



# **YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

(Charity Registration No. 1158290)

## **TRUSTEES' ANNUAL REPORT**

**For the Year ending 31 August 2021**

## 1. Superintendent's annual report on the Circuit's achievements and performance

During the last year, Yeovil & Blackmore Vale, like every other Methodist Circuit, has had to respond to the very great challenges forced upon it by the Covid19 Pandemic. The full-time ministerial staff, along with our supernumerary colleagues and the large number of committed volunteers in every church, have sought to continue the work of leading worship, pastoral care, mission and service within the severe restrictions placed upon us by public health guidelines which have necessitated our buildings to be closed for significant periods, and many of our activities have had to be suspended.

Rev Joyce Norman, for reasons of age and health, has had to step down from active ministry, but the Circuit continues to hold a deep sense of gratitude for the generous and attentive work undertaken by the three other (active) Supernumerary ministers and thirteen (active) accredited local preachers and three local preachers in training – without their regular and consistent ministry Sunday-by-Sunday, the worshipping life of the Circuit could not be sustained. Our pioneer minister, Deacon Rebekah-Joy Spinks, was due to be ordained in June 2020, but, because of Covid restrictions at last year's Conference, the ordination finally took place in June 2021.

At the start of the year, the Circuit employed four part-time lay staff (x3 workers with children and families; x1 administrator). The Covid lockdowns and inability to meet, meant that the work with children, young people and families had to be altered radically. The imagination shown by staff in creating new ways of staying in touch with young people and families was commendable. However, it was with huge sadness that the Circuit was required to make Anne Cook redundant in the Autumn of 2020 as it was becoming impossible to keep the role functioning in the southern and eastern part of the Circuit. Additionally, Natalie Kay, the Children & Families Worker appointed to work at Bell Street United Church (united Methodist & URC) and Motcombe Methodist Church, was put on furlough for several months. It was possible to keep Lynn Heaton's work fully active as she was deployed to use time setting up 'The Pod' project at No. 54 – a mission and outreach project pioneered by the Cheap Street Church, Sherborne.

In addition, it is impossible to quantify the voluntary time and effort that has been given by our team of Circuit Stewards and numerous members of individual churches across the Circuit. Our large team of Stewards, Pastoral Visitors, Junior Church helpers, caterers, secretaries, property officers, etc., do outstanding work to ensure the smooth running of our churches and adhere to the best practices required of our denomination.

For significant periods of the year, worship in the seventeen church buildings (along with the Ashmore congregation meeting in the Village Hall) was suspended. It was possible to re-open a number of the church buildings during the Autumn of 2020, but the subsequent lockdown in the early months of 2021 once again meant that churches opted to cease public worship in order to avoid undue mixing and prevent possible infection. This has had considerable consequences across a wide spectrum of church activities and mission. A variety of groups (parent and toddler, women's fellowships, Bible study, lunch clubs, coffee mornings, youth clubs, etc) have not been able to function (in person) - although, it has been possible to transfer some events to 'virtual' platforms such as Zoom or Teams.

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There have been financial consequences as churches have had to cope with a shortfall of income through weekly cash offerings and loss of rental income from community groups who hire church halls and other rooms in our buildings. Our ministers have been severely hampered in their role as leaders of worship; ministering to the sick and dying whether at home or in hospital; and, taking part in social activities and other community events linked to the life of our congregations. All Circuit staff members have sought to adjust to the challenges and, throughout the year, their greater confidence and ability in using conferencing platforms such as 'Zoom' has allowed us to offer three 'online' services across the Circuit each Sunday morning, plus one service in the evening. Additionally, midweek virtual meetings for worship, fellowship and business have allowed church and Circuit life to continue, often exceeding initial expectations. It has been recognised that for a significant minority of our people, internet technology is not something they can access and for some, connectivity in rural locations means interrupted signal and therefore every effort has been made to ensure that for those who want it, worship material has been distributed via email, post and hand delivery. 'Visiting' has been done via phone calls and email and the Children & Families workers and pioneer minister (Deacon Rebekah-Joy Spinks) have worked creatively to produce activity packs and other resources to keep in touch with children and parents.

With the promise of the full relaxation of Covid restrictions in late July '21, it is hoped (at the time of writing this report) that all church buildings will be fully re-opened and with the necessary risk assessment documents having been completed, congregations will be able to fully utilise their buildings for the wide variety of purposes that was the case prior to the outbreak of Covid in Spring 2020.

The financial impact of lost income through weekly cash offerings and hall/room lettings has been dramatic, leaving the finances of several churches in a seriously depleted state. The Circuit Leadership Team (CLT) has been in touch with all churches assuring them of our continued support and all church treasurers are aware that if a congregation has immediate and pressing cash-flow problems, Circuit funds may be available for loans or grants, if required. The CLT and Circuit treasurer have begun the process of re-calculating the Circuit Five Year Financial strategy and it is becoming clear that some major changes are required in church assessment levels and the consequent staffing levels. The Circuit treasurer (Lewis Buckwell) will continue to work in 2021-22 on a revised policy of allocating assessment levels which will need to be agreed as promptly as possible in order to give clarity to churches about their financial commitments in the coming years. During the last year, the Circuit's empty manse at 24 Harbin Close, Yeovil, has been let to tenants.

One major piece of work undertaken during this year has been the project to reassess the effectiveness of the Methodist Church presence in Yeovil and the way in which effective mission can be maintained given the resources (human and property) in the town. Rev Kate Konrad has worked carefully and creatively to get each of the three congregations to recognise what they are able to offer (in terms of mission and service) and what will be required in order to fulfil this work. The Circuit believes that having three individual church communities in one town is not sustainable in the long term and that change is required to cut administration and governance, thus releasing energy for outreach. The church councils of the three congregations (Vicarage Street, Preston Road & St Mark's) have all voted in favour of forming one church, to be known as, 'Yeovil Methodist Church' (this is a model of 'one church on three sites'). The future of the three buildings is yet to be finalised, but further work is being planned via a Connexionally-approved property survey to assess which would be the best site(s) in which to focus future work and worship. This would have been a

demanding job at any time, but given the difficulties of meeting and communicating during this past year, the Circuit owes a huge debt of gratitude to Rev Kate Konrad for the way in which she has made progress on this essential task.

In line with the purposes of this charity we have worked over this last year to advance the Christian faith and fulfil our charitable status through:

- Regular acts of worship in all churches when it has been possible (and further development of online services using the 'Zoom' platform during the pandemic).
- Small house/fellowship/prayer groups have largely been unable to meet and therefore online 'Zoom' groups have been developed.
- The multiple Circuit-wide groups supporting children, young people and families; women's fellowship groups; three senior citizens' luncheon clubs; and three regular prayer breakfasts, have almost entirely closed – it is hoped these activities will recommence as soon as possible.
- The 'Clothing Exchange' project established in Gillingham to supply good quality clothing for parents with babies/toddlers and young children is reopening again in August '21.
- The Circuit Meeting reviewed its safeguarding policy for children, young people and vulnerable adults.
- The Circuit, and all Circuit Churches, have continued to respond to the requirements of the GDPR legislation and all data files are being reviewed, and privacy notices are being approved and displayed.
- The 'Circuit Policy' document has been the basis of our work and the CLT continues to review priorities and plan for changes that are likely to be required beyond 2023 when our current five-year financial plan comes to an end.
- The Circuit Meeting reviewed its financial controls and expenses policy this year.
- In this financial year, the Circuit gave a grant of £4,100 to Bell Street and Motcombe churches as support for the Family Worker (Ms Natalie Kay). One other grant was made during the year: £3,000 to 'Vine Youth Ministry' to support their schools outreach work.
- Education and training with all ages, including four local preachers in training (x3 'on trial'); and two Circuit 'Safer Spaces' safeguarding training courses (foundation module), delivered 'virtually' during the year.
- Pastoral care of the housebound, the dying, those in hospital and others in need (and via phone call and email during the pandemic lockdown).
- The Circuit Meeting has met four times during the year. Three of these have been 'virtual' meetings and one (June '21) has been in person. Three meetings have been convened to conduct the general business of the Circuit and one has been to debate and express voting opinions on the Connexional Report on marriage & relationships – 'God in Love Unites Us.' The outcome of the voting on the five Resolutions (whilst not a part of the official denominational process of decision-making) was referred to the District and was included in the Synod debate and voting. The Circuit Meeting also sent two Memorials to Conference, one urging the Conference not to adopt the changes contained in the report; the other encouraging the Conference to adopt a two-thirds voting threshold for this important piece of legislation.
- In spite of all the difficulties and dilemmas of the past year, the Circuit continues to call, and seeks to equip, all members for effective mission and service in the life of the Circuit churches and in the wider community.

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The Circuit Meeting is made up of trustees who are ex-officio because of an office they hold at individual churches, or who are elected to represent their churches at this body, on an annual basis. The Circuit Meeting has met four times during the year - two meetings having been cancelled due to the Covid lockdown restrictions. Essential business has been conducted by the CLT in-between Circuit Meetings using devolved powers entrusted to it by the Circuit Meeting. Leadership of the Circuit is provided by the team of ministers together with the treasurer and five Circuit stewards, the Circuit property secretary, and the Circuit office manager – together, these form the Circuit Leadership Team (CLT). This team meets regularly to oversee the work of the Circuit and to formulate policy. In concluding this report, I would like to offer my thanks to all staff and volunteers who have given much time and energy in ensuring that the life of the Circuit and its churches has continued during this tough and unprecedented year.



**Rev Paul R Arnold**  
**Superintendent Minister and Chair of the Trustees**  
**31<sup>st</sup> July, 2021**

## 2. Objectives and activities

### 2.1 Mission

In setting our objectives and planning our activities, the Circuit Meeting trustees (under the Chair of the Superintendent Minister), who meet quarterly, have given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives, conforming with the Charities Act 2011.

Our mission is to be a powerful spiritual influence in the geographic area covered by the Circuit and a visible expression of God's inclusive love. Our Mission Statement is:-

"To know God's Love  
To Show God's Love  
To share God's Love"

We aim to achieve this by encouraging, through the members and adherents of churches in our Circuit, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the church family.

