2022

Active circuit ministers	Rev Iain Ballard
	Rev Sally Jones
	Rev Jeongsook Kim
	Rev Audrey Simpson
	Rev Jemima Strain (part time)
	Rev Richard Wilde (part time)
Circuit staff	Christine Flood - Assistant Minister to 10 December 2021
Circuit stewards	Sheila Brown
	Trevor Pethick
	David Witham (Treasurer)

David Witham acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Auditors	JW Hinks LLP - Chartered Accountants and Statutory Auditors
Bankers	Central Finance Board of the Methodist Church
	Trustees for Methodist Church Purposes
	CAF Bank

Aims and organisation

The charity's objective is to act as a resource provider in South Warwickshire for the Methodist Church.

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2022 (continued)

Aims and organisation (continued)
The Circuit encourages and supports the Methodist churches in South Warwickshire in:
the organisation and resourcing of regular public acts of worship which are open to members of the church and non members alike.
- the teaching of Christianity through sermons, courses and small groups.
- the resourcing of pastoral work including visiting the sick and bereaved.
- taking religious assemblies in local schools.
-promotion of Christianity through the staging of events and services.
-provision of clubs, activities and support groups with a Christian ethos.
- supporting other charities in the UK and overseas financially and with prayer.

The Circuit reviews its aims, objectives and activities and identifies opportunities for future action. It promotes mission and gives appropriate support to churches that demonstrate that they are outward looking, mission focused, not averse to change and taking risk and, where possible and appropriate, seeking to work in partnership with others.

Public Benefit
The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management
The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976).
Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).
Day to day management of the Circuit is undertaken by the Circuit Leadership team.

Selection of Trustees and Training of Trustees
Trustees are appointed as set out in the Constitutional Practice and Discipline of the Methodist Church. Appointment is made by local churches or existing trustees or, in the case of ministers, on stationing in the Circuit.
A range of guidance produced by Methodist Connexion to support the effective running of the Circuit is given to Circuit Meeting members, in particular the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit Meeting members as induction to their role as trustees. Other training is provided to Trustees appropriate to their role and responsibility within the Circuit.

Related Parties
The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist Churches and Local Ecumenical Projects (LEP) are linked to the Circuit: Cubbington, Dale Street, Fenny Compton, Henley in Arden, Kenilworth, Kineton, Mickleton, Radford Road (LEP), Stockton (LEP), Stratford upon Avon, Tysoe, Welford on Avon, Warwick, Wellesbourne and Whitnash.

The trustees and their close family members are also related parties.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2022 (continued)

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required. There is a regular annual review process undertaken and recorded.
Income and expenditure is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process and avoid unforeseen calls on reserves.

Safeguarding

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

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2022 (continued)

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and continue planned activities for the short term in the event of any inability to raise the full circuit assessment from churches.

At 31 August 2022, the Circuit held reserves of £972,864, excluding reserves held as tangible fixed assets. This represents £833,000 in excess of the amount determined under the Circuit's reserves policy. The Circuit continues to develop a strategy to utilise surplus reserves for the furtherance of its objectives. The Circuit Meeting on 17 July 2017 agreed that the following costs should be excluded from the base for calculating assessments on churches and will be funded from reserves:

- Manse refurbishment costs in excess of rental income
- Costs of three part time presbyters for the length of their appointments
- Cost of additional mission focussed ministry (specific appointments being developed)
- Grants

The policy is continuing.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2022 (continued)

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).

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;
- 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 28 June 2022 and signed on its behalf by:

Jane Mills

Deacon Jane Mills
Acting Superintendent Minister

Appendix A

South Warwickshire Methodist Circuit
Circuit Meeting Membership

MINISTERS	Rev Dr Iain Ballard	
	Rev Jemima Strain	
	Rev Jeongsook Kim	
	Rev Audrey Simpson	To 31 August 2022
	Rev Sally Jones	From 1 September 2021
	Deacon Jane Mills	From 1 September 2022
OTHER MINISTERS RESIDING IN THE CIRCUIT WHO WISH TO BE MEMBERS OF THE CIRCUIT MEETING		
	Rev Andy Laird	To 9 June 2022
	Rev E Brian Mason	
	Rev Richard Wilde	
	Rev Sam McBratney	
	Rev Ros Murphy	From 1 September 2021 to 15 June 2023
CIRCUIT STEWARDS	Trevor Pethick	
	Miranda Tarrant	To 31 December 2021
	David Witham - Treasurer	
	Janet Mee	To 31 August 2022
	Sheila Brown	From 3 March 2022
LOCAL PREACHERS REPRESENTATIVES		
	Russell Blackwell	
CHURCH REPRESENTATIVES		
Bidford upon Avon	Alan Walker	To 30 September 2021
Cubbington	Derek Dwyer	
	David Chirnside	
Dale Street	Rachel Weir	To 3 March 2022
	June Gabbitas	From 3 March 2022
	Jill Lloyd	From 7 September 2022
	Joanna Rhodes	
	Mark Whitehouse	From 7 September 2022
Fenny Compton	Linda Coleman	To 16 September 2021
	Jane Knight	To 16 September 2021
Henley in Arden	Margaret Blakemore	
	Andrew Steele	
Kineton	Michael Phipps	To 31 January 2021
	Roger Carter	From 1 June 2023
	Lesley Rimell	From 12 October 2021
	David Gill	To 16 September 2021
Kenilworth	Sandra Quarterman	From 7 September 2022
	Andrew Bennett	To 30 June 2022
	Sally McCawley	From 1 September 2022
	Mervyn Harvey	To 30 September 2022
	Jonathon Burrows	From 1 June 2023
Mickleton	Mark Boulton	To 30 October 2022
	Timothy Mead	To 30 October 2022
Radford Road	Margaret Bull	
	Andrew Davidson	From 1 April 2022
	Christina Wise	To 31 March 2022
Stockton	Heather Chamberlain	
Stratford upon Avon	Janet Grant	From 1 June 2023
	Kathleen Fraser	
	David Dumper	
Tysoe	Christopher Gibbs	To 16 September 2021
	Russell Blackwell	To 16 September 2021
Warwick	Trevor Blades	To 12 October 2021
	Anne Oliver	From 12 October 2021
	Julie Barr	From 1 June 2023
	Ken Hayward	From 1 June 2023
	Trevor Wills	
Welford upon Avon	Brian Bradley	
Wellesbourne	Alison Lusty	To 14 October 2021
	Carol Cave	From 14 October 2021
	Roger Thompson	
Whitnash	Jan Tyrrell	
OTHERS APPOINTED		
Climate Change	Mark Boulton	
Safeguarding	Penelope Sharples	From 22 June 2022
Archivist	Edward Royle	From 22 June 2022

South Warwickshire Methodist Circuit
Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.22	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.21
		£	£	£	£	£	£
Income							
Charitable activities							
Assessments from churches	5	277,958	-	**277,958**	289,342	-	289,342
Lettings of manses	6	11,409	-	**11,409**	13,800	-	13,800
Other	7	21,738	-	**21,738**	33,766	-	33,766
Interest receivable	8	240	1,614	**1,854**	59	1,267	1,326
Total income		**311,345**	**1,614**	**312,959**	336,967	1,267	338,234
Expenditure							
Stipends, salaries, NI, Pension	9	261,419	-	**261,419**	277,723	-	277,723
District Assessment		57,420	-	**57,420**	55,716	-	55,716
Telephone & travel		12,254	-	**12,254**	8,852	-	8,852
Insurance, utilities, etc		20,210	-	**20,210**	20,382	-	20,382
Maintenance on manses		8,923	-	**8,923**	17,095	-	17,095
Office costs		12,047		**12,047**	16,856		16,856
Other Expenditure		23,834	1,061	**24,895**	22,251	1,001	23,252
Grants and donations		3,239	-	**3,239**	943	-	943
Depreciation		720	-	**720**	288	-	288
Contributions to District Advance Fund		-	19,160	**19,160**	-	28,778	28,778
Total expenditure		**400,066**	**20,221**	**420,287**	420,106	29,779	449,885
Net (expenditure) / income		**(88,721)**	**(18,607)**	**(107,328)**	(83,139)	(28,512)	(111,651)
Gains and losses on investment assets							
Loss on reclassification	13	(204,187)		**(204,187)**	-	-	-
Other recognised gains and losses							
Redundant churches held for sale	13	371,910		**371,910**	80,600	-	80,600
Reclassification of funds		-	-	-	-	-	-
Transfers between funds		-	-	-	-	-	-
Draw down from model trust		70,000	(70,000)	**0**	100,000	(100,000)	0
Net movement in funds		**149,002**	**(88,607)**	**60,395**	97,461	(128,512)	(31,051)
Reconciliation of funds:							
Total funds brought forward		**3,081,096**	**372,176**	**3,453,272**	2,983,635	500,688	3,484,323
Total funds carried forward		**3,230,098**	**283,569**	**3,513,667**	3,081,096	372,176	3,453,272

South Warwickshire Methodist Circuit
Balance Sheet as at 31 August 2022

	Notes	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	31 August 2022 £	31 August 2021 £
Tangible Fixed Assets					
Land, buildings & equipment	11	2,540,803		**2,540,803**	2,539,363
Investment property	12	-		-	400,000
Total fixed assets		2,540,803		**2,540,803**	2,939,363
Current Assets					
Current investments	13	648,323	-	**648,323**	80,600
Debtors and prepayments	14	18,287	230	**18,517**	22,005
Trustees for Methodist Church Purposes		-	283,339	**283,339**	372,136
Central Finance Board Deposits		13,242	-	**13,242**	51,668
Cash at bank		29,375	-	**29,375**	10,209
Total current assets		**709,227**	**283,569**	**992,796**	536,618
Creditors and Accruals (due in under 1 yr)	15	19,932	-	**19,932**	22,709
Net current assets		**689,295**	**283,569**	**972,864**	513,909
Net assets		**3,230,098**	**283,569**	**3,513,667**	3,453,272
Funds of the Circuit					
General Fund	16	3,230,098	-	**3,230,098**	3,081,096
Circuit Model Trust Fund	16	-	283,569	**283,569**	372,176
Total Funds		**3,230,098**	**283,569**	**3,513,667**	3,453,272

Signed:

Dated: **28 June 2023**

David Witham FCA
Circuit Treasurer

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

1. Basis of accounting
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 with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRC 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.

2. Public benefit entity
The charity constitutes a public benefit entity as defined by FRS 102.

3. Consolidation
The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of those Churches within the Circuit are not consolidated into these financial statements.

4. Accounting policies
i. Income Recognition
Income is brought into account when the Circuit becomes entitled to the resources and the Trustees believe it is more likely than not that they will receive the resources, and the monetary value can be measured with sufficient reliability.
In accordance with Charities SORP (FRS 102), the time of volunteers is not recognised.

ii. Expenditure and Liabilities
Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Trustees to pay out resources and the amount of the obligation can be measured with reasonable certainty.

iii. Grants
Where there are no conditions attaching to a grant made by the Circuit from its own funds, the grant is recognised in full at the time of agreement to make the grant. Where the Circuit gives a grant with conditions for its payment, being a specific level of service or output to be provided, the grant is only recognised in the SOFA once the recipient of the grant has provided the specified service or output. When the grant to be accured 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.

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

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

4. Accounting policies (continued)

v. Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £250.
The freehold property held at 1 September 2015 is shown in the accounts at 2015 deemed value, being that property's insurance reinstatement value. The freehold property purchased after 1 September 2015 is shown at cost on acquisition. The freehold property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit. The land component of the freehold property is deemed to be £50,000 per property.
No depreciation is provided on property because the Trustees consider the current residual fair value of the property in its present condition to be not less than the value at which it is stated in the balance sheet and, in the absence of any evidence of impairment, any depreciation for the buildings component of the property would be immaterial. Depreciation is provided on fixtures, fittings and equipment on a straight line basis over three years.

vi. Investment properties

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. Where this is the case and the property is deemed not to be held for the long term purposes of the Circuit, the property is designated as an investment property. The investment property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit

vii. Properties held for sale

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit Trustees becoming the managing trustees for the property so that the Trustees decide whether the property can be used in a different way to further the mission of the Circuit or whether it is redundant and should be sold. If a decision is made to sell the property, it is classified as a current asset investment. Similarly, any other property held for resale would be a current asset investment. Such properties are recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking account of the levy to be charged by the Connexion. Any expenditure on the property that is likely to enhance its sales value is capitalised at the time that the expenditure is incurred. Where proceeds are intended to be spent on activities, the property is included in assets at the lower of cost and net realisable value.

viii. Debtors, creditors, bank and cash

Debtors are stated at settlement amount or amount advanced by the charity. Subsequently they are measured at the cash or other consideration expected to be received. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or the amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

ix. Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

4. Accounting policies (continued)

x. Ministers' Manse Costs

The Circuit is required to provide accomodation for each minister in the Circuit and their families and 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, as well as the cost of ministers' removal to the Circuit. Where any manse costs are viewed by HMRC as taxable benefits to the minister, the resulting employer NI charge is included as part of the NI cost for the year.

5. Assessments from Churches

At the year end the Circuit comprises 15 churches which are assessed for a contribution to meet the overall net core, ongoing costs of the Circuit. 80% of the assessment is apportioned to the Churches on the basis of their adjusted income, including only 50% of letting income to allow for increased running costs and excluding one-off receipts, and 20% of the assessment is apportioned on the basis of their unrestricted reserves.

	Year ended 31.8.22	Year ended 31.8.21
	£	£
Bidford on Avon	**-**	2,937
Cubbington	**20,428**	20,428
Dale Street	**69,276**	69,276
Fenny Compton	**1,531**	6,125
Henley in Arden	**6,024**	6,024
Kenilworth	**58,320**	58,193
Kineton	**6,524**	6,524
Mickleton	**7,660**	7,660
Radford Road	**8,412**	8,412
Stratford upon Avon	**41,136**	41,136
Tysoe	**-**	3,980
Warwick	**34,060**	34,060
Welford on Avon	**4,919**	4,919
Wellesbourne	**11,432**	11,432
Whitnash	**8,236**	8,236
	277,958	289,342

6. Lettings

Lettings income relates to manses that are not required to house Circuit ministers in the short term and the manse has been let to tenants. Letting income is shown gross of fees and commission. The Trustees consider that is likely that these manses are likely to be returned to use as manses in the forseeable future so remain designated as tangible fixed assets.

7. Other Income from Charitable Activities

Unrestricted income of £21,738 includes reimbursement from the Coventry and Warwickshire University Free Church Standing Committee (FCSC) of £17,139 being expenditure by the circuit in providing a payroll service for FCSC in respect of a chaplain at the University of Warwick.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

8. Interest receivable

	Unrestricted	Circuit Model Trust Fund	Year ended 31.8.22	Year ended 31.8.21
	£	£	£	£
Central Finance Board	**240**	**-**	**240**	59
Trustees for Methodist Church Purposes	**-**	**1,614**	**1,614**	1,267
Total	**240**	**1,614**	**1,854**	1,326

9. Stipends, Salaries and Associated costs

Staff Costs paid during the year were:

	Ministers (Circuit Trustees)	Mission staff	Administ-ration	Year ended 31.8.22 Total	31.8.21 Total
	£	£	£	£	£
Gross stipends and salaries	145,503	32,368	30,305	**208,176**	221,713
Employer's National Insurance costs	11,957	2,103	1,293	**15,353**	15,342
Pension costs	34,733	1,383	489	**36,605**	39,291
Apprenticeship Levy	949	177	159	**1,285**	1,377
Total staff costs	**193,142**	**36,031**	**32,246**	**261,419**	277,723

Average number of full time equivalent number of staff employed during the year were :

Ministers	**5.49**	5.92
Mission staff	**1.17**	1.50
Administration	**1.40**	1.47
	8.06	8.89

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

9. Stipends, Salaries and Associated costs (continued)

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage as calculated by the Living Wage Foundation.

Methodist Ministers are not employees of the Methodist Church although for simplicity, when accounting for National Insurance and pension contributions, the terms employer and employee are used as they would be in an employing body.

Contributions are made to the Methodist Ministers' Pension Scheme for all ministers. This is a defined benefit scheme which is accounted for in the financial statements of the Methodist Church in Great Britian. This scheme is in deficit but a plan for the removal of the deficit is being implemented.

Lay workers have the option of joining a defined contribution pension scheme which the Circuit has set up with TPT Retirement Solutions.

Each minister is entitled to a 3 month sabbatical every 7 years and the expenses incurred by the minister are met by the Connexion with the Circuit continuing to pay the stipend. The Circuit does not accrue for holiday pay cover as the remaining staff cover as needed without extra pay.

Payments to Trustees

The Superintendent Minister, other ministers of the Circuit and the Circuit Stewards constitute the Circuit Leadership Team and are considered as Key Management Personel. The Superintendent chairs meetings of the Circuit Leadership Team and the Circuit Meeting. The Circuit Leadership Team, together with church and other representatives, are members of the Circuit Meeting and are the Trustees of the Circuit. The stipends, employer's National Insurance and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit, as determined by the Methodist Church, and are separately disclosed as part of staff costs above. Manses are provided by the Circuit and the Circuit maintains the property.

	Year ended	
	31.8.22	31.8.21
Payments made to trustees who are part of the leadership team		
Travel expenses	**£5,580**	£1,534
Phone expenses	**£3,359**	£4,545
	£8,939	£6,079
Payments made to trustees who are not part of the Circuit Leadership Team for additional services - preaching fees and related expenses	**£669**	nil
Number of trustees who were paid expenses	**8**	7

10. Fees for audit of the accounts

	Year ended	
	31.8.22	31.8.21
Audit fees	**£3,696**	£3,474

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

11. Tangible Fixed Assets

	Manses Land	Manses Buildings	Fixtures, Fittings & Equipment	Total
Cost or valuation	£	£	£	£
Balance at 1 September 2021	300,000	2,239,363	5,147	2,544,510
Additions	-	-	2,160	2,160
Balance at 31 August 2022	**300,000**	**2,239,363**	**7,307**	**2,546,670**
Depreciation				
Balance at 1 September 2021	-	-	5,147	5,147
Charge of year	-	-	720	720
Balance at 31 August 2022	-	-	**5,867**	**5,867**
Net book value				
At 31 August 2022	**300,000**	**2,239,363**	**1,440**	**2,540,803**
At 31 August 2021	300,000	2,239,363	0	2,539,363
Basis of depreciation	-	-	**Straight line 2/3 years**	

Manses at 31 August 2022 comprise:

9 Northvale Close, Kenilworth	Occupied by Circuit Minister
48 Warwick Place, Leamington Spa	Occupied by Circuit Minister
101 West Street, Warwick	Occupied by Circuit Minister
22 Gardiner Road, Kineton	Occupied by Circuit Minister
61 Murcott Road East, Whitnash	Occupied by Circuit Minister
1a Hillside Road, Stratford upon Avon	Occupied by Circuit Minister
The Manse, Chapel Lane, Mickleton	Included in current asset investments

12. Investment Property

During the year the decision was made to terminate the tenancy at Mickleton manse and dispose of the property. As the sale took place after the year end the property is classified as a current asset ath 31 August 2022.

	£
Cost or valuation	
Balance at 1 September 2021	400,000
Transferred to current asset investments	(400,000)
Balance at 31 August 2022	**0**

13. Current Investments

During the year to 31 August 2022 the Circuit Meeting resolved that the buildings at Fenny Compton and Tysoe, inherited by the Circuit Meeting upon the closure of the societies there, should be disposed of by way of sale. Consequently, a value of those buildings is now recognised as a current asset investment.