We aim to build a Circuit formed for mission and full of generous people who are prepared to work, and develop, to build God's kingdom in this place. We share a common passion to use our gifts, graces and resources to the best of our abilities to be mission-shaped followers of Jesus Christ.

### 2.2 Purpose and activities of the Circuit

The Circuit is an expression, over a wider geographical area than any individual Church, of the Connexional character of the Methodist Church. The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

- a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
- b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
- c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
- d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this Circuit is to advance the mission of the Methodist Church within the geographical area defined by the churches within Yeovil and Blackmore Vale:

- by providing opportunities for churches to work together and support each other
- by offering to churches resources of finance, personnel and expertise.

The Circuit's primary activity to meet this purpose is "Circuit Ministry" - that is, the provision of a team of ministers and lay employees to deliver ministerial and families' support to all of the 18 churches in the Yeovil and Blackmore Vale area.

All of the costs incurred to support this Circuit Ministry activity are met by the Circuit – including all staff salaries ("stipends" for ministers) and expenses, and the provision of

manse housing for ministers – the Circuit is responsible for manse maintenance, phone/broadband, water, and council tax costs. The Circuit raises funds from each of the Circuit churches through an assessment regime, and, together with its other income sources, these funds are used to pay for its Circuit Ministry and other activity costs. In turn, the Circuit is assessed by the District on the size of its ministry team and pays monthly charges which fund District and central Connexion costs.

Apart from Circuit Ministry, the Circuit's other activities are:

- the award and administration of grants to Circuit churches and external bodies as appropriate and as directed by the Circuit Meeting
- raising funds (financial investment management of the Circuit's funds held with the Trustees for Methodist Church Purposes (TMCP), and the rental of the Circuit's investment property in Yeovil (spare ministerial manse)).

The Circuit serves the local churches, its District, and the Methodist Conference in the support, deployment and oversight of the various ministries of the Methodist Church, and in programmes of training.

### 2.3 Circuit policy (last reviewed November 2018)

Support all 18 Societies of our Circuit in a positive and proactive way by providing leadership and pastoral care and ensuring the continuance of their regular pattern of Worship and fellowship.

Declare that our central priority is Making Disciples of Jesus and that we will facilitate initiatives of evangelism.

Hold and work to a realistic appraisal of the future potential of our Societies and, in particular, encourage our three Yeovil Societies to explore the future shape of Methodism in the town.

Commit ourselves to continuing the establishment figure of 4 Ministers (Presbyters &/or Deacons) by using the financial resources released by the sale of redundant buildings until at least 2020. (This policy is to be reviewed during 2021-22).

To develop ministry amongst children, young people and families in the southern and eastern end of the circuit through an additional full-time member of staff - a Deacon to undertake Pioneer ministry based in Sturminster Newton.

Make the best use of the experience and abilities of the supernumerary ministers residing in our Circuit, who are very willing to offer their services.

Based on existing strengths, build up a team of lay employees covering a variety of roles including Administration, Children, Youth and Family Work.

Respond to requests for grants from Circuit funds, giving priority to those projects that are orientated to mission rather than just maintenance ministry.

Explore possibilities of using external expertise to enable those of our local Societies facing difficulties in recruiting specific post holders (e.g. treasurers) to comply with the myriad regulations and requirements.

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Ensure that we are compliant with Safeguarding processes and other regulatory demands (including Connexional) by offering training and follow up.

Work to create a renewed sense of belonging to the wider family of Methodism – Circuit, District, Connexion and the World Church.

Give encouragement to the opportunities of ecumenical work – particularly in our shared Churches at Shaftesbury and Sherborne.

Challenge our people to discover the Call of God in their lives and what this might mean in the development of a diversity of ministries.

Through prayer and study, discover the meaning of Christian Discipleship in the Twenty-first Century and how effectively to engage in appropriate opportunities of mission and service.



### 3. Financial review

#### 3.1 Circuit financial position at the end of FY 2020-21

##### Key points

During the year the Circuit received total income of £294k (FY2019-20: £288k) and dispersed £362k (FY2019-20: £338k).

Net current assets of £438k (excluding property & land) were carried forward across the year end (FY2020-21: £505k).

##### Church incomes, and Circuit assessments

All of the Circuit's churches, despite the national "post-Covid" re-opening in the summer of 2021, have yet to return to normal in-building attendance levels, while Covid-19 remains rampant in the general UK population. Virtual church services continue to be held, to support those unable, or yet unwilling, to visit their church in person. Many of our fellowships are finding it hard to find ways to return their income to pre-Covid levels. Furthermore, the bigger of our churches have large, expensive, buildings to maintain and yet have had to cope without rental income due to the closure of community activities that hire their halls and rooms.

This being the second year of Covid-19, the Circuit has learned to adapt its methods and activities wherever it can to be able to continue to deliver ministerial and families support to all of the 18 churches in the Yeovil and Blackmore Vale area. As in 2019-20, the financial impact on the Circuit's finances has been that savings have been made in travel costs and office expenses. In 2020-21 savings have also been made in salary costs, with one member of our lay staff being made redundant. Despite property maintenance costs being high this year, overall we ended the year with a deficit of £68k compared with a planned deficit of £97k (the deficit being budgeted use of Circuit reserves, within our 5 year plan). Last year (2019-20) was similar, with a £34k saving against budget.

The combination of these two factors – churches struggling to maintain their incomes, and recent savings by the Circuit against budgeted spend – was the basis of the Circuit Meeting decision in March 2021 to reduce the Circuit's assessment level by 10% across all Circuit churches, for 2021-22. It is anticipated that this same lower level of Circuit assessment may be maintained for 2022-23 and, indeed, it is further proposed to move the Circuit to an ongoing lower level of Circuit charges on churches (with annual inflation-related adjustments) for the foreseeable future.

##### Review of Circuit plans and income needs

The Circuit's current five-year plan (last reviewed in March 2020) applies for the period from September 2019 through to August 2024, and is (currently) for the ongoing deployment of four ministers (presbyters and/or deacons). Within this plan, the Circuit also remains committed to a five-year project, commenced in September 2018, to appoint a deacon in an outreach role focused initially on the southern region of the Circuit based at Sturminster Newton and working with the Hazelbury Bryan, Ibberton and Kings Stag fellowships.

The Circuit normally revises its five-year financial plans annually. In March 2021, the Circuit Meeting considered three options for its ministry team size for its plan for the five years commencing 2020-21. The decision taken was to extend the debate on these options and resolve this question early in the next financial year, 2021-22. The Circuit Meeting's decision will directly impact the level of funds which the Circuit needs to continue to operate its ministry team.

Sales of Circuit assets (a spare manse, or a redundant church, for example) will be required over the next few years to complement the assessment income the Circuit receives from its churches.

The individual payments received from Circuit churches have, to date, been set on a historical basis. We have begun to investigate whether there is a different, more formulaic, mechanism for splitting the total assessment required between the Circuit's churches and the Circuit hopes to develop this during FY 2021-22 for first implementation in FY 2022-23.

In summary, the Circuit is facing the need, in the 2021-22 financial year, to make major trustee decisions as to its ongoing ministry team size, the level of its reserve funds and asset disposals needed to support this team, and how to re-distribute the Circuit's assessment charges fairly between its churches.

### 3.2 Reserves policy

#### Cash reserves

The Circuit's cash reserves held on 31st August 2021 were as follows:

Unrestricted Funds	£
Lloyds Bank – current account	93,926
Methodist CFB	90,942
Lord Alfred Trim Bequest (TMCP)	159,105
DD Gifford Cluett Bequest (TMCP)	53,093
Circuit Model Trust Fund (TMCP)	47,415
<b>TOTAL UNRESTRICTED</b>	<b>444,479</b>
<b>Restricted Funds - Women's Work Bequest (TMCP)</b>	<b>4,209</b>
<b>TOTAL CASH FUNDS</b>	<b>448,688</b>

All cash funds are separately invested either with CFB or TMCP.

Included in the above figures is an amount of general funds of £334, designated by the Circuit Meeting for Wincanton children's work. This amount is funds received in 2020-21 from the

Wincanton Tots and Toys children's activity group, which has disbanded. The Circuit retains this money as designated funds for similar children's work in Wincanton unless and until it becomes apparent there will be no replacement activity there. The timing and possibility of needing to use these monies is currently uncertain, the context being that the Circuit's work with children in Wincanton ceased recently.

## Monetary investments

The Circuit has an additional £8,117 held in TMCP monetary investments (not included in the above figures). Other than this and the Circuit's investment property (an unused manse in Yeovil), no money is directly invested in property, securities or other forms of investment.

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The Circuit's reserves policy covers all of its general and restricted funds. This policy is reviewed and approved annually by trustees, and submitted onwards to the Southampton District for acceptance. This policy is as follows:

## Reserves policy for general funds

The Circuit aims to hold a minimum of 6 months' budgeted expenditure in its general funds at any time. This equates to £194k for 2021-22. This is to provide funds for:

- Essential cash-flow: covering short-term deficits whilst awaiting grants and assessment income, or in the event of needing to complete asset sales to replenish reserves
- Unforeseen emergencies or unexpected needs, such as unanticipated manse repair bills or other urgent projects
- Unplanned requests from Circuit churches for additional grants for repairs
- Circuit funding to support any unbudgeted Circuit church missional staffing projects
- Unexpected shortfalls in funding, perhaps, for example, the loss of assessment income in the event of the unforeseen closure of a church or churches within the Circuit.

Each of the three financial five-year plan options being considered currently (see 3.1) would have different impacts on the Circuit's reserves, from a committed spend of £435k of its cash reserves over the next five years at the high end of the range down to £282k of reserves committed spend over five years at the lower end. Adding the requirement to hold six months' expenditure in reserve, these figures demonstrate that the Circuit's currently available cash funds are, in effect, entirely committed.

To avoid spending beyond its available funds, the sale of Circuit assets (either through sale of a surplus manse or redundant church premises) will be required in the next few years, to replenish the Circuit's reserves – regardless of which of the three financial plan options is adopted. This approach will enable the Circuit to continue to hold a minimum of six months' expenditure in its general funds at any time whilst funding, on an annual basis, the ongoing commitments made in its financial plan.