	£	£
Balance at 1 September 2021		80,600
Reduction to value of Knightcote chapel brought forward	(7,234)	
Fair value of Fenny Compton chapel	171,104	
Fair value of Tysoe chapel	208,040	
		371,910
Mickleton manse - value as an investment property	400,000	
write down to fair value	(204,187)	
		195,813
Balance at 31 August 2022		**648,323**

The fair value at 31 August 2022 is made up of the following properties:

	£
Knightcote chapel	73,366
Fenny Compton chapel	171,104
Tysoe chapel	208,040
Mickleton manse	195,813
	648,323

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

14. Debtors	**31 August 2022**	31 August 2021
	£	£
Prepayments accrued income	**18,517**	22,005

15. Creditors due in less than one year	**£**	£
Accruals and deferred income	**19,932**	22,709

16. Reserves	General Fund	Circuit Model Trust Fund	Total
	£	£	£
At 1 September 2021	3,081,096	372,176	3,453,272
Net (expenditure)/ income for the year	(88,721)	(18,607)	(107,328)
Loss on reclassification of Mickleton Manse	(204,187)	-	(204,187)
Recognition of redundant churchs held for sale	371,910	-	371,910
Transfer between funds	70,000	(70,000)	-
At 31 August 2022	**3,230,098**	**283,569**	**3,513,667**

The purpose of the General Fund is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. About 91% of this fund is held as freehold property and so is not available to meet expenditure in the short term.

The purpose of the Circuit Model Trust Fund (CMTF) is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. Its main source of income is contributions from the sale of manses and church buildings in the Circuit, after contributions and levies to the Connexion determined by the Methodist Church. Although technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

17.Related party transactions

			Year ended 31 August 2022		Year ended 31 August 2021	
Name of related party	**Relationship**	**Description of transaction**	**Income from related party**	**Paid to or goods provided to related party**	Income from related party	Paid to or goods provided to related party
			£	£	£	£
Methodist Churches within the South Warwickshire Circuit	Churches within the Circuit	Assessments (share of Circuit costs)	277,958	-	289,342	-
Various churches within the Circuit	Churches within the Circuit	Grant for youth and mission work	-	-	-	943
Warwick Methodist Church	A Circuit Church	Outreach project	-	400	-	-
Wellesbourne Methodist Church	A Circuit Church	Outreach project	-	162	-	-
Wellesbourne Methodist Church	A Circuit Church	Grants for Audio Visual equipment	-	383	-	-
Stratford upon Avon Methodist Church	A Circuit Church	Grants for Audio Visual equipment	-	2,294	-	-
Dale Steet Methodist Church	A Circuit Church	Grant for K4 equipment	-	-	-	-
Birmingham Methodist District	Methodist District in which Circuit located	Assessment (share of costs of District and Methodist Connexion)	-	57,420	-	55,716
Birmingham Methodist District	Methodist District in which Circuit located	District Advance Fund contribution	-	19,160	-	28,778
Fenny Compton and Tysoe Methodist Churches	Churches within the Circuit	Assets transferred on closure	421,144	-	-	-

There were no amounts owed to related parties at the year end.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

18. Operating Leases

The minimum future lease payments receivable under non-cancellable operating leases ending not later than one year from the balance sheet date is £nil (2021 £10,350).

19. Contingent Liabilities and Capital Commitments

Under the agreement that divided the assets of the Stratford and Evesham Methodist Circuit a disposal of the Mickleton manse would result in a liability to share the proceeds with the South Worcestershire Methodist Circuit. At 31 August 2022 the decision to make such a disposal had already made so the property has been reclassified as a current asset investment at a value net of the amount due to the South Worcestershire Methodist Circuit.

Independent Auditor's Report to the Trustees of South Warwickshire Methodist Circuit

Opinion

We have audited the financial statements of South Warwickshire Methodist Circuit (the 'charity') for the year ended 31 August 2022 which comprise of the Statement of Financial Activities, Statement of Cash Flows, Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; an
- 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 Auditor's 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 charitable company'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 sectic

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of tran
- Testing documentation supporting account balances or classes of transactions.

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: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's 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.

J.W. Hinks LLP

JW Hinks LLP
Chartered Accountants and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

28 June 2023

SOUTH WARWICKSHIRE METHODIST CIRCUIT

England & Wales - Charity number 1154830

Accounts

South Warwickshire Methodist Circuit

Registered Charity Number 1154830

Trustees' Report and Audited Accounts

for the year ended 31 August 2021

PDF processed with CutePDF evaluation edition www.CutePDF.com

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2021

Introduction

This report and accounts covers the year to 31 August 2021. On 1 September 2019 the charity became the legal entity for the new South Warwickshire Methodist Circuit and it changed its name to celebrate that change. The South Warwickshire Methodist Circuit was formed by combining the Mid-Warwickshire Methodist Circuit with the eastern part of the Stratford and Evesham Methodist Circuit. Assets coming into the charity from the Stratford and Evesham Methodist Circuit on 1 September 2019 were required to be shown as income in the Statement of Financial Activity.

The Circuit seeks to live out the calling of the Methodist Church to respond to the gospel of God's love in Christ and to live out its discipleship and to:

- increase awareness of God's presence and to celebrate God's love
- help people to grow and learn as Christians through mutual support and care
- be a good neighbour to people in need and to challenge injustice

The mission of the South Warwickshire Methodist Circuit is to encourage and support people to be open and responsive to God, each other and the world.

Review of the year

The Statement of Financial Activities shows a net deficit on the General Fund, before other recognised gains and losses, of £83,139 for the year. This reflects planned utilisation of reserves to fund a policy of spending reserves on new initiatives to spread the word of God.

Net expenditure of £28,512 on the Circuit Model Trust Fund mainly arises from the District Advance Fund contribution of £28,778.

At the year end total reserves were £3,453,272. Of that £2,939,363 is held in fixed assets such as freehold and investment property.

Income trends

The principal funding sources during the year were:

1) *General Fund* Assessments received from the churches in the Circuit: £289,342. (2020: £285,063)

2) *Circuit Model Trust Fund:* Investment income of 1,267. (2020: £4,269)

Expenditure trends

The principal items of expenditure were the stipends of ministers and provision of their manses, as well as the salaries of lay workers employed by the Circuit. Stipends increase each year in line with increases approved by the Methodist Conference. Lay workers are paid at or above the Living Wage (determined each November by the Living Wage Foundation). Lay worker salaries are reviewed annually to take account of any change in the scope and scale of responsibilities, individual performance and local comparators.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2021 (continued)

Expenditure trends (continued)

An assessment of £55,716 (2020: £52,080) was paid to the Birmingham Methodist District, to support the work of the Methodist District and the wider Methodist Church. The annual contribution to the District Advance Fund, £28,778 (2020: £34,578), was reduced from the previous year as a result of lower Model Trust Fund reserves. The contribution is made under Standing Order 955(6) and is a tariff based on Circuit funds held by the Trustees for Methodist Church Purposes at the previous year end.

Fund balances

At 31 August 2021 net current assets were £513,909 (2020 £544,672). The reduction in net current assets reflects a combination of the Circuit's strategy of development within the Circuit and the District levy mentioned above offset by the recognition of a value relating to the surplus property at Knightcote.

Plans for 2021/22 and future years

Circuit financial plans for 2021/22 have had to reflect that the activity of the circuit and its Churches have been significantly disrupted by the covid 19 pandemic. In normal times the Circuit intends to continue to fund normal costs from the assessments paid by the Churches but will fund development work out of reserves. However, the pandemic will result in some normal costs being funded from reserves in the short term. The Circuit is taking steps to reduce the rate at which it is consuming its reserves.

Basis of preparation of accounts and legal framework

The Charity's annual report and accounts for the year ended 31 August 2021 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS) 102.

For the year to 31 August 2020, owing to the value of the assets introduced on circuit merger the income for the year exceeded the audit threshold. As a consequence, that year's financial statements were subject to audit rather than independent examination. For the year to 31 August 2021 the income fell below the audit threashold, however owing to the value of the gross assets, these financial statements are subject to audit.

Charity registration number: 1154830

Main communication address : 9 Northvale Close, Kenilworth, CV8 2EN

South Warwickshire Methodist Circuit

Trustees' Report for the year ended 31 August 2021 (continued)

Charity trustees

The members of the South Warwickshire Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches (see Appendix to Trustees' Report for a full list of Trustees). The Circuit meeting delegates the day to day running of the circuit to a leadership team.

Circuit Leadership Team for the year to 31 August 2021

Active circuit ministers	Rev Iain Ballard
	Rev Barbara Greenwood
	Rev Jeongsook Kim
	Rev Audrey Simpson
	Rev Jemima Strain (part time)
	Rev Sam McBratney (part time)
	Rev Richard Wilde (part time)
Circuit staff	Christine Flood - Assistant Minister
Circuit stewards	Trevor Pethick
	Miranda Tarrant
	Janet Mee
	David Witham (Treasurer)

David Witham acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Auditors	JW Hinks LLP - Chartered Accountants and Statutory Auditors

Bankers	Central Finance Board of the Methodist Church
	Trustees for Methodist Church Purposes
	CAF Bank

Aims and organisation

The charity's objective is to act as a resource provider in South Warwickshire for the Methodist Church.

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

a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other 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.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2021 (continued)

Aims and organisation (continued)

The Circuit encourages and supports the Methodist churches in South Warwickshire in: -
the organisation and resourcing of regular public acts of worship which are open to members of the church and non members alike.
- the teaching of Christianity through sermons, courses and small groups.
- the resourcing of pastoral work including visiting the sick and bereaved.
- taking religious assemblies in local schools.
-promotion of Christianity through the staging of events and services.
-provision of clubs, activities and support groups with a Christian ethos.
- supporting other charities in the UK and overseas financially and with prayer.

The Circuit reviews its aims, objectives and activities and identifies opportunities for future action. It promotes mission and gives appropriate support to churches that demonstrate that they are outward looking, mission focused, not averse to change and taking risk and, where possible and appropriate, seeking to work in partnership with others.

Public Benefit

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

Structure, Governance and Management

The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976).
Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).
Day to day management of the Circuit is undertaken by the Circuit Leadership team.

Selection of Trustees and Training of Trustees

Trustees are appointed as set out in the Constitutional Practice and Discipline of the Methodist Church. Appointment is made by local churches or existing trustees or, in the case of ministers, on stationing in the Circuit.
A range of guidance produced by Methodist Connexion to support the effective running of the Circuit is given to Circuit Meeting members, in particular the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit Meeting members as induction to their role as trustees. Other training is provided to Trustees appropriate to their role and responsibility within the Circuit.

Related Parties

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist Churches and Local Ecumenical Projects (LEP) are linked to the Circuit: Bidford on Avon, Cubbington, Dale Street, Fenny Compton, Henley in Arden, Kenilworth, Kineton, Mickleton, Radford Road (LEP), Stockton (LEP), Stratford upon Avon, Tysoe, Welford on Avon, Warwick, Wellesbourne and Whitnash.

The trustees and their close family members are also related parties.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2021 (continued)

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required. There is a regular annual review process undertaken and recorded.
Income and expenditure is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process and avoid unforeseen calls on reserves.

Safeguarding

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

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2021 (continued)

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and continue planned activities for the short term in the event of any inability to raise the full circuit assessment from churches.

At 31 August 2021, the Circuit held reserves of £513,909, excluding reserves held as tangible fixed assets. This represents £364,000 in excess of the amount determined under the Circuit's reserves policy. The Circuit continues to develop a strategy to utilise surplus reserves for the furtherance of its objectives. The Circuit Meeting on 17 July 2017 agreed that the following costs should be excluded from the base for calculating assessments on churches and will be funded from reserves:

- Manse refurbishment costs in excess of rental income
- Costs of three part time presbyters for the length of their appointments
- Cost of additional mission focussed ministry (specific appointments being developed)
- Grants

The policy is continuing.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2021 (continued)

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).

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;
- 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 22 June 2022 and signed on its behalf by:

Rev Dr Iain Ballard
Superintendent Minister

Appendix A

South Warwickshire Methodist Circuit
Circuit Meeting Membership

MINISTERS	Rev Dr Iain Ballard	
	Rev Barbara Greenwood	To 31 August 2021
	Rev Jemima Strain	
	Rev Jeongsook Kim	
	Rev Audrey Simpson	
	Rev Sally Jones	From 1 September 2021
OTHER MINISTERS RESIDING IN THE CIRCUIT WHO WISH TO BE MEMBERS OF THE CIRCUIT MEETING		
	Rev Andy Laird	To 9 June 2022
	Rev E Brian Mason	
	Rev Richard Wilde	
	Rev Sam McBratney	
	Rev Ros Murphy	From 1 September 2021
CIRCUIT STEWARDS	Trevor Pethick	
	Miranda Tarrant	To 31 December 2021
	David Witham - Treasurer	
	Janet Mee	
	Sheila Brown	From 3 March 2022
LOCAL PREACHERS REPRESENTATIVES		
	Russell Blackwell	
CHURCH REPRESENTATIVES		
Bidford upon Avon	Alan Walker	
	Barry Sutcliffe	To 29 June 2021
Cubbington	Derek Dwyer	
	David Chirnside	
Dale Street	Rachel Weir	To 3 March 2022
	June Gabbitas	From 3 March 2022
	Joanna Rhodes	
Fenny Compton	Linda Coleman	To 16 September 2021
	Jane Knight	To 16 September 2021
Henley in Arden	Margaret Blakemore	
	Andrew Steele	
Kineton	Michael Phipps	
	Lesley Rimell	From 12 October 2021
	David Gill	To 16 September 2021
Kenilworth	Jo Roberts	To 21 April 2021
	Andrew Bennett	From 21 April 2021
	Mervyn Harvey	
Mickleton	Mark Boulton	
	Timothy Mead	
Radford Road	Margaret Bull	
	Christina Wise	
Stockton	Heather Chamberlain	
Stratford upon Avon	Margaret Smith	To 17 December 2020
	Kathleen Fraser	From 17 December 2020
	David Dumper	
Tysoe	Christopher Gibbs	To 16 September 2021
	Russell Blackwell	
Warwick	Trevor Blades	To 12 October 2021
	Anne Oliver	From 12 October 2021
	Trevor Wills	
Welford upon Avon	Brian Bradley	
Wellesbourne	Alison Lusty	To 14 October 2021
	Carol Cave	From 14 October 2021
	Roger Thompson	
Whitnash	Jan Tyrrell	

South Warwickshire Methodist Circuit
Statement of Financial Activities (SOFA) for the year ended 31 August 2021

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.21	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.20
		£	£	**£**	£	£	£
Income							
Charitable activities							
Assessments from churches	5	289,342	-	**289,342**	285,063	-	285,063
Lettings of manses	6	13,800	-	**13,800**	4,638	-	4,638
Other	7	33,766	-	**33,766**	16,293	-	16,293
Interest receivable	8	59	1,267	**1,326**	563	4,269	4,832
Cash balances received on circuit merger				**0**	42,630	4,036	46,666
Fixed assets received on circuit merger				**0**	775,000		775,000
Total income		**336,967**	**1,267**	**338,234**	1,124,187	8,305	1,132,492
Expenditure							
Stipends, salaries, NI, Pension	9	277,723	-	**277,723**	246,653	-	246,653
District Assessment		55,716	-	**55,716**	52,080	-	52,080
Telephone & travel		8,852	-	**8,852**	13,755	-	13,755
Insurance, utilities, etc		20,382	-	**20,382**	21,320	-	21,320
Maintenance on manses		17,095	-	**17,095**	12,166	-	12,166
Office costs		16,856		**16,856**	12,742		12,742
Other Expenditure		22,251	1,001	**23,252**	26,295	1,172	27,467
Grants and donations		943	-	**943**	9,952	-	9,952
Depreciation		288	-	**288**	908	-	908
Contributions to District Advance Fund		-	28,778	**28,778**	-	34,578	34,578
Total expenditure		**420,106**	**29,779**	**449,885**	395,871	35,750	431,621
Net (expenditure) / income		**(83,139)**	**(28,512)**	**(111,651)**	728,316	(27,445)	700,871
Other recognised gains and losses							
Redundant churches held for sale	13	80,600		**80,600**	-	-	0
Reclassification of funds		-	-	**-**	-	-	-
Transfers between funds		-	-	**-**	-	-	-
Draw down from model trust		100,000	(100,000)	**0**	50,000	(50,000)	0
Net movement in funds		**97,461**	**(128,512)**	**(31,051)**	778,316	(77,445)	700,871
Reconciliation of funds:							
Total funds brought forward		**2,983,635**	**500,688**	**3,484,323**	2,205,319	578,133	2,783,452
Total funds carried forward		**3,081,096**	**372,176**	**3,453,272**	2,983,635	500,688	3,484,323

South Warwickshire Methodist Circuit
Balance Sheet as at 31 August 2021

	Notes	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	31 August 2021 £	31 August 2020 £
Tangible Fixed Assets					
Land, buildings & equipment	11	2,539,363		**2,539,363**	2,539,651
Investment property	12	400,000		**400,000**	400,000
Total fixed assets		2,939,363		**2,939,363**	2,939,651
Current Assets					
Current investments	13	80,600	-	**80,600**	-
Debtors and prepayments	14	21,965	40	**22,005**	19,406
Trustees for Methodist Church Purposes		-	372,136	**372,136**	500,374
Central Finance Board Deposits		51,668	-	**51,668**	16,983
Cash at bank		10,209	-	**10,209**	25,534
Total current assets		**164,442**	**372,176**	**536,618**	562,297
Creditors and Accruals (due in under 1 yr)	15	22,709	-	**22,709**	17,625
Net current assets		**141,733**	**372,176**	**513,909**	544,672
Net assets		**3,081,096**	**372,176**	**3,453,272**	3,484,323
Funds of the Circuit					
General Fund	16	3,081,096	-	**3,081,096**	2,983,635
Circuit Model Trust Fund	16	-	372,176	**372,176**	500,688
Total Funds		**3,081,096**	**372,176**	**3,453,272**	3,484,323

Signed: 

Dated: **22 June 2022**

David Witham FCA
Circuit Treasurer

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

1. Basis of accounting
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 with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRC 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.

2. Public benefit entity
The charity constitutes a public benefit entity as defined by FRS 102.

3. Consolidation
The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of those Churches within the Circuit are not consolidated into these financial statements.

4. Accounting policies
i. Income Recognition
Income is brought into account when the Circuit becomes entitled to the resources and the Trustees believe it is more likely than not that they will receive the resources, and the monetary value can be measured with sufficient reliability.
In accordance with Charities SORP (FRS 102), the time of volunteers is not recognised.

ii. Expenditure and Liabilities
Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Trustees to pay out resources and the amount of the obligation can be measured with reasonable certainty.

iii. Grants
Where there are no conditions attaching to a grant made by the Circuit from its own funds, the grant is recognised in full at the time of agreement to make the grant. Where the Circuit gives a grant with conditions for its payment, being a specific level of service or output to be provided, the grant is only recognised in the SOFA once the recipient of the grant has provided the specified service or output. When the grant to be accured 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.

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

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

4. Accounting policies (continued)

v. Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £250.
The freehold property held at 1 September 2015 is shown in the accounts at 2015 deemed value, being that property's insurance reinstatement value. The freehold property purchased after 1 September 2015 is shown at cost on acquisition. The freehold property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit. The land component of the freehold property is deemed to be £50,000 per property.
No depreciation is provided on property because the Trustees consider the current residual fair value of the property in its present condition to be not less than the value at which it is stated in the balance sheet and, in the absence of any evidence of impairment, any depreciation for the buildings component of the property would be immaterial. Depreciation is provided on fixtures, fittings and equipment on a straight line basis over three years.

vi. Investment properties

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. Where this is the case and the property is deemed not to be held for the long term purposes of the Circuit, the property is designated as an investment property. The investment property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit

vii. Properties held for sale

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit Trustees becoming the managing trustees for the property so that the Trustees decide whether the property can be used in a different way to further the mission of the Circuit or whether it is redundant and should be sold. If a decision is made to sell the property, it is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking account of the levy to be charged by the Connexion. Any expenditure on the property that is likely to enhance its sales value is capitalised at the time that the expenditure is incurred. Where proceeds are intended to be spent on activities, the property is included in assets at the lower of cost and net realisable value.

viii. Debtors, creditors, bank and cash

Debtors are stated at settlement amount or amount advanced by the charity. Subsequently they are measured at the cash or other consideration expected to be received. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or the amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

ix. Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

4. Accounting policies (continued)
x. Ministers' Manse Costs
The Circuit is required to provide accomodation for each minister in the Circuit and their families and 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, as well as the cost of ministers' removal to the Circuit. Where any manse costs are viewed by HMRC as taxable benefits to the minister, the resulting employer NI charge is included as part of the NI cost for the year.