## Reserves policy for restricted funds

Bequest for Women's Work: £4,209. This bequest was originally made to the Sherborne branch of the "Women's Work" Methodist women's organisation. "Women's Work" joined with another Methodist women's group called "Women's Fellowship" in 1987 to form the "Women's Network". In 2011, Women's Network became "Methodist Women in Britain". This Circuit's Methodist Women in Britain group is seeking to discern possible future use of these funds.

### 3.3 Investment policy and performance

The Circuit's investment policy is to diversify its funds in bank accounts, deposit accounts, financial investment products and investment property. The Circuit has no endowment funds, currently.

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Circuits and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the Circuit. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income reflects deposit rates available elsewhere. Short-term deposits are lodged directly with the Central Finance Board (CFB) and attract rates of interest comparable with available commercial market rates.

The Circuit's Trustees' investment policy is aligned with that of the Methodist Central Finance Board (CFB) and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. The Circuit relies on TMCP and the CFB to review and manage the performance of the Circuit's financial investments. The Circuit Treasurer regularly checks that all income due is received. The net total income received from the Circuit's monetary investments was 0.4% for the year. A net gain of £1,144 was recorded on the value of Circuit monetary investments during 2020-21.

Investment Property. The Circuit owns a number of manses for ministerial housing. The Circuit's policy is to maintain any spare manses as investment property, potentially available for disposal to fund the activities of the Circuit in line with its financial plans and budgets agreed with the Circuit Meeting. Any empty manses not needing to be sold are let, where possible, to provide rental income. The Circuit's investment properties, whether let or not, are inspected annually by the Circuit Property Secretary or by a representative (manse steward) from one of the associated churches. A professional valuation of the Circuit's investment property was undertaken in July 2021, resulting in an increase of £5,000 in its book value. The Circuit's income from its investment property amounted to 4.8% of income in 2020-21.

### 3.4 Going concern

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because our churches have continued to meet their assessments and the Circuit has adequate reserves and assets to cover any shortfall in anticipated income. There are no subsidiary undertakings.

### 3.5 Deficits

Currently, the total Circuit income does not fully cover net expenditure. The budgeted deficit in FY 2020-21 was £97k to be made up from Circuit reserves (actual: £68k deficit). In the current five year plan up to FY 2023-24 this deficit is budgeted to stay around £100k p.a. as the Circuit continues to use its cash reserves on staffing. Lower than budgeted deficits over the last two years (due to the pandemic - as noted above) have enabled the Circuit to adjust its assessments on churches downwards for FY 2021-22 and FY 2022-23. The overall projected result on Circuit funds is for its current 'spare' reserves to be depleted over the period to FY 2023-24. This is in line with the five-year plan to FY 2023-24, which commits the use of spare Circuit cash reserves to fund the work of the Circuit during a period of extended Circuit Ministry that includes the current Diaconal project. After this, the sale of one or more Circuit assets (either through sale of a surplus manse or redundant church premises) is likely then to be required, to replenish the Circuit's cash reserves, again as planned in accordance with Circuit policy (see 2.3).

## 4. Structure, governance and management

### 4.1 Governing documents and constitution

The Circuit is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union (1932) and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 19 August 2014.

### 4.2 Structure

Circuits are the coordinating charities for local groups of churches; Circuits fund the stipends of the ministers and employ lay staff to serve the churches in the Circuit; most decisions are made at or ratified by the quarterly Circuit Meeting. The Circuit is a member of the Southampton District of the Methodist Church.

A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at its half yearly synods. The Southampton District reports into the Methodist Conference.

The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference.
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within each District.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes regulatory control down to church councils for local implementation by the presbyter, the church stewards, and other officers, and this regulatory authority is then exercised by church councils as the managing trustees of their church.

### 4.3 Governance and management

The Circuit operates within a statutory framework of regulation and additionally seeks to ensure that it follows Methodist Standing Orders. It relies on the Southampton District and Methodist Connexional Offices to provide guidance on changes that could affect the Circuit.

The Superintendent of the Circuit, the other ministers, the Circuit Stewards (including the Circuit Treasurer), the Office Manager, together form the Circuit Leadership Team (CLT) and are considered Key Management Personnel. The ministers of the Circuit undertake the primary executive roles within the Circuit. The Superintendent chairs meetings of the CLT and the trustees' meetings (Circuit Meetings).

Paid trustees are all the ministers, and one of our lay employees (one of our Children, Young People and Families Workers who spends a defined portion of her employed time as Circuit Safeguarding Officer). All lay staff are employed at the decision of the Circuit Meeting. In some Methodist Circuits the Circuit Meeting Secretary is a volunteer – in this Circuit, we have a lay member of staff, employed as Circuit Manager, who acts as Circuit Administrator and Circuit Meeting Secretary.

Supernumerary ministers are ministers who have retired but many still conduct worship on a voluntary basis. Their ministry is gratefully accepted by Circuit Meeting and they are appointed as trustees by the Meeting.

All other Circuit Meeting members are volunteers from churches in the Circuit. The full Constitution of the Circuit Meeting is provided in Appendix A: all voting members of the Circuit Meeting are the trustees of the Circuit. Also included in Appendix A are details of the constitutional provisions for representation of each church, with the number of trustees representing each church at the Circuit Meeting being dependent on the size of their church membership. The Church Steward and Treasurer for each church (ex-officio Circuit Meeting members), plus each church's representatives to Circuit Meeting, are all elected at Annual General Meetings of their church councils.

Circuit Stewards are trustees who are elected by Circuit Meeting to serve with the specific responsibilities and duties of Circuit Steward as defined by the Methodist Church, including their participation in Circuit Leadership Team meetings. Circuit Stewards normally serve for a minimum period of 3 years, but may offer for re-election after this time.

Other voluntary appointments at this Circuit Meeting include the Circuit Treasurer, Senior Circuit Steward, Circuit Property Steward, Local Preachers Secretary, etc – see Appendix A – all these are appointed as Circuit Meeting members and trustees at the decision of the Circuit Meeting.

The Circuit Meeting of all trustees meets four times a year. The trustees of the Circuit have chosen to divest powers of decision required urgently between Circuit Meetings to the CLT.

The CLT meets formally at least every two months and communicates routinely through electronic media. The team is used by the Circuit as a means of formulating, discussing and refining policy prior to proposal and debate at Circuit Meeting.

#### 4.4 Risk management

The trustees have considered the risks that the charity is exposed to and put strategies in place to mitigate those risks. Policies are established for health and safety, safeguarding and data protection, alongside financial controls. The Circuit's financial controls include: expenses policy, procurement policy, banking and investment management policy, anti-bribery policy, guidance on managing conflicts of interest, and guidance on maintaining awareness of risks from financial crime and abuse.

## 5. Reference and Administrative Details

### 5.1 Name of the charity

Yeovil and Blackmore Vale Methodist Circuit

### 5.2 Charity registration number

1158290 Registered in England and Wales

### 5.3 Principal office

Circuit Office  
c/o Vicarage Street Methodist Church  
Middle Street  
Yeovil  
BA20 1JZ  
01935 432173 (answerphone available)  
[www.yandbvcircuit@gmail.com](mailto:www.yandbvcircuit@gmail.com)

### 5.4 Superintendent Minister

Rev Paul Arnold (2020-21), replaced by Rev Lin Francis from 1 September 2021.

### 5.5 Circuit Manager

Mrs Helen Coombes

### 5.6 Circuit Treasurer

Mr Lewis Buckwell

### 5.7 Names of trustees

All voting Members of the Circuit Meeting are trustees. The list, as at September 2020, is given in Appendix A.

### 5.8 Bankers

Lloyds Bank plc  
Business Banking  
BX1 1LT

Central Finance Board of the Methodist Church  
9 Bonhill Street  
London  
EC2A 4PE



## 5.9 Investment managers and custodian trustees

Trustees for Methodist Church Purposes  
Central Buildings  
Oldham Street  
Manchester  
M1 1JQ

## 5.10 Independent Examiner

(Appointed 23<sup>rd</sup> March, 2021):

Frances Wilde FCCA MBA(Open) DChA PgDip  
Director  
Warner Wilde Limited  
Chartered Certified Accountants and Registered Auditors  
4 Marigold Drive  
Bisley Surrey GU24 9SF  
Registered in England No. 6923262

## 6. Exemptions from disclosure

None.

## 7. Funds held as custodian trustee on behalf of others

The Circuit holds no funds as custodian trustee. It does, however, from time to time, receive from churches contributions to certain Methodist (related party) and external charitable bodies. These sums are collected by the Circuit as agent for these bodies and are passed on directly to them within the same financial year (or accrued as creditors).

In 2020-21 we have applied a change of accounting policy to also treat the Circuit as an agent when it receives grants that are directly passed on to external organisations, and where the Circuit plays no part in overseeing the grant's use. In this context the Circuit undertakes the administration (application, collection and disbursement) of grants requested by churches and other charities /organisations within the Circuit from, but not limited to, the District and Connexion.

Funds received by the Circuit as agent are not recognised as an asset in the financial statements because the funds are not within its control.

No fee is earned in respect of this agency arrangement and the Circuit incurs no cost through this arrangement.

## 8. Approvals

We confirm that the Trustees' Annual Report and the Financial Statements (Statement of Financial Activities, Balance Sheet and supporting Notes) have been approved by Trustees at the Circuit Meeting held on 15<sup>th</sup> March, 2022:

Lin Francis (signed)



Rev Lin Francis  
Chair of Circuit Meeting  
Date:

21 March 2022

Lewis Buckwell (signed)



Mr Lewis Buckwell  
Circuit Treasurer  
Date:

21/3/22

## APPENDIX A Trustees

### CONSTITUTION OF CIRCUIT MEETING SEPTEMBER 2020

Church Steward and the Treasurer from each church  
plus a number of representatives based on church membership  
1 for churches with membership 30-59, 2 for 60-119 and 3 for 120+ would become members of the Circuit Meeting.

Revd Paul Arnold	Superintendent Minister
Revd Denise Binks	Minister
Revd Duncan Goldie	Minister
Revd Kate Konrad	Minister
Deacon Rebekah Joy Spinks	Deacon
Mrs Helen Coombes **	Circuit Administrator/Circuit Meeting Secretary
Mrs Lynn Heaton	Children, Young People and Families Worker (& Circuit Safeguarding Officer)
Revd Margaret Oxenham	Supernumerary Minister
Revd Gordon Elford	Supernumerary Minister
Revd Ruth Farrant **	Supernumerary Minister
Revd Christina Le Moignan	Supernumerary Minister
Revd Richard Clarke ***	Supernumerary Minister
Revd Joyce Norman ***	Supernumerary Minister
Mrs Norma Bartlett	Circuit Steward
Miss Sarah James	Circuit Steward
Mr Stephen Watson	Circuit Steward
Mrs Margaret Whitford	(Senior) Circuit Steward
Mr Lewis Buckwell	Circuit Steward, & Treasurer (Incoming)
Dr Kevin Fisher	Circuit Steward, & Treasurer (Outgoing)
OTHER APPOINTMENTS	
Mr Philip Butler	Circuit Property Steward
Mrs Kate Rawlins	Local Preachers & Worship Leaders Secretary and LWPT
Mr Colin Farrant	Local Preachers' Tutor
Mrs Christine Lydford *	MWiB President
Mr Adam Miller *	Circuit Archivist
BELL STREET, SHAFTESBURY with ASHMORE (87)	
Mr Martin Forsyth **	Contact Steward
Mrs Ruth Jones	Treasurer

Yeovil and Blackmore Vale Methodist Circuit (26-05)  
Trustees' Annual Report: Year ended 31 August 2021

**Mrs Lis Gosney**  
**Vacant**  
**Vacant**

**Representative 1**  
**Representative 2**  
**Representative Ashmore**

**CHEAP STREET with LONGBURTON (99)**

**Mrs Sue Way**  
**Mr John Stinchcombe**  
**Mr Geoff Gardner**  
**Vacant**  
**Vacant**  
**Mrs Jan English**

**Secretary**  
**Treasurer**  
**Representative 1**  
**Representative 2**  
**Representative 2**  
**Longburton Rep**

**GILLINGHAM (55)**

**Mrs Elizabeth Rickards**  
**Miss Heidi Epps**  
**Mr Robert Rickards**

**Church Steward**  
**Treasurer**  
**Representative**

**HAZELBURY BRYAN (13)**

**Mr Terrence Miller**  
**Mrs Carole Miller**

**Steward & Treasurer**  
**Representative**

**IBBERTON (7)**

**Mrs Mary Leamon**  
**Mr Adam Miller**

**Steward**  
**Treasurer**

**KINGS STAG (5)**

**Mrs Esther May**  
**Mrs Norma Le Poidevin**

**Steward**  
**Treasurer**

**MARNHULL (19)**

**Mrs Gillian Walsham**  
**Mr Hayden Williams**  
**Mrs Sally Williams**

**Steward**  
**Treasurer**  
**Reserve Representative**

**MOTCOMBE (18)**

**Mr David Wooldridge**  
**Mrs Sarah Upshall**  
**Mr John Taylor**

**Treasurer**  
**Steward**  
**Reserve Representative**

**PRESTON ROAD, YEOVIL (68)**

**Mr Brian Cowling**  
**Mr Peter Cleall**

**Church Secretary**  
**Treasurer**

Yeovil and Blackmore Vale Methodist Circuit (26-05)  
Trustees' Annual Report: Year ended 31 August 2021

Mr Bob Killick  
Mr John Harwood

Representative 1  
Representative 2

**ST MARK'S, YEOVIL (48)**

Mr Daniel England  
Mrs Margaret Evans  
Mr Richard England  
**Mr Richard Sinden**

Senior Steward  
Treasurer  
Representative  
**Reserve Representative**

**STURMINSTER NEWTON with BROAD OAK (14)**

Christine Lydford  
Mrs Beth Fox  
Mr Alan Harrison  
Mr Adam Miller \*  
**Mrs Adrienne Richardson**

Steward  
Treasurer  
Representative  
Representative Broad Oak  
**Reserve Representative**

**TISBURY (15)**

Mr. Ken Elcock  
Mrs Joy Ayles

Steward  
Treasurer

**VICARAGE STREET (56)**

Mrs Thelma Stevens  
Mr Stephen Watson  
Mr Cliff Howell

Steward  
Treasurer  
Representative 1

**WINCANTON (16)**

Mrs Lynda Walters  
Dr Bob Jones  
Mr Tony Cole

Joint Steward  
Joint Steward  
Treasurer

**YETMINSTER (6)**

Mrs June Goss \*\*

Church Secretary (not servicing as Circ Mtg Rep)

Mrs Sue Gilbey \*\*

Treasurer (not servicing as Circ Mtg Rep)

**\*\* Not a voting member of the Circuit Meeting**

**\* Already a member in another capacity**

**# Have decided not to participate, but are entitled to become Members again in future if they so choose.**

**Blue highlights** indicate that the church has Representative(s) or a Reserve Representative but have under 30 members. This is usually because the Steward and/or Treasurer do not attend the meeting.



# **YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

(Charity Registration No. 1158290)

## **FINANCIAL STATEMENTS**

**For the Year ending 31 August 2021**

This Accounts Pack is intended to meet the Charities Commission's reporting requirements for unincorporated charities.

It is presented in line with the Charities Statement of Recommended Practice (SORP) for charities preparing their annual accounts in accordance with the Financial Reporting Standard (FRS102) applicable in the UK and Republic of Ireland.

This pack is submitted in a format to match the template accruals accounts pack "CC17a" (2020 version) provided by the Charities Commission. Sections and Notes are numbered to match those in CC17a. Any missing Notes are intentional, i.e., they are omitted where this charity has no information to disclose or report for those items.

**YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

**Yeovil and Blackmore Vale Circuit**

**Circuit No. 26/05**

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

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	Totals this year	Totals last year (RESTATED)
		£	£	£	£	£	£
<b>Income</b>							
1 Donations and legacies	3a	1,968				1,968	928
2 Grants received	1.3, 3b			28,852		28,852	28,304
3 Assessments on churches	3c	244,890				244,890	240,224
4 Income from monetary investments	1.3, 3d	784	457	14		1,255	3,921
5 Income from investment properties	3e	14,080				14,080	14,400
6 Capital receipts	3f						
7 Other charitable income	3g	2,688				2,688	
8 Internal organisations	3h	334				334	
<b>9 Total Income</b>	<b>3i</b>	<b>264,744</b>	<b>457</b>	<b>28,866</b>		<b>294,068</b>	<b>287,777</b>
<b>Expenditure</b>							
10 RAISING FUNDS	1.3, 2.3 ii, 6a	4,454	214	8		4,676	3,560
11 GRANTS AND DONATIONS	1.3, 2.2 i, 6b, 13	3,021				3,021	3,100
12 CIRCUIT MINISTRY: Stipends, salaries and associated costs	6c, 11, 12	208,893		28,852		237,745	234,998
13 Property maintenance	6d	18,207				18,207	5,487
14 Connexional assessment & model trust levy	6e	51,795	2,850			54,645	48,896
15 District assessment & levy	6f	8,964				8,964	8,367
16 Depreciation	1.5, 6g	710				710	710
17 Provisions	6h, 21	(4,412)				(4,412)	(7,100)
18 Office expenses	6i	9,284				9,284	7,893
19 Telephone, travel	6j	5,286				5,286	13,049
20 Insurance, utilities	6k	17,239				17,239	16,864
21 Fees and charges	1.3, 2.3 ii, 6l	2,245				2,245	1,330
22 Other outgoings	6m	4,609				4,609	1,034
23 Internal organisations	6n						0
<b>24 Total Charitable Expenditure</b>	<b>6o</b>	<b>330,294</b>	<b>3,064</b>	<b>28,861</b>		<b>362,219</b>	<b>338,187</b>
<b>25 Net income/(expenditure) before investment gains/(losses)</b>		<b>(65,550)</b>	<b>(2,607)</b>	<b>6</b>		<b>(68,151)</b>	<b>(50,410)</b>
26 Gains/(losses) on monetary investments	17		1,144			1,144	(107)
27 Gains/(losses) on investment properties	17	(15,000)				(15,000)	
<b>28 Net income/(expenditure)</b>		<b>(80,550)</b>	<b>(1,463)</b>	<b>6</b>		<b>(82,007)</b>	<b>(50,517)</b>
29 Transfers between funds	27	50,000	(50,000)				
30 Gains/(losses) on fixed assets for the charity's own use	14	(100,000)				(100,000)	
31 Other gains/(losses)							
<b>32 Net movement in funds</b>	<b>27</b>	<b>(130,550)</b>	<b>(51,463)</b>	<b>6</b>		<b>(182,007)</b>	<b>(50,517)</b>
33 Total funds brought forward		2,430,454	106,995	4,203		2,541,651	2,592,169
<b>34 Total funds carried forward</b>		<b>2,299,903</b>	<b>55,532</b>	<b>4,209</b>		<b>2,359,644</b>	<b>2,541,651</b>

**For information only: Money received and passed on to External Organisations**

Balance brought forward from last year	1.5			5
Offerings/Gifts - received for External Organisations	1.3, 2.2 i, 8		11,869	12,382
Offerings/Gifts - passed to External Organisations	1.3, 2.2 i, 8		11,869	12,382
Balance carried forward				

Items shaded green are RESTATED - see Notes to the accounts



**YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

<b>Yeovil and Blackmore Vale Circuit</b>	<b>Circuit No. 26/05</b>
--	--------------------------