5. Assessments from Churches
At the year end the Circuit comprises 15 churches which are assessed for a contribution to meet the overall net core, ongoing costs of the Circuit. 80% of the assessment is apportioned to the Churches on the basis of their adjusted income, including only 50% of letting income to allow for increased running costs and excluding one-off receipts, and 20% of the assessment is apportioned on the basis of their unrestricted reserves.

	Year ended 31.8.21	Year ended 31.8.20
	£	£
Bidford on Avon	**2,937**	6,288
Cubbington	**20,428**	13,516
Dale Street	**69,276**	63,000
Fenny Compton	**6,125**	5,844
Henley in Arden	**6,024**	6,688
Kenilworth	**58,193**	54,780
Kineton	**6,524**	10,888
Knightcote	**-**	1,371
Mickleton	**7,660**	7,976
Radford Road	**8,412**	11,700
Stratford upon Avon	**41,136**	43,144
Tysoe	**3,980**	6,024
Warwick	**34,060**	33,448
Welford on Avon	**4,919**	4,436
Wellesbourne	**11,432**	8,632
Whitnash	**8,236**	7,328
	289,342	285,063

6. Lettings
Lettings income relates to manses that are not required to house Circuit ministers in the short term and the manse has been let to tenants. Letting income is shown gross of fees and commission. The Trustees consider that is likely that these manses are likely to be returned to use as manses in the forseeable future so remain designated as tangible fixed assets.

7. Other Income from Charitable Activities
Unrestricted income of £33,766 includes reimbursement from the Coventry and Warwickshire University Free Church Standing Committee (FCSC) of £16,932 being expenditure by the circuit in providing a payroll service for FCSC in respect of a chaplain at the University of Warwick and £12,113 from the estate of Dorothy May Cox.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

8. Interest receivable

	Unrestricted	Circuit Model Trust Fund	Year ended 31.8.21	Year ended 31.8.20
	£	£	£	£
Central Finance Board	**59**	**-**	**59**	563
Trustees for Methodist Church Purposes	**-**	**1,267**	**1,267**	4,269
Total	**59**	**1,267**	**1,326**	4,832

9. Stipends, Salaries and Associated costs

Staff Costs paid during the year were:				Year ended 31.8.21	Year ended 31.8.20
	Ministers (Circuit Trustees)	Mission staff	Administ-ration	Total	Total
	£	£	£	£	£
Gross stipends and salaries	157,084	33,027	31,602	**221,713**	194,865
Employer's National Insurance costs	11,913	2,126	1,303	**15,342**	13,586
Pension costs	37,213	1,352	726	**39,291**	37,041
Apprenticeship Levy	976	205	196	**1,377**	1,161
Total staff costs	**207,186**	**36,710**	**33,827**	**277,723**	246,653

Average number of full time equivalent number of staff employed during the year were :

Ministers	**5.92**	5.75
Mission staff	**1.50**	1.00
Administration	**1.47**	1.67
	8.89	8.42

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

9. Stipends, Salaries and Associated costs (continued)

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage as calculated by the Living Wage Foundation.

Methodist Ministers are not employees of the Methodist Church although for simplicity, when accounting for National Insurance and pension contributions, the terms employer and employee are used as they would be in an employing body.

Contributions are made to the Methodist Ministers' Pension Scheme for all ministers. This is a defined benefit scheme which is accounted for in the financial statements of the Methodist Church in Great Britian. This scheme is in deficit but a plan for the removal of the deficit is being implemented.

Lay workers have the option of joining a defined contribution pension scheme which the Circuit has set up with TPT Retirement Solutions.

Each minister is entitled to a 3 month sabbatical every 7 years and the expenses incurred by the minister are met by the Connexion with the Circuit continuing to pay the stipend. Two ministers had sabbaticals during the year. The Circuit does not accrue for holiday pay cover as the remaining staff cover as needed without extra pay.

Payments to Trustees

The Superintendent Minister, other ministers of the Circuit and the Circuit Stewards constitute the Circuit Leadership Team and are considered as Key Management Personel. The Superintendent chairs meetings of the Circuit Leadership Team and the Circuit Meeting. The Circuit Leadership Team, together with church and other representatives, are members of the Circuit Meeting and are the Trustees of the Circuit. The stipends, employer's National Insurance and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit, as determined by the Methodist Church, and are separately disclosed as part of staff costs above. Manses are provided by the Circuit and the Circuit maintains the property.

	Year ended	
	31.8.21	31.8.20
Payments made to trustees who are part of the leadership team		
Travel expenses	**£1,534**	£7,832
Phone expenses	**£4,545**	£2,695
	£6,079	£10,527
Payments made to trustees who are not part of the Circuit Leadership Team for additional services - preaching fees and related expenses	**nil**	£1,305
Number of trustees who were paid expenses	**7**	9

10. Fees for audit of the accounts

	Year ended	
	31.8.21	31.8.20
Audit fees	**£3,474**	£3,360

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

11. Tangible Fixed Assets

	Manses Land	Manses Buildings	Fixtures, Fittings & Equipment	Total
Cost or valuation	**£**	**£**	**£**	**£**
Balance at 1 September 2020	300,000	2,239,363	5,147	2,544,510
Balance at 31 August 2021	**300,000**	**2,239,363**	**5,147**	**2,544,510**
Depreciation				
Balance at 1 September 2020	-	-	4,859	4,859
Charge of year	-	-	288	288
Balance at 31 August 2021	-	-	**5,147**	**5,147**
Net book value				
At 31 August 2021	**300,000**	**2,239,363**	**0**	**2,539,363**
At 31 August 2020	300,000	2,239,363	288	2,539,651
Basis of depreciation	-	-	**Straight line 2/3 years**	

Manses at 31 August 2021 comprise:

9 Northvale Close, Kenilworth	Occupied by Circuit Minister
48 Warwick Place, Leamington Spa	Occupied by Circuit Minister
101 West Street, Warwick	Occupied by Circuit Minister
22 Gardiner Road, Kineton	Occupied by Circuit Minister
61 Murcott Road East, Whitnash	Occupied by Circuit Minister
1a Hillside Road, Stratford upon Avon	Occupied by Circuit Minister
The Manse, Chapel Lane, Mickleton	Currently let, included in investment property

12. Investment Property

Mickleton manse is currently let and is considered unlikely to be used for its original purpose again. Therefore, it is classified as an investment property.

	£
Cost or valuation	
Balance at 1 September 2020	400,000
Balance at 31 August 2021	**400,000**

13. Current Investments

During the year to 31 August 2021 the Circuit Meeting resolved that the building at Knightcote, inherited by the Circuit Meeting upon the closure of the society there, should be disposed of by way of sale. Consequently, a value for that building is now recognised as a current asset investment. The fair value is based on an offer received following the marketing of the building. Contracts have not yet been exchanged.

	£	£
Offer accepted subject to contract		112,000
Less: Estimated expenses of sale	11,000	
Estimated Connexional Property Fund levy	20,400	
		31,400
		80,600

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

14. Debtors	**31 August 2021**	31 August 2020
	£	£
Prepayments accrued income	**22,005**	19,406

15. Creditors due in less than one year	**£**	£
Accruals and deferred income	**20,435**	17,625

16. Reserves	General Fund	Circuit Model Trust Fund	Total
	£	£	£
At 1 September 2020	2,983,635	500,688	3,484,323
Net (expenditure)/ income for the year	(83,139)	(28,512)	(111,651)
Recognition of redundant church held for sale	80,600	-	80,600
Transfer between funds	100,000	(100,000)	-
At 31 August 2021	**3,081,096**	**372,176**	**3,453,272**

The purpose of the General Fund is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. About 98% of this fund is held as freehold property and so is not available to meet expenditure in the short term.

The purpose of the Circuit Model Trust Fund (CMTF) is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. Its main source of income is contributions from the sale of manses and church buildings in the Circuit, after contributions and levies to the Connexion determined by the Methodist Church. Although technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

17.Related party transactions

			Year ended 31 August 2021		**Year ended 31 August 2020**	
Name of related party	**Relationship**	**Description of transaction**	**Income from related party**	**Paid to or goods provided to related party**	Income from related party	Paid to or goods provided to related party
			£	**£**	**£**	**£**
Methodist Churches within the South Warwickshire Circuit	Churches within the Circuit	Assessments (share of Circuit costs)	289,342	-	285,063	-
Various churches within the Circuit	Churches within the Circuit	Grant for youth and mission work	-	943	-	996
Various smaller churches within the Circuit	Churches within the Circuit	Grants for Audio Visual equipment	-	-	-	3,089
Various smaller churches within the Circuit	Churches within the Circuit	Grant for new hymn books	-	-	-	530
Tysoe Methodist Church	A Circuit Church	Ark project	-	-	-	420
Stratford upon Avon Methodist Church	A Circuit Church	Grant towars awning	-	-	-	1,000
Dale Steet Methodist Church	A Circuit Church	Grant for K4 equipment	-	-		3,668
Birmingham Methodist District	Methodist District in which Circuit located	Assessment (share of costs of District and Methodist Connexion)	-	55,716	-	52,080
Birmingham Methodist District	Methodist District in which Circuit located	District Advance Fund contribution	-	28,778	-	34,578
Rev D Greenwood	Spouse of a trustee	Preaching fees	-	-	-	295

There were no amounts owed to related parties at the year end.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2021

18. Operating Leases

The minimum future lease payments receivable under non-cancellable operating leases ending not later than one year from the balance sheet date is £10,350.

19. Contingent Liabilities and Capital Commitments

Under the agreement that divided the assets of the Stratford and Evesham Methodist Circuit a disposal of the Mickleton manse could result in a liability to share the proceeds with the South Worcestershire Methodist Circuit. The amount of any such liability would be 50% of the net proceeds in excess of the value of the Wyre Trust reduced by net rentals received by this circuit. Based on the value used for the manse in the balance sheet, such a liability would be approximately £102,000. This is in addition to the liability to the Connexional Priority Fund that arises on most property disposals. No provision has been made in the financial statements on the basis that there are no plans to sell the manse and therefore the liability is not expected to be incurred.