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

	Notes to the 2020-21 accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2019-20	Totals prev year 2018-19
		£	£	£	£	£	£
<b>Income</b>							
1 Donations and legacies		928				928	1,007
2 Grants received	1.3			28,304		28,304	33,471
3 Assessments on churches		240,224				240,224	235,704
4 Income from monetary investments		2,466	1,418	36		3,921	4,821
5 Income from investment properties	2.3 ii	14,400				14,400	8,176
6 Capital receipts							
7 Other charitable income							60
8 Internal Organisations							
<b>9 Total Income</b>		<b>258,018</b>	<b>1,418</b>	<b>28,341</b>		<b>287,777</b>	<b>283,239</b>
<b>Expenditure</b>							
10 Raising funds	1.3, 2.3 ii	3,229	323	8		3,560	
11 Grants and donations	1.3, 2.2 i	3,100				3,100	40,000
12 Stipends, salaries and associated costs	2.3 ii	206,694		28,304		234,998	210,236
13 Property maintenance	2.3 ii	5,487				5,487	14,089
14 Connexional assessment & model trust levy		43,317	5,579			48,896	47,657
15 District assessment & levy		8,367				8,367	7,123
16 Depreciation	1.5	710				710	510
17 Provisions		(7,100)				(7,100)	
18 Office expenses	2.3 ii	7,893				7,893	3,996
19 Telephone, travel	2.3 ii	13,049				13,049	17,266
20 Insurance, utilities		16,864				16,864	18,081
21 Fees and charges	1.3, 2.3 ii	1,330				1,330	2,145
22 Other outgoings		1,034				1,034	12,032
23 Internal organisations		0				0	
<b>24 Total Charitable Expenditure</b>		<b>303,972</b>	<b>5,902</b>	<b>28,313</b>		<b>338,187</b>	<b>373,135</b>
<b>25 Net income/(expenditure) before investment gains/(losses)</b>		<b>(45,954)</b>	<b>(4,484)</b>	<b>28</b>		<b>(50,410)</b>	<b>(89,896)</b>
26 Gains/(losses) on monetary investments			(107)			(107)	115
27 Gains/(losses) on investment properties							
<b>28 Net income/(expenditure)</b>		<b>(45,954)</b>	<b>(4,591)</b>	<b>28</b>		<b>(50,517)</b>	<b>(89,781)</b>
29 Transfers between funds		50,028	(50,000)	(28)		0	
30 Gains/(losses) on fixed assets for the charity's own use							
31 Other gains/(losses)							
<b>32 Net movement in funds</b>		<b>4,074</b>	<b>(54,591)</b>	<b>0</b>		<b>(50,517)</b>	<b>(89,781)</b>
33 Total funds brought forward		2,426,380	161,586	4,203		2,592,169	2,681,950
<b>34 Total funds carried forward</b>		<b>2,430,454</b>	<b>106,995</b>	<b>4,203</b>		<b>2,541,651</b>	<b>2,592,169</b>
<b>For information only: Money received and passed on to External Organisations</b>							
Balance brought forward from last year				5			5
Offerings/Gifts - received for External Organisations	1.3, 2.2 i			12,382			6,471
Offerings/Gifts - passed to External Organisations	1.3, 2.2 i			12,382			6,471
Balance carried forward							5

Items shaded green are RESTATED - see Notes to the accounts

YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

Yeovil and Blackmore Vale Circuit

Circuit No. 26/05

Balance Sheet as at 31 August 2021

		General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals this year	Totals last year (RESTATED)
Notes to the Accounts		£	£	£	£	£	£	£
<b>Tangible Fixed Assets</b>								
Circuit manses & equipment	14	1,588,710					1,588,710	1,689,419
Investment properties	17	325,000					325,000	340,000
Investments	17		8,117				8,117	6,973
<b>Total fixed assets</b>		<b>1,913,710</b>	<b>8,117</b>				<b>1,921,827</b>	<b>2,036,393</b>
<b>Current Assets</b>								
Debtors and Prepayments	19	15,608					15,608	14,609
Loans by Circuit	17.6							
Investments with TMCP	17.4, 24	212,198	47,415		4,209		263,821	316,415
Central Finance Board deposits	24	90,942					90,942	59,627
Cash at Bank and in hand	24	93,591		334			93,926	148,652
<b>Total current assets</b>		<b>412,338</b>	<b>47,415</b>	<b>334</b>	<b>4,209</b>		<b>464,296</b>	<b>539,303</b>
<b>Current Liabilities</b>								
Creditors and Accruals (due in under 1 yr)	20	23,791					23,791	26,945
Grants payable in <1yr	20	2,688					2,688	7,100
<b>Total current liabilities</b>		<b>26,479</b>					<b>26,479</b>	<b>34,045</b>
<b>Net current assets/liabilities</b>		<b>385,859</b>	<b>47,415</b>	<b>334</b>	<b>4,209</b>		<b>437,817</b>	<b>505,259</b>
<b>Total assets less current liabilities</b>		<b>2,299,569</b>	<b>55,532</b>	<b>334</b>	<b>4,209</b>		<b>2,359,644</b>	<b>2,541,651</b>
Long term liabilities (due after more than one year)	20							
Grants payable after one year	20							
Loans to the Circuit	20							
<b>Total net assets or liabilities</b>		<b>2,299,569</b>	<b>55,532</b>	<b>334</b>	<b>4,209</b>		<b>2,359,644</b>	<b>2,541,651</b>
<b>Funds of the Circuit</b>								
General Fund (Unrestricted)		2,299,569					2,299,569	2,430,454
Circuit Model Trust Fund (Unrestricted)			55,532				55,532	106,995
Designated Funds (Unrestricted)				334			334	
<b>Total Unrestricted Funds</b>							<b>2,355,435</b>	<b>2,537,448</b>
Other Funds (Restricted)					4,209		4,209	4,203
Endowment Funds								
<b>Total Funds</b>		<b>2,299,569</b>	<b>55,532</b>	<b>334</b>	<b>4,209</b>		<b>2,359,644</b>	<b>2,541,651</b>

Items shaded green are RESTATED - see Notes to the accounts

YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

Name of Circuit: Yeovil & Blackmore Vale Methodist Circuit No 26/05

## Declarations and Scrutiny

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

Signature of treasurer L Buckwell Date 21/3/22

Name and address of treasurer:  
Lewis Buckwell, Dragonfly Cottage, Woodbridge Lane,  
Bedchester, Shaftesbury, Dorset SP7 0BF

### Presentation to the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were ~~will be~~\*

presented to the Circuit meeting held on TUESDAY 15 MARCH 2022

Signature of the Chair of the meeting Revd Lin Francis

Name of the Chair of the meeting: Revd Lin Francis Date 21-03-22

## Independent Examiner's Report to the Trustees of the Yeovil & Blackmore Vale Methodist Circuit

Charity Number 1158290

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Yeovil & Blackmore Vale Methodist Circuit for the year ended 31 August 2021 set out on pages 1 to 4. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

\* delete or circle as appropriate

**YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

Name of Circuit: Yeovil & Blackmore Vale Methodist Circuit No 26/05

**Independent Examiner's Statement**


The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

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

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

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

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

Signature of independent examiner  .....

Name of independent examiner: Frances Wilde

Relevant professional qualification of independent examiner: FCCA DChA

Name of firm (where appropriate): Warner Wilde Limited  
Address: 4 Marigold Drive, Bisley, Surrey GU24 9SF

Date 22 March 2022 .....

\* delete or circle as appropriate

**YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

**NOTES TO THE ACCOUNTS  
2020-2021**

**Note 1      Basis of preparation****1.1              Basis of accounting****i                  Accounting framework**

The financial statements have been prepared under the Charities Act 2011 in accordance with the second edition of *Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland*, effective from 1 January 2019 ("SORP FRS102 2019"), and in accordance with the 'true and fair override' provision contained therein.

**ii                Public benefit entity**

The Yeovil & Blackmore Vale Methodist Circuit meets the definition of a public benefit entity under SORP FRS102 2019.

**iii              Basis**

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below. The accruals basis has been used and trustees present accounts that show a true and fair view of the Circuit's financial position and activities. The accounting policies adopted are those outlined in Note 2.

**iv              Content**

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

**v                SORP FRS102 2019**

This is the sixth year that the SORP FRS102 has applied to this Circuit's accounts. These accounts are compliant with FRS102 and with SORP FRS102 2019.

**vi              Consolidation**

The Circuit has denominational regulatory oversight in respect of the work of the 16 Church Councils within the Circuit but has no legal or operational control of those Church Councils and their governing bodies except in extreme circumstances. For this reason, the financial statements of the Churches within the Circuit are not consolidated into these financial statements.

**1.2              Going concern**

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

### **1.3 Changes to accounting policies for 2020-21**

#### **i Nature of change in accounting policy**

New policies introduced with this 2020-21 financial report:

[Note 2.2 i]: Acting as agent for grants received and passed on

[Note 2.3 ii]: Governance and support costs

[Note 2.3 ii]: Revised SOFA categories

[Note 2.3 ii]: "Raising funds" expenditure category

[Note 2.4 i]: Tangible fixed assets - change of policy

[Note 2.4 i]: Investment property - change of policy re: revaluation

[Notes 2.2 iii, iv, v, vii; 2.3 ii, iv, vii, ix; and 2.4 ii]: Newly-documented policies that describe existing practice.

#### **ii Reasons for change**

[Note 2.2 i]: Change of policy to treat the Circuit as an agent when it receives grants that are directly passed on to external organisations, and where the Circuit plays no part in overseeing the grant's use.

[Note 2.3 ii]: Governance and support costs have not been categorised in the SOFA either previously or this year, but, estimates of governance and support costs have now been provided separately in these Notes, as a change in reporting this year to comply with SORP FRS102 2019.

[Note 2.3 ii]: SOFA categories have been changed this year to correspond with recent Methodist Church guidance for Circuit accounts.

[Note 2.3. ii]: Raising funds. In order to align with SORP FRS102 2019 and CC17a (the Charity Commission Accruals Accounts Pack, June 2020), the reallocation of SOFA categories this year now includes a new "Raising Funds" expenditure category. This category includes financial investment management costs, investment property insurance and maintenance, and property management (estate agents') fees. Treatment of investment property income has been changed from the previously-adopted "net" (of agents' fees) basis to allow these property management fees to be reported.

[Note 2.4 i]: Tangible fixed assets provided by the Circuit at the Circuit's manses are now treated the same as other tangible fixed assets and are identified, capitalised and depreciated under the new policy if they individually cost at least £1,000. (This replaces the Circuit's previous policy of providing an estimate for fixtures and fittings at each property, valued on a "new for old" replacement basis.) An annual impairment review of all tangible fixed assets is undertaken.