Independent Auditor's Report to the Trustees of South Warwickshire Methodist Circuit

Opinion

We have audited the financial statements of South Warwickshire Methodist Circuit (the 'charity') for the year ended 31 August 2021 which comprise of the Statement of Financial Activities, Statement of Cash Flows, Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; an
- 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 Auditor's 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 charitable company'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 sectio

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and discussed the policies and procedures regarding compliance.

Specific areas considered were as follows:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of trans
- Testing documentation supporting account balances or classes of transactions.

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: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's 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.

J E Cruse for and on behalf of JW Hinks LLP

JW Hinks LLP
Chartered Accountants and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

22 June 2022

SOUTH WARWICKSHIRE METHODIST CIRCUIT

England & Wales - Charity number 1154830

Accounts

South Warwickshire Methodist Circuit

Registered Charity Number 1154830

Trustees' Report and Audited Accounts

for the year ended 31 August 2020

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South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2020

Introduction

This report and accounts covers the year to 31 August 2020. On 1 September 2019 the charity became the legal entity for the new South Warwickshire Methodist Circuit and it changed its name to celebrate that change. The South Warwickshire Methodist Circuit was formed by combining the Mid-Warwickshire Methodist Circuit with the eastern part of the Stratford and Evesham Methodist Circuit. As this charity previously consited of just the Mid-Warwickshire Methodist Circuit the comparative figures from the year to 31 August 2019 relate to that circuit only. Assets coming into the charity from the Stratford and Evesham Methodist Circuit are required to be shown as income in the Statement of Financial Activity.

The Circuit seeks to live out the calling of the Methodist Church to respond to the gospel of God's love in Christ and to live out its discipleship and to:

- increase awareness of God's presence and to celebrate God's love
- help people to grow and learn as Christians through mutual support and care
- be a good neighbour to people in need and to challenge injustice

The mission of the South Warwickshire Methodist Circuit is to encourage and support people to be open and responsive to God, each other and the world.

Review of the year

The Statement of Financial Activities shows a net surplus on the General Fund, before other recognised gains and losses, of £728,316 for the year. This reflects the assets introduced at circuit merger of £817,630. Other than that a deficit would have been reported reflecting a policy of spending reserves on new initiatives to spread the word of God.
Net expenditure of £27,445 on the Circuit Model Trust Fund mainly arises from the District Advance Fund contribution of £34,578.
At the year end total reserves were £3,484,323. Of that £2,939,651 is held in fixed assets such as freehold and investment property.

Income trends

The principal funding sources during the year, excluding circuit merger items, were:

1) *General Fund* Assessments received from the churches in the Circuit: £285,063.

2) *Circuit Model Trust Fund:* Investment income of £4,269.

Expenditure trends

The principal items of expenditure were the stipends of ministers and provision of their manses, as well as the salaries of lay workers employed by the Circuit. Stipends increase each year in line with increases approved by the Methodist Conference. Lay workers are paid at or above the Living Wage (determined each November by the Living Wage Foundation). Lay worker salaries are reviewed annually to take account of any change in the scope and scale of responsibilities, individual performance and local comparators.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2020 (continued)

Expenditure trends (continued)

An assessment of £52,080 was paid to the Birmingham Methodist District, to support the work of the Methodist District and the wider Methodist Church. The annual contribution to the District Advance Fund, £34,578, was increased from the previous year as a result of higher Model Trust Fund reserves. The contribution is made under Standing Order 955(6) and is a tariff based on Circuit funds held by the Trustees for Methodist Church Purposes at the previous year end.

Fund balances

At 31 August 2020 net current assets were £544,672 (2019 £617,892). The reduction in net current assets reflects a combination of the Circuit's strategy of development within the Circuit and the District levy mentioned above.

Plans for 2020/21 and future years

Circuit financial plans for 2020/21 have had to reflect that the activity of the circuit and its Churches have been significantly disrupted by the covid 19 pandemic. In normal times the Circuit intends to continue to fund normal costs from the assessments paid by the Churches but will fund development work out of reserves. However, the pandemic will result in some normal costs being funded from reserves in the short term.

Basis of preparation of accounts and legal framework

The Charity's annual report and accounts for the year ended 31 August 2020 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS) 102.

While the combining of circuits discussed in the introduction to this report is considered to be a merger by those involved, it does not satisfy the strict requirements for the application of merger accounting. So that has not been used.

Owing to the value of the assets introduced on circuit merger the income for the year exceeds the audit threashold. As a consequence, these accounts have been subject to audit rather than independent examination. It has also been necessary to include a Statement of cash flows.

Charity registration number: 1154830

Main communication address : 9 Northvale Close, Kenilworth, CV8 2EN

South Warwickshire Methodist Circuit

Trustees' Report for the year ended 31 August 2020 (continued)

Charity trustees

The members of the South Warwickshire Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches (see Appendix to Trustees' Report for a full list of Trustees). The Circuit meeting delegates the day to day running of the circuit to a leadership team.

Circuit Leadership Team for the year to 31 August 2020

Active circuit ministers	Rev Peter Powers
	Rev Barbara Greenwood
	Rev Jeongsook Kim
	Rev Jemima Strain (part time)
	Rev Sam McBratney (part time)
	Rev Richard Wilde (part time)
Circuit lay workers	Christine Flood - Assistant Minister
	Catherine Evans-Routley - Circuit Operations Manager
	Kate Tennyson - Circuit Administrator
Circuit stewards	Trevor Pethick
	Miranda Tarrant
	Janet Mee
	David Witham (Treasurer)

David Witham acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Auditor	JW Hinks LLP - Chartered Accountants and Statutory Auditors
Bankers	Central Finance Board of the Methodist Church
	Trustees for Methodist Church Purposes
	CAF Bank

Aims and organisation

The charity's objective is to act as a resource provider in South Warwickshire for the Methodist Church.

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2020 (continued)

Aims and organisation (continued)
The Circuit encourages and supports the Methodist churches in South Warwickshire in:
the organisation and resourcing of regular public acts of worship which are open to members of the church and non members alike.
- the teaching of Christianity through sermons, courses and small groups.
- the resourcing of pastoral work including visiting the sick and bereaved.
- taking religious assemblies in local schools.
-promotion of Christianity through the staging of events and services.
-provision of clubs, activities and support groups with a Christian ethos.
- supporting other charities in the UK and overseas financially and with prayer.

The Circuit reviews its aims, objectives and activities and identifies opportunities for future action. It promotes mission and gives appropriate support to churches that demonstrate that they are outward looking, mission focused, not averse to change and taking risk and, where possible and appropriate, seeking to work in partnership with others.

Public Benefit
The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management
The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976).
Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).
Day to day management of the Circuit is undertaken by the Circuit Leadership team.

Selection of Trustees and Training of Trustees
Trustees are appointed as set out in the Constitutional Practice and Discipline of the Methodist Church. Appointment is made by local churches or existing trustees or, in the case of ministers, on stationing in the Circuit.
A range of guidance produced by Methodist Connexion to support the effective running of the Circuit is given to Circuit Meeting members, in particular the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit Meeting members as induction to their role as trustees. Other training is provided to Trustees appropriate to their role and responsibility within the Circuit.

Related Parties
The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.
The following Methodist Churches and Local Ecumenical Projects (LEP) are linked to the Circuit: Bidford on Avon, Cubbington, Dale Street, Fenny Compton, Henley in Arden, Kenilworth, Kineton, Knightcote, Mickleton, Radford Road (LEP), Stockton (LEP), Stratford upon Avon, Tysoe, Welford on Avon, Warwick, Wellesbourne and Whitnash.

The trustees and their close family members are also related parties.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2020 (continued)

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required. There is a regular annual review process undertaken and recorded.
Income and expenditure is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process and avoid unforeseen calls on reserves.

Safeguarding

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

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

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

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2020 (continued)

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and continue planned activities for the short term in the event of any inability to raise the full circuit assessment from churches.

At 31 August 2020, the Circuit held reserves of £544,672, excluding reserves held as tangible fixed assets. This represents £440,000 in excess of the amount determined under the Circuit's reserves policy. The Circuit continues to develop a strategy to utilise surplus reserves for the furtherance of its objectives. The Circuit Meeting on 17 July 2017 agreed that the following costs should be excluded from the base for calculating assessments on churches and will be funded from reserves:

- Manse refurbishment costs in excess of rental income
- Costs of three part time presbyters for the length of their appointments
- Cost of additional mission focussed ministry (specific appointments being developed)
- Grants

The policy is continuing.

South Warwickshire Methodist Circuit
Trustees' Report for the year ended 31 August 2020 (continued)

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).