[Note 2.4 iv]: Circuit investment property is now revalued periodically, in line with SORP FRS102 2019.

[Notes 2.2 iii, iv, v, vii; 2.3 ii, iv, vii, ix; and 2.4 ii]: represent no change to previous undocumented policies that have been historically practised by this Circuit. Rather, these policies are newly documented here for completeness, and to demonstrate alignment with CC17a and SORP FRS102 2019).

#### **iii Amounts of adjustments**

[Note 2.2 i]: The decision to change this policy reduces both the income and expenditure of the Circuit by £6,000 in 2020-21. (Note that the same value grant was also received and passed on in 2019-20.)

[Note 2.3 ii]: Governance and support costs: no adjustment.

[Note 2.3 ii]: New SOFA expenditure categories. 2019-20 expenditure has been restated in accordance with the new categorisation, for comparison purposes, and this restated 2019-20 SOFA is included with these 2020-21 financial reports. The SOFAs for reporting periods earlier than 2019-20 have not been restated. There are no changes to the 2019-20 Balance Sheet.

[Note 2.3 ii]: Raising Funds. 2019-20 restated as above.

[Note 2.4 i]: Tangible fixed assets at the Circuit's manses recorded in the Balance Sheet under this new policy: £NIL. Under the previous policy, an estimate of £20,000 per manse (x5 manses = £100,000) had been included in the manse values in the Balance Sheet. A similar estimate of £20,000 had similarly been included in the investment property's valuation; an adjustment of -£20,000 has been applied.

[Note 2.4 iv]: The Circuit's investment property was revalued in July 2021, leading to a +£5,000 adjustment to the Balance Sheet (net adjustment from 2.4 i and iv: -£15,000).



#### 1.4 Changes to accounting estimates for 2020-21

No changes to accounting estimates have occurred in the 2020-21 reporting period.

#### 1.5 Prior year errors

The Circuit's purchase of a CCTV video surveillance system installed in September 2019 at the Circuit Office at a cost of £2,128 had not previously been capitalised and depreciated as a tangible fixed asset. This has now been corrected, and Balance Sheet and SOFA figures for FY 2019-20 have been restated in this Accounts Pack.

Monies held for external organisations: An amount held as "monies for external organisations" of £5 had historically been carried forward on the Circuit's SOFA reports every year dating back for many years, and it is unclear what external organisation this was being held for. This amount is regarded as immaterial. An adjustment has been made to remove the amount of £5 from these monies brought forward from FY 2019-20. This adjustment has no other effect on the Circuit's accounts.

### Note 2 Accounting policies

#### 2.1 [NOT USED]

#### 2.2 Income

##### i Recognition of income

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, when the trustees are reasonably certain they will receive the resources, and when the monetary value can be measured with sufficient reliability.

The Circuit acts as agent in two matters:

- the collection from Circuit Churches and individuals and payment over of their contributions, to various Funds controlled and administered by The Methodist Church – "Connexional Funds", and to other national charities
- the administration (application, collection and disbursement) of grants requested by Churches and other charities/organisations within the Circuit from, but not limited to, the District and Connexion

The transactions relating to these matters are not reflected in the Circuit's transactions in the SOFA. Instead, they are shown on the SOFA as "*Offerings/Gifts received for, and passed to, External Organisations*", details of which are disclosed in these Notes.

##### ii Offsetting

There has been no offsetting of assets and liabilities, or income and expenses.

##### iii Grants received

Grants received by the Circuit for Circuit purposes from external sources (including Connexional and/or District grants) are shown as income. The Circuit has received no performance-related grants.

##### iv Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate, and any conditions attached to the legacy are either within the control of the Circuit or have been met.

**v Tax reclaims on donations and gifts**

Gift Aid receivable is included as income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be a part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**vi Volunteer help**

No attempt has been made to measure the value of services donated by volunteers.

**vii Settlement of insurance claims**

Insurance claims (when applicable) are only included in the SOFA, as an item of other income, when the insurance claim income recognition criteria are met (5.53 to 5.55 FRS102 SORP 2019).

**2.3 Expenditure and Liabilities**

**i Liability recognition**

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

**ii Governance and support costs**

The Circuit is a "smaller charity" (defined by SORP FRS102 2019 as below £500k gross income) and one of the reliefs offered to smaller charities in SORP FRS102 2019 is the freedom to adapt the SOFA format to suit the needs of the charity. Costs have been allocated to cost categories consistent with current Methodist Church practice. Governance and support costs have not been categorised in the SOFA but estimates of governance and support costs are provided separately in these Notes.

**iii Grants made**

Grants made by the Circuit from its own funds are recognised in full when the award is made once the Circuit accepts that there is a legal or constructive obligation to make the payment and that such payment is probable. When such a grant is recurrent over more than one year the balance payable in future years is treated as a Provision for future commitments in the Balance Sheet against the appropriate Fund (split between monies due in the following financial year and monies due in the longer term), the Provision being released in future years as instalments are paid within the terms originally agreed by trustees at the Circuit Meeting. No grants have been made with performance conditions attached.

**iv Provisions for liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

**v Basic financial instruments: Receivables and Payables; Bank and Cash**

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

**vi VAT**

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

**vii Ministers' manse costs**

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

**viii Expenses**

The Circuit has a policy, agreed at Circuit Meeting by trustees in 2014, that all trustees may claim for appropriate expenses in the course of their duties on behalf of the Circuit. Further details of the Circuit's Expenses Policy were agreed by trustees in June 2021.

Claims for books, materials, stationery and postage must be submitted with receipts. All claims are submitted on standard forms for scrutiny by the Circuit Treasurer. As with all expenditure any payment is counter-authorised by another, named, Trustee before payment.

Motor vehicle travel cost rates are set by Connexion in agreement with HMRC. Currently they are 45p/mile for cars and 24p/mile for motorcycles. If passengers are taken on journeys for Circuit business then a further 5p/mile per passenger may be claimed.

Expenses are typically paid monthly in arrears. September payments are therefore counted as accruals against the previous financial period.

**ix Redundancy and termination payments**

Redundancy and termination payments are recognised as a liability and an expense only when the charity is demonstrably committed either: (a) to terminate the employment of an employee or group of employees before the normal retirement date; or (b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. (FRS102 28.34). The charity is demonstrably committed to a termination only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan. (FRS102 28.35).

**2.4 Assets**

**i Tangible fixed assets**

The Circuit is managing trustee for six residential buildings. Those occupied by ministers stationed in the Circuit are described as "manses". All manses are shown in the Balance Sheet at their approximate market values. In November 2016 the Circuit decided to use the "Fair Value" of its manses on transitioning to SORP FRS102 (when reporting the 2015-16 financial year), and has since applied a "Deemed Cost less impairment" policy to valuing its manses in its annual financial reports. Land values are estimated at 25% of the property market value. Unoccupied residential properties being used to provide investment income for the Circuit are treated differently - as "investment property" - see Note 2.4 iv.

Equipment assets are capitalised if they can be used for more than one year, and individually cost at least £1,000. Typically a 3-year depreciation policy is then utilised. Any tangible fixed assets provided by the Circuit at the Circuit's manses (equipment/furnishings provided by the Circuit which are not part of the fabric of the property) are similarly treated if they individually cost at least £1,000.

At each reporting end date, the Circuit reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**ii Intangible and heritage assets**

The Circuit has no intangible or heritage assets.

**iii Monetary Investments**

The principal monetary investments of the Circuit are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains/losses arising on investments at the end of the year are shown in the SOFA with further detail provided in these Notes.

The Circuit's other monetary investments are held as cash on deposit with a maturity date of less than one year. These deposits are held both for investment purposes and also to meet short term cash commitments (principally, ministers' stipends and lay staff salaries) as they fall due. The Central Finance Board of the Methodist Church (CFB) banks these funds on the Circuit's behalf.

**iv Investment Property**

From time to time the Circuit may hold residential property (manses) which is surplus to its normal staffing requirements. Where a property is unlikely to be used as a manse within a period of two years, the property is classified as "investment property" (whether let out or not) and, if let, it is let at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives. The Circuit's investment properties are revalued periodically in accordance with SORP FRS102 2019 and any change to the asset valuation is recorded in the Balance Sheet.

## GLOSSARY OF TERMS

**CFB:** Central Finance Board of the Methodist Church manages a Common Deposit Fund and pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities.

**Church:** a group of members from at least 12 to more than 100.

**Circuit:** a group of Methodist Churches within the same geographical region, typically between 10 and 30. In our case 16.

**Circuit Meeting:** The trustees of the Circuit, most of whom are appointed by their local Church and others by virtue of a role they undertake for the Circuit and/or their local Church.

**CLT:** Circuit Leadership Team. A group of Circuit trustees responsible, at the will of the Circuit Meeting, for the day to day administration and policy formulation of the Circuit. Currently, this Circuit's CLT comprises the ministers stationed within the Circuit, the Circuit Stewards, the Circuit Administrator and the Circuit Property Secretary.

**CMTF:** Circuit Model Trust Fund (unrestricted).

**Connexion:** The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and churches in Great Britain.

**Connexional Funds:** The designated and/or restricted funds held and administered by the Connexion in furtherance of its charitable and mission objectives.

**District:** a group of contiguous Circuits, usually between 15 and 30.

**FRS:** Financial Reporting Standard.

**FY:** Financial year.

**HMRC:** Her Majesty's Revenue and Customs.

**Lay employees:** Non presbyteral staff employed either full or part time on formal written contracts.

**MC:** Methodist Church.

**MMPS:** Methodist Ministers' Pension Scheme.

**Pensions Trust:** The Pensions Trust, the provider of the Circuit's defined contribution pension scheme for Lay Employees.

**Presbyters (including Superintendent):** Probationer or ordained Methodist ministers and/or deacons who have pastoral and administrative responsibility for the Churches within the Circuit.