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;
- 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 10 June 2021 and signed on its behalf by:



Rev Dr Iain Ballard
Superintendent Minister

Appendix A

South Warwickshire Methodist Circuit
Circuit Meeting Membership

MINISTERS	Rev Peter Powers - Superintendent Minister	To 31 August 2020
	Rev Dr Iain Ballard	From 1 September 2020
	Rev Barbara Greenwood	
	Rev Jemima Strain	
	Rev Sam McBratney	
	Rev Jeongsook Kim	
	Rev Audrey Simpson	
OTHER MINISTERS RESIDING IN THE CIRCUIT WHO WISH TO BE MEMBERS OF THE CIRCUIT MEETING		
	Rev Andy Laird	
	Rev E Brian Mason	
	Rev Richard Wilde	
CIRCUIT STEWARDS	Trevor Pethick	
	Miranda Tarrant	
	David Witham - Treasurer	
	Janet Mee	
	Kathleen Fraser	To 31 August 2020
LOCAL PREACHERS REPRESENTATIVES		
	Russell Blackwell	
CHURCH REPRESENTATIVES		
Bidford upon Avon	Alan Walker	
	Barry Sutcliffe	
Cubbington	Derek Dwyer	
	David Chirnside	
Dale Street	Rachel Weir	
	Joanna Rhodes	
Fenny Compton	Linda Coleman	
	Jane Knight	
Henley in Arden	Margaret Blakemore	
	Andrew Steele	
Kineton	Michael Phipps	
	David Gill	
Kenilworth	Jo Roberts	To 21 April 2021
	Andrew Bennett	From 21 April 2021
	Mervyn Harvey	
Knightcote	Antony Charles	To 2 March 2020
Mickleton	Mark Boulton	
	Timothy Mead	
Radford Road	Margaret Bull	
	Christina Wise	
Stockton	Heather Chamberlain	
Stratford upon Avon	Margaret Smith	To 17 December 2020
	Kathleen Fraser	From 17 December 2020
	David Dumper	
Tysoe	Christopher Gibbs	
	Russell Blackwell	
Warwick	Trevor Blades	
	Trevor Wills	
Welford upon Avon	Brian Bradley	
Wellesbourne	Alison Lusty	
	Roger Thompson	
Whitnash	Keith Miles	To 31 August 2020
	Jan Tyrrell	From 1 September 2020

South Warwickshire Methodist Circuit
Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.20	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.19
		£	£	£	£	£	£
Income							
Charitable activities							
Assessments from churches	5	285,063	-	**285,063**	210,146	-	210,146
Lettings of manses	6	4,638	-	**4,638**	9,000	-	9,000
Other	7	16,293	-	**16,293**		-	0
Interest receivable	8	563	4,269	**4,832**	338	4,711	5,049
Cash balances received on circuit merger		42,630	4,036	**46,666**	-	-	0
Fixed assets received on circuit merger		775,000		**775,000**	-	-	0
Total income		**1,124,187**	**8,305**	**1,132,492**	219,484	4,711	224,195
Expenditure							
Stipends, salaries, NI, Pension	9	246,653	-	**246,653**	163,050	-	163,050
District Assessment		52,080	-	**52,080**	40,000	-	40,000
Telephone & travel		13,755	-	**13,755**	12,289	-	12,289
Insurance, utilities, etc		21,320	-	**21,320**	14,277	-	14,277
Maintenance on manses		12,166	-	**12,166**	12,423	-	12,423
Other Expenditure		39,037	1,172	**40,209**	26,739	811	27,550
Grants and donations		9,952	-	**9,952**	10,098	-	10,098
Interest payable		-	-	-	-	-	0
Depreciation		908	-	**908**	2,010	-	2,010
Contributions to District Advance Fund		-	34,578	**34,578**	-	21,653	21,653
Total expenditure		**395,871**	**35,750**	**431,621**	280,886	22,464	303,350
Net (expenditure) / income		**728,316**	**(27,445)**	**700,871**	(61,402)	(17,753)	(79,155)
Other recognised gains and losses							
Redundant churches held for sale	12	-		**0**	-	(700)	(700)
Costs of bringing Snitterfield Church to sale	12			**0**	7,122	-	7,122
Reclassification of funds		-	-	-	-	-	-
Transfers between funds		-	-	-	-	-	-
Draw down from model trust		50,000	(50,000)	**0**	50,000	(50,000)	0
Net movement in funds		**778,316**	**(77,445)**	**700,871**	(4,280)	(68,453)	(72,733)
Reconciliation of funds:							
Total funds brought forward		**2,205,319**	**578,133**	**2,783,452**	2,209,599	646,586	2,856,185
Total funds carried forward		**2,983,635**	**500,688**	**3,484,323**	2,205,319	578,133	2,783,452

South Warwickshire Methodist Circuit
Statement of Cash Flows for the year ended 31 August 2020

	Notes	31 August 2020 £		31 August 2019 £
Cash flows from operating activities				
Net cash provided by (used in) operating activities		(67,005)		(97,477)
Cash flows from investment activities				
interest and rent from investments		9,586		13,884
Purchase of plant and equipment		-		(1,730)
Proceeds from sale of current asset investment		-		247,376
Net cash provided by (used in) investment activities		9,586		259,530
Change in cash and cash equivalents in the reporting period		(57,419)		162,053
Cash and cash equivalents at the beginning of the reporting period	18	600,310		438,257
Cash and cash equivalents at the end of the reporting period	18	542,891		600,310

Reconciliation of net income/(expenditure to net cash flow from operating activities

Net income/(expenditure) for the reporting period (as per the statement of financial activities)		700,871		(79,155)
Adjustments for:				
Depreciation charges		909		2,010
Interest and rent from investments		(9,470)		(14,049)
(Increase)/Decrease in debtors		921		(6,949)
Increase/(decrease) in creditors		14,764		666
Non cash assets received on circuit merger		(775,000)		-
Net cash provided by (used in) operating activities		(67,005)		(97,477)

South Warwickshire Methodist Circuit
Balance Sheet as at 31 August 2020

	Notes	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	31 August 2020 £	31 August 2019 £
Tangible Fixed Assets					
Land, buildings & equipment	11	2,539,651		**2,539,651**	2,165,560
Investment property	12	400,000		**400,000**	-
Total fixed assets		2,939,651		**2,939,651**	2,165,560
Current Assets					
Debtors and prepayments	13	19,092	314	**19,406**	20,443
Trustees for Methodist Church Purposes		-	500,374	**500,374**	577,703
Central Finance Board Deposits		16,983	-	**16,983**	17,635
Cash at bank		25,534	-	**25,534**	4,972
Total current assets		**61,609**	**500,688**	**562,297**	620,753
Creditors and Accruals (due in under 1 yr)	14	17,625	-	**17,625**	2,861
Net current assets		**43,984**	**500,688**	**544,672**	617,892
Net assets		**2,983,635**	**500,688**	**3,484,323**	2,783,452
Funds of the Circuit					
General Fund	15	2,983,635	-	**2,983,635**	2,205,319
Circuit Model Trust Fund	15	-	500,688	**500,688**	578,133
Total Funds		**2,983,635**	**500,688**	**3,484,323**	2,783,452

Signed:



Dated: 10 June 2021

David Witham FCA
Circuit Treasurer

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

1. Basis of accounting
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 with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRC 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.

2. Public benefit entity
The charity constitutes a public benefit entity as defined by FRS 102.

3. Consolidation
The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of those Churches within the Circuit are not consolidated into these financial statements.

4. Accounting policies
i. Income Recognition
Income is brought into account when the Circuit becomes entitled to the resources and the Trustees believe it is more likely than not that they will receive the resources, and the monetary value can be measured with sufficient reliability.
In accordance with Charities SORP (FRS 102), the time of volunteers is not recognised.

ii. Expenditure and Liabilities
Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Trustees to pay out resources and the amount of the obligation can be measured with reasonable certainty.

iii. Grants
Where there are no conditions attaching to a grant made by the Circuit from its own funds, the grant is recognised in full at the time of agreement to make the grant. Where the Circuit gives a grant with conditions for its payment, being a specific level of service or output to be provided, the grant is only recognised in the SOFA once the recipient of the grant has provided the specified service or output. When the grant to be accured 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.

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

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

4. Accounting policies (continued)

v. Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £250.
The freehold property held at 1 September 2015 is shown in the accounts at 2015 deemed value, being that property's insurance reinstatement value. The freehold property purchased after 1 September 2015 is shown at cost on acquisition. The freehold property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit. The land component of the freehold property is deemed to be £50,000 per property.
No depreciation is provided on property because the Trustees consider the current residual fair value of the property in its present condition to be not less than the value at which it is stated in the balance sheet and, in the absence of any evidence of impairment, any depreciation for the buildings component of the property would be immaterial. Depreciation is provided on fixtures, fittings and equipment on a straight line basis over three years.

vi. Investment properties

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. Where this is the case and the property is deemed not to be held for the long term purposes of the Circuit, the property is designated as an investment property. The investment property acquired at the merger with part of the Stratford and Evesham Circuit is shown at the value previously used in the accounts of that circuit

vii. Properties held for sale

From time to time the Circuit may be required to assume responsibility for Church premises following closure and cessation of worship. This results in the Circuit Trustees becoming the managing trustees for the property so that the Trustees decide whether the property can be used in a different way to further the mission of the Circuit or whether it is redundant and should be sold. If a decision is made to sell the property, it is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking account of the levy to be charged by the Connexion. Any expenditure on the property that is likely to enhance its sales value is capitalised at the time that the expenditure is incurred. Where proceeds are intended to be spent on activities, the property is included in assets at the lower of cost and net realisable value.

viii. Debtors, creditors, bank and cash

Debtors are stated at settlement amount or amount advanced by the charity. Subsequently they are measured at the cash or other consideration expected to be received. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or the amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

ix. Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

4. Accounting policies (continued)
x. Ministers' Manse Costs
The Circuit is required to provide accomodation for each minister in the Circuit and their families and 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, as well as the cost of ministers' removal to the Circuit. Where any manse costs are viewed by HMRC as taxable benefits to the minister, the resulting employer NI charge is included as part of the NI cost for the year.

5. Assessments from Churches
At the year end the Circuit comprises 15 churches which are assessed for a contribution to meet the overall net core, ongoing costs of the Circuit. 80% of the assessment is apportioned to the Churches on the basis of their adjusted income, including only 50% of letting income to allow for increased running costs and excluding one-off receipts, and 20% of the assessment is apportioned on the basis of their unrestricted reserves.

	Year ended 31.8.20	Year ended 31.8.19
	£	£
Bidford on Avon *	**6,288**	
Cubbington	**13,516**	9,260
Dale Street	**63,000**	57,624
Fenny Compton	**5,844**	5,060
Henley in Arden *	**6,688**	
Kenilworth	**54,780**	61,212
Kineton	**10,888**	7,642
Knightcote	**1,371**	1,480
Mickleton *	**7,976**	
Radford Road	**11,700**	11,160
Stratford upon Avon *	**43,144**	
Tysoe	**6,024**	6,336
Warwick	**33,448**	35,072
Welford on Avon *	**4,436**	
Wellesbourne	**8,632**	9,840
Whitnash	**7,328**	5,460
	285,063	210,146

In the previous year the churches marked with an * were part of the Stratford and Evesham Methodist Circuit which was a different charity.

6. Lettings
Lettings income relates to manses that are not required to house Circuit ministers in the short term and the manse has been let to tenants. Letting income is shown gross of fees and commission. The Trustees consider that is likely that these manses are likely to be returned to use as manses in the forseeable future so remain designated as tangible fixed assets.

7. Other Income from Charitable Activities
Unrestricted income of £16,293 comprises reimbursement from the Coventry and Warwickshire University Free Church Standing Committee (FCSC) of expenditure by the circuit in providing a payroll service for FCSC in respect of a chaplain at the University of Warwick.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

8. Interest receivable

	Unrestricted	Circuit Model Trust Fund	Year ended 31.8.20	Year ended 31.8.19
	£	£	£	£
Central Finance Board	**563**	-	**563**	338
Trustees for Methodist Church Purposes	-	**4,269**	**4,269**	4,269
Total	**563**	**4,269**	**4,832**	4,607

9. Stipends, Salaries and Associated costs

Staff Costs paid during the year were:

	Ministers (Circuit Trustees)	Mission staff	Administ-ration	Year ended 31.8.20 Total	31.8.19 Total
	£	£	£	£	£
Gross stipends and salaries	146,457	19,681	28,727	**194,865**	127,615
Employer's National Insurance costs	11,615	1,013	958	**13,586**	8,478
Pension costs	36,234	113	694	**37,041**	26,055
Apprenticeship Levy	919	97	145	**1,161**	902
Total staff costs	**195,225**	**20,904**	**30,524**	**246,653**	163,050

Average number of full time equivalent number of staff employed during the year were :

Ministers	**5.75**	3.92
Mission staff	**1.00**	0.53
Administration	**1.67**	0.96
	8.42	5.41

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

9. Stipends, Salaries and Associated costs (continued)

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage as calculated by the Living Wage Foundation.

Methodist Ministers are not employees of the Methodist Church although for simplicity, when accounting for National Insurance and pension contributions, the terms employer and employee are used as they would be in an employing body.

Contributions are made to the Methodist Ministers' Pension Scheme for all ministers. This is a defined benefit scheme which is accounted for in the financial statements of the Methodist Church in Great Britian. This scheme is in deficit but a plan for the removal of the deficit is being implemented.

Lay workers have the option of joining a defined contribution pension scheme which the Circuit has set up with TPT Retirement Solutions.

Each minister is entitled to a 3 month sabbatical every 5 years and the expenses incurred by the minister are met by the Connexion with the Circuit continuing to pay the stipend. Two ministers had sabbaticals during the year. The Circuit does not accrue for holiday pay cover as the remaining staff cover as needed without extra pay.

Payments to Trustees

The Superintendent Minister, other ministers of the Circuit and the Circuit Stewards constitute the Circuit Leadership Team and are considered as Key Management Personel. The Superintendent chairs meetings of the Circuit Leadership Team and the Circuit Meeting. The Circuit Leadership Team, together with church and other representatives, are members of the Circuit Meeting and are the Trustees of the Circuit. The stipends, employer's National Insurance and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit, as determined by the Methodist Church, and are separately disclosed as part of staff costs above. Manses are provided by the Circuit and the Circuit maintains the property.

	Year ended	
	31.8.20	31.8.19
Payments made to trustees who are part of the leadership team		
Travel expenses	**£7,832**	£9,040
Phone expenses	**£2,695**	£2,695
	£10,527	£11,735
Payments made to trustees who are not part of the Circuit Leadership Team for additional services - preaching fees and related expenses	**£1,305**	£717
Number of trustees who were paid expenses	**9**	6

10. Fees for audit of the accounts

	Year ended	
	31.8.20	31.8.19
Audit fees	**£3,360**	-
Independent examiner's fees	**-**	£1,000

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

11. Tangible Fixed Assets

	Manses Land	Manses Buildings	Fixtures, Fittings & Equipment	Total
Cost or valuation	**£**	**£**	**£**	**£**
Balance at 1 September 2019	250,000	1,914,363	5,147	2,169,510
Transferred in on circuit merger	50,000	325,000	-	375,000
Additions	-	-	-	0
Balance at 31 August 2020	**300,000**	**2,239,363**	**5,147**	**2,544,510**
Depreciation				
Balance at 1 September 2019	-	-	3,950	3,950
Charge of year	-	-	909	909
Balance at 31 August 2020	-	-	**4,859**	**4,859**
Net book value				
At 31 August 2020	**300,000**	**2,239,363**	**288**	**2,539,651**
At 31 August 2019	250,000	1,914,363	1,197	2,165,560

Basis of depreciation	-	-	**Straight line 2/3 years**

Manses at 31 August 2020 comprise:

9 Northvale Close, Kenilworth	Occupied by Circuit Minister
48 Warwick Place, Leamington Spa	Occupied by Circuit Minister
101 West Street, Warwick	Occupied by Circuit Minister
22 Gardiner Road, Kineton	Occupied by Circuit Minister
61 Murcott Road East, Whitnash	Occupied by Circuit Minister
1a Hillside Road, Stratford upon Avon	Occupied by Circuit Minister
The Manse, Chapel Lane, Mickleton	Currently let, included in investment property

12. Investment Property

Mickleton manse is currently let and is considered unlikely to be used for its original purpose again. Therefore, it is classified as an investment property.

	£
Cost or valuation	
Balance at 1 September 2019	-
Transferred in on circuit merger	**400,000**
Additions	-
Balance at 31 August 2020	**400,000**

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

13. Debtors	**31 August 2020**	31 August 2019
	£	£
Prepayments accrued income	**19,406**	20,443

14. Creditors due in less than one year	**£**	£
Accruals and deferred income	**17,625**	2,861

15. Reserves	General Fund	Circuit Model Trust Fund	Total
	£	£	£
At 1 September 2019	2,205,319	578,133	2,783,452
Net (expenditure)/ income for the year	728,316	(27,445)	700,871
Transfer between funds	50,000	(50,000)	
At 31 August 2020	**2,983,635**	**500,688**	**3,484,323**

The purpose of the General Fund is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. About 98% of this fund is held as freehold property and so is not available to meet expenditure in the short term.

The purpose of the Circuit Model Trust Fund (CMTF) is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. Its main source of income is contributions from the sale of manses and church buildings in the Circuit, after contributions and levies to the Connexion determined by the Methodist Church. Although technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

16. Capital Commitments and Contingent Liabilities
At 31 August 2020 the Circuit has no capital commitments.
No contingent liabilities were identified at 31 August 2020.

17.Related party transactions

			Year ended 31 August 2020		Year ended 31 August 2019	
Name of related party	**Relationship**	**Description of transaction**	**Income from related party**	**Paid to or goods provided to related party**	Income from related party	Paid to or goods provided to related party
			£	£	£	£
Methodist Churches within the South Warwickshire Circuit	Churches within the Circuit	Assessments (share of Circuit costs)	285,063	-	210,146	-
Various churches within the Circuit	Churches within the Circuit	Grant for youth and mission work	-	996	-	1,297
Various smaller churches within the Circuit	Churches within the Circuit	Grants for Audio Visual equipment	-	3,089	-	1,923
Various smaller churches within the Circuit	Churches within the Circuit	Grant for new hymn books	-	530	-	-
Tysoe Methodist Church	A Circuit Church	Grant for new fence	-	-	-	992
Tysoe Methodist Church	A Circuit Church	Ark project	-	420	-	-
Kenilworth Methodist Church	A Circuit Church	Grant towards cost of resurfacing carpark	-	-	-	3,300
Stratford upon Avon Methodist Church	A Circuit Church	Grant towars awning	-	1,000	-	-
Dale Steet Methodist Church	A Circuit Church	Grant for K4 equipment		3,668		
Various churches within the Circuit	Church within the Circuit	Grant for Bread Church equipment	-	-	-	747
Birmingham Methodist District	Methodist District in which Circuit located	Assessment (share of costs of District and Methodist Connexion)	-	52,080	-	40,000
Birmingham Methodist District	Methodist District in which Circuit located	District Advance Fund contribution	-	34,578	-	21,653
Rev D Greenwood	Spouse of a trustee	Preaching fees	-	295	-	630

There were no amounts owed to related parties at the year end.

South Warwickshire Methodist Circuit
Notes to the Accounts for the year ended 31 August 2020

18. Analysis of cash and cash equivalents

	31 August 2020 £		31 August 2019 £
Cash at bank	25534		4972
Central Finance Board Deposits	16983		17635
Trustees for Methodist Church Purposes deposits	500374		577703
Cash and cash equivalents at the end of the reporting period	542891		600310

19. Operating Leases

The minimum future lease payments receivable under non-cancellable operating leases ending not later than one year from the balance sheet date is £10,350.

20. Contingent Liability

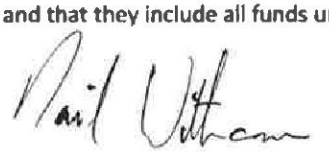
Under the agreement that divided the assets of the Stratford and Evesham Methodist Circuit a disposal of the Mickleton manse could result in a liability to share the proceeds with the South Worcestershire Methodist Circuit. The amount of any such liability would be 50% of the net proceeds in excess of the value of the Wyre Trust reduced by net rentals received by this circuit. Based on the value used for the manse in the balance sheet, such a liability would be approximately £102,000. This is in addition to the liability to the Connexional Priority Fund that arises on most property disposals. No provision has been made in the financial statements on the basis that there are no plans to sell the manse and therefore the liability is not expected to be incurred.

South Warwickshire Methodist Circuit

Declarations

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2020 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of Treasurer:  Date: 10-Jun-21

Name of Treasurer: David Witham

Address: 6 Mulberry Drive, Warwick, CV34 5JP

Authorisation by the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2020 were presented to the Circuit Meeting at its meeting on 10 June 2021 and that the Trustees authorised the Chair of the meeting to sign the accounts.

Signature of the Chair of the meeting:  Date: 10-Jun-21

Name of the Chair of the meeting: Rev Dr Iain Ballard

Independent Auditor's Report to the Trustees of South Warwickshire Methodist Circuit
Opinion

We have audited the financial statements of South Warwickshire Methodist Circuit (the 'charity') for the year ended 31 August 2020 which comprise of the Statement of Financial Activities, Statement of Cash Flows, Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's 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.

J E Cree for and on behalf of JW Hinks LLP.

JW Hinks LLP
Chartered Accountants and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

10/06/2021