**SOFA:** Statement of Financial Activities.

**SORP:** Statement of Recommended Practice.

**TMCP:** Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

### Note 3: ANALYSIS OF INCOME

#### Note 3a Donations & legacies (SOFA line 1)

This category of income includes donations received from trustees and others directly to the Circuit together with any associated Gift Aid reclaimed from HMRC. This amounted to £1,968 (previous year £928):

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Donations and gifts	£1,852				£1,852	£759
Gift aid	£116				£116	£169
Legacies						
Other						
<b>Totals</b>	<b>£1,968</b>				<b>£1,968</b>	<b>£928</b>

#### Note 3b Grants received (SOFA line 2)

Grant income was received as shown in the table below:

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20 (RESTATED)
Southampton District - Diaconal support			£10,000		£10,000	£10,000
Hazelbury Bryan MC - Diaconal support			£2,000		£2,000	£2,000
Sturminster Newton MC - Diaconal support			£1,000		£1,000	£1,000
King's Stag MC - Diaconal support			£1,000		£1,000	£1,000
Southampton District - Family Worker support			£4,100		£4,100	£4,100
Bell Street United Church - Family Worker support			£8,064		£8,064	£7,653
Motcombe MC - Family Worker support			£2,688		£2,688	£2,551
<b>Totals</b>			<b>£28,852</b>		<b>£28,852</b>	<b>£28,304</b>

A further grant of £6,000 from Southampton District was received for Vine Youth Ministries (VYM). This was paid on to VYM by the Circuit together with the Circuit's own grant (see Note 14). Southampton District's grant for VYM was treated as "Money Received and Passed on to External Organisations" and has been excluded from Circuit income and expenditure - refer to Note 1.3.

The grants from District and individual churches to support the Circuit's Diaconal project and to support the Family Worker were all paid into the Circuit current account to offset costs incurred during the year.

The grants for the Family Worker from the Bell Street and Motcombe churches represent the surplus cost over the Financial Year for the Family Worker based at Shaftesbury/Motcombe (salary, NI, pension, plus expenses claimed by the Family Worker from Circuit funds, minus the grant funding from District and committed payments from Circuit funds). This surplus cost of £10,752 (£10,204 2019-20) was split 75% to Shaftesbury & 25% to Motcombe.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Income: sub-totals carried forward:	£1,968		£28,852		£30,820	£29,232

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	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Income: sub-totals brought forward:	£1,968		£28,852		£30,820	£29,232

## Note 3c Assessments on Churches (SOFA line 3)

This is the primary source of regular income for the Circuit at the heart of the Methodist connexional structure. There are 16 church councils in the Circuit and these separate charitable bodies act together via the Circuit to support ministry in the Yeovil and Blackmore Vale area. This includes the primary expense of ministerial staff and lay workers together with their associated costs. The churches also, through quarterly Circuit Meetings, decide on grants to be made from Circuit funds for work in specific churches and elsewhere.

Each church is assessed for an annual contribution to meet net Circuit expenditure (taking into account other sources of income available to the Circuit). The Circuit has now been in existence for 7 years and the individual payments received from Churches are largely determined on a historical basis. Currently the total does not cover net expenditure. The budgeted deficit in FY 2020-21 was £96,855 to be made up from Circuit reserves. In the current 5 Year Plan up to 2024 this reserves-funded deficit has been budgeted to continue.

During FY 2021-22, we plan to review and seek to agree a more formulaic mechanism for splitting the total Circuit assessment required between our 16 churches. The amounts paid during FY 2020-21 by the individual churches are shown below. Their payments amounted to an increase of approximately 2% on previous year levels set by the Circuit:

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Bell St. Shaftesbury + Ashmore	£41,742				£41,742	£40,950
Cheap St. Sherborne	£39,744				£39,744	£38,964
Gillingham	£38,184				£38,184	£37,434
Vicarage St. Yeovil	£27,360				£27,360	£26,826
Preston Rd. Yeovil	£24,570				£24,570	£24,090
St. Mark's Yeovil	£13,662				£13,662	£13,422
Sturminster Newton + Broad Oak	£12,969				£12,969	£12,696
Tisbury	£9,858				£9,858	£9,666
Marnhull	£8,910				£8,910	£8,736
Motcombe	£8,772				£8,772	£8,598
Wincanton	£8,094				£8,094	£7,938
Hazelbury Bryan	£4,014				£4,014	£3,936
Yetminster	£2,141				£2,141	£2,124
Ibberton	£1,914				£1,914	£1,878
Longburton	£1,590				£1,590	£1,622
King's Stag	£1,366				£1,366	£1,344
<b>Totals</b>	<b>£244,890</b>				<b>£244,890</b>	<b>£240,224</b>

Assessments on churches are monthly in advance and are treated as pre-payments on a receivables basis. St Marks church, Yeovil, is repaying a Circuit loan of £7,500 at £1,500pa. This amount is included in the assessment table above.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Income: sub-totals carried forward:	£246,858		£28,852		£275,710	£269,456

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	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Income: sub-totals brought forward:	£246,858		£28,852		£275,710	£269,456

### Note 3d Income from monetary investments (SOFA line 4)

The majority of Circuit funds are held in basic interest accounts, without exposure to financial money markets, thereby respecting our current low-risk approach to reserves. A small amount of reserves in the CMTF are held in funds approved by TMCP/CFB, resulting in dividend income as shown below plus gains/losses on assets shown separately on line 26 of the SOFA.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
CFB	£70				£70	£646
TMCP interest	£714	£121	£14		£849	£3,143
TMCP dividends		£336			£336	£132
<b>Totals</b>	<b>£784</b>	<b>£457</b>	<b>£14</b>		<b>£1,255</b>	<b>£3,921</b>

### Note 3e Income from investment properties (SOFA line 5)

The Circuit has 6 residential buildings in its portfolio, all of which have been used to house ministers in the past (manses).

During financial year 2020-21 the Circuit trustees budgeted for 5 Ministers to be in residence in manses (at Yeovil, Gillingham, Shaftesbury, Sherborne and Sturminster Newton).

This left us one property which we have been commercially leasing at market rates and using for investment income. This "spare" manse is in Yeovil at Harbin Close. The tenants occupying the property left in June 2021 and a new tenant was arranged by our estate agents, and agreed with TMCP (as required under Methodist Church rules), within a few weeks.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20 (RESTATED)
Rental income (gross receipts)	£14,080				£14,080	£14,400
<b>Totals</b>	<b>£14,080</b>				<b>£14,080</b>	<b>£14,400</b>

The property is being let through estate agents under an Assured Shorthold Tenancy. The Circuit pays management fees (12% of income) to the agents and pays maintenance costs via the agent. Most running costs are paid directly by the tenant.

The figure reported in Line 5 of the SOFA is the GROSS Income received. Related expenditure is reported for FY 2020-21 under the "Raising Funds" category (SOFA line 10). See Notes 1.3 ii and 6b.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20 (RESTATED)
Income: sub-totals carried forward:	£261,722	£457	£28,866		£291,046	£287,777



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	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Income: sub-totals brought forward:	£261,722	£457	£28,866		£291,046	£287,777

## Note 3f Capital receipts (SOFA line 6)

There were no Capital Receipts (2020-21 - £NIL). The same was the case in 2019-20.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Totals						

## Note 3g (also CC17a Note 4) Other charitable Income (SOFA line 7)

Other charitable income of £2,688 was the amount received in the form of furlough payments under the UK Government's Coronavirus Job Retention Scheme in relation to the Family Worker for Shaftesbury and Motcombe, who was furloughed from the end of January 2021 to early April 2021.

The Circuit had received a grant from Southampton District to support this Family Worker until August 2021 (see Note 3b). It was agreed with the District that a portion of the District's grant should be applied towards extending support for the Family Worker's role beyond August 2021, i.e. into the start of FY 2021-22. An amount of District grant equal to the Government furlough payments received (£2,688) has been held over until FY 2021-22 by the Circuit for this purpose. A provision of this amount has been made in this year's accounts (see Note 6h).

There are no unfulfilled conditions or other contingencies attaching to these payments received. No other forms of government assistance have been received. No government grants were received in the previous year.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Government furlough payments	£2,688				£2,688	
Totals	£2,688				£2,688	

## Note 3h Internal organisations' income (SOFA line 8)

An amount of £334 was received by the Circuit from the recently disbanded Wincanton Tots and Toys group. This money is now being held (with the Circuit's consent) as "designated funds", within the Circuit's general funds, for children's work in Wincanton unless and until it becomes apparent that there will be no replacement children's group activity there. The Circuit has no other internal organisation funds.

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Wincanton Tots and Toys (closing balance)	£334				£334	
Totals	£334				£334	

## Note 3i Total income (SOFA line 9)

The sum total of the Circuit's income for 2020-21 (analysed in Notes 3a to 3h) is:

	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
TOTAL INCOME:	£264,744	£457	£28,866		£294,068	£287,777

# Note 6: ANALYSIS OF EXPENDITURE

## Note 6a Expenditure on raising funds (SOFA line 10)

Circuit expenditure on raising funds in 2020-21 was limited purely to (i) cost of financial investment management of the Circuit's funds held with the Trustees for Methodist Church Purposes (TMCP) (management charges based on 0.2% of the value of the individual funds at the beginning of the year), and (ii) costs associated with the rental of the Circuit's investment property in Yeovil (spare ministerial manse) - these costs were: rent collection (estate agents' fees), insurance, and repairs and maintenance. See also Notes 2.2 ii, 2.2 iii, and 3e.

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Investment management costs (TMCP)	£424	£214	£8		£424	£323	£8	
Investment property costs	£4,029				£2,804			
Totals	£4,454	£214	£8		£3,229	£323	£8	
								£3,560

## Notes 6b to 6o Expenditure on charitable activities

## Note 6b Grants and donations (SOFA line 11)

A grant to Vine Youth Ministry (VYM) was approved by the trustees at the Circuit Meeting held on 13th December 2018. A total payment of £10,000 was authorised to be made; £4,000 in FY 2018-19 and £3,000 in each of FY 2019-20 and FY 2020-21. VYM is a Registered Charity (No. 1131007) providing outreach to schools and young people in the Somerset & Dorset area. The Southampton Methodist District also supports VYM (see Note 8).

The Circuit's trustees also committed to support the work and costs of the Family Worker based at Shaftesbury & Motcombe at the June 2018 Meeting. A total of £13,000 was committed, spread over 3 years at £4800; £4100; £4100. This grant money, together with an equivalent amount for this project from the Southampton District, is not shown here but is included in lay worker expenditure, and the recharge to the 2 churches involved was reduced by this grant amount (See Note 3b).

The Circuit made a donation of £21 in FY 2020-21 towards an ordination gift for its Deacon, (total gift value: £400, which was paid for predominantly from funds raised by the Circuit churches).

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Vine Youth Ministry	£3,000				£3,000			
Retirement, leaving and ordination gifts	£21				£100			
Totals	£3,021				£3,100			
								£3,100

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Expenditure: subtotals carried forward	£7,475	£214	£8		£6,329	£323	£8	
								£6,660

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	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Expenditure: subtotals brought forward	£7,475	£214	£8	£7,697	£6,329	£323	£8	£6,660

**Note 6c** Stipends, salaries and associated costs (SOFA line 12)

This category is, by far, the biggest item of expenditure in the Circuit's activities but is clearly at the heart of what we do in our community. The Circuit paid stipends to 3 Methodist presbyters, 1 Methodist deacon, and 1 URC presbyter in this financial year. The Supreme Court held in 2014 that ministers (which term includes presbyters and deacons) are not employees of the church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body. Costs (stipends, employer's National Insurance, pension, apprenticeship levy) are shown in the table below:

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20 (RESTATED)
Methodist Connexion: 4 FTE ministers	£143,063				£143,063	£139,125
URC Synod salary costs: Rev Duncan Goldie	£35,448				£35,448	£35,423
Salary costs: lay employees	£29,231		£28,852		£58,083	£59,925
Superannuary preaching fees	£1,150				£1,150	£525
<b>Totals</b>	<b>£208,893</b>		<b>£28,852</b>		<b>£237,745</b>	<b>£234,998</b>

Stipends are paid directly to Methodist ministers through the Methodist Connexional payroll. The Circuit pays the Connexion a month in advance so August direct debits are treated as pre-payments. Most ordained Methodist presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS), which is a defined benefit scheme.

The Circuit also has a URC minister, Rev Duncan Goldie, stationed at Sherborne since June 2018. Rev Goldie's remuneration package is handled centrally by the URC Office through their "Ministry & Mission" (M&M) Fund office in London. The URC deducts a monthly direct debit from the Circuit to cover Rev Goldie's gross salary, employer pension, and employer National Insurance costs.

In FY 2020-21 the Circuit employed 4 part-time lay staff, one in administration and three in family/children's work. The Circuit's family lay worker in the southern area of the Circuit (Hazelbury Bryan-centred) was made redundant in October 2020 as a direct result of the Covid pandemic.

Unlike ministers, lay staff are contractually employees and have the option of joining a pension scheme, which the Circuit has arranged with The Pensions Trust. This is a defined benefit scheme and the Circuit contributes 6% of salary (in line with Methodist Connexional directives) as employer to this scheme. Salary costs (salaries, employer's National Insurance, pension, apprenticeship levy, payroll admin charges) for these lay workers, including the redundancy pay, are detailed above.

Supernumeraries are ministers who have retired but many still conduct worship and for that are paid £25 per service (a figure set by the Methodist Conference) plus travelling expenses. All supernumerary ministers are encouraged to claim these expenses but not all do so. Local Preachers are accredited by the Connexion to conduct worship services in our churches around the Circuit. The Circuit encourages them to claim travelling expenses, but not all do so. All expense claims are made in accordance with the Circuit's Expenses Policy, at rates given in Note 2.3 viii).

[illegible]

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	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	Restricted	Endow
Expenditure: subtotals brought forward	£216,367	£214	£28,861	£245,442	£213,022	£323
					£28,313	£241,658

**Note 6d Property maintenance (SOFA line 13)**

As previously stated, the Circuit is Managing Trustee for 5 manse occupied by ministers stationed in the Circuit. For all manse there were "annual" type costs relating to routine servicing of gas boilers and appliances, alarm systems and electrical checks. The property at Sherborne attracts "grounds maintenance" fees via an estate management company. None of this expenditure was considered as a benefit-in-kind to the resident Ministers under HMRC guidelines. The Circuit's Property Secretary is involved in arranging and overseeing all maintenance work. Annual inspections are also carried out. The Circuit believes that all 5 properties are in good condition and that there is no requirement to identify accruals for work at this time.

Significant maintenance costs are generally sustained when refurbishing manse in-between minister occupations. At the end of FY 2020-21 our Superintendent (Gillingham-based) was stationed to another Circuit and the manse has been refitted, with some expensive repairs, before arrival of the new Superintendent at the start of FY 2021-22. The Yeovil manse required a new boiler this year.

All premises in the Circuit, churches and manse, are required by Connexion to have an independent survey every 5 years. The cost of these "quinquennial" surveys is borne at Circuit level. Any actions identified in these surveys must be acted upon by the individual churches or, in the case of manse, by the Circuit.

The total costs of manse and church maintenance items to the Circuit are disclosed in the table below:-

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	Restricted	Endow
Barnaby Mead, Gillingham	£13,781			£13,781	£404	£404
Ridge Way, Shaftesbury	£126			£126	£640	£640
Poplar Drive, Yeovil	£3,257			£3,257	£581	£581
Granville Way, Sherborne	£316			£316	£996	£996
Mansford Road, Sturminster Newton	£226			£226	£391	£391
Quinquennials (churches and manse)	£500			£500	£2,475	£2,475
Totals	£18,207			£18,207	£5,487	£5,487

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	Restricted	Endow
Expenditure: subtotals carried forward	£234,574	£214	£28,861	£263,649	£218,509	£323
					£28,313	£247,145

**YEOVIL & BLACKMORE VALE METHODIST CHURCH**

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	Restricted	Endow
Expenditure: subtotals brought forward	£234,574	£214	£28,861	£263,649	£218,509	£247,145

**Note 6e Connexional assessment & model trust levy (SOFA line 14)**

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Methodist Church Fund Connexional assessment	£47,063				£38,585			£38,585
Model Trust Levy		£2,850				£5,579		£5,579
URC M & M payment	£4,732				£4,732			£4,732
<b>Totals</b>	<b>£51,795</b>	<b>£2,850</b>			<b>£43,317</b>	<b>£5,579</b>		<b>£48,896</b>

The Methodist Church Fund assessment is the Circuit's contribution to the running costs of the Connexion. The payment is calculated using a formula based on prior-year ministerial and lay staffing levels of the 12 Circuits in the District. It is reviewed annually and adjusted in September of each period.

The Model Trust levy is deducted by TMCP from the Circuit's CMTF as one payment on 1st September each year based on total funds in the CMTF on 31st August of the previous period. On 31st August 2020 this was £106,995.

The current measure of Model Trust Lew is set at:-

2.50% for the first £100,000

5.00% for the next £150,000

7.50% for funds above £250,000

This calculation gave a Levy of £2,850 deducted from the Circuit's CMTF. The levy is paid on by TMCp to the Southampton District Advance Fund, which is used to support many initiatives in the 12 Circuits of the District including mission and outreach.

The URC Ministry & Mission (M&M) figure is the equivalent charge for the running costs of the URC Wessex Synod and the national URC organisation. It is calculated on a formula based on URC membership numbers in our 2 ecumenical partnerships at Sherborne & Shaftesbury. This is reviewed annually and adjusted in January of each period. There was no M&M increase in January 2020.

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Expenditure: subtotals carried forward	£286,369	£3,064	£28,861		£318,294	£296,041

YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Expenditure: subtotals brought forward	£286,369	£3,064	£28,861		£261,826	£5,902	£28,313	
				£318,294				£296,041

**Note 6f District assessment & levy (SOFA line 15)**

	2020-21				2019-20					
	Unrestricted	CMTF	Restricted	Endow	2020-21	Unrestricted	CMTF	Restricted	Endow	2019-20
District assessment	£8,964				£8,964	£8,367				£8,367
Totals	£8,964				£8,964	£8,367				£8,367

The District assessment is the Circuit's contribution to the running costs of the Southampton District. The payment is calculated using a formula based on prior-year ministerial and lay staffing levels of the 12 Circuits in the District. It is reviewed annually and adjusted in September of each period.

**Note 6g Depreciation (SOFA line 16)**

	2020-21				2019-20 (RESTATED)					
	Unrestricted	CMTF	Restricted	Endow	2020-21	Unrestricted	CMTF	Restricted	Endow	2019-20 (RESTATED)
Depreciation	£710				£710	£710				£710
Totals	£710				£710	£710				£710

The Circuit's purchase of a CCTV video surveillance system installed in September 2019 at the Circuit Office at a cost of £2,128 had not been capitalised or depreciated as a tangible fixed asset in last year's accounts. This has now been corrected, and Balance Sheet and SOFA figures for FY 2019-20 have been restated in this Accounts Pack; depreciation for FY 2019-20 has been included at one third of the purchase value, in line with the depreciation policy stated in Note 2.4 i. This annual depreciation of £710 has also been applied as an FY 2020-21 SOFA expense.

**Note 6h Provisions (SOFA line 17)**

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Vine Youth Ministry	(£3,000)			(£3,000)	(£3,000)			(£3,000)
Family Worker	(£4,100)			(£4,100)	(£4,100)			(£4,100)
Deferred District Grant - Family Worker	£2,688			£2,688				
Totals	(£4,412)			(£4,412)	(£7,100)			(£7,100)

In accordance with Circuit policy the grants approved in 2018 for the work of VYM and the Shaftesbury/Motcombe family worker had already been provided for in the balance sheet for this Financial Year 2020-21.

An amount of District grant received in FY 2020-21 to support the Family Worker at Shaftesbury and Motcombe, equal to Government furlough payments received, has been deferred to FY 2021-22, and so a new provision for this cost has been included in this year's expenditure (see also Note 6b).

Expenditure: subtotals carried forward	£291,631	£3,064	£28,861		£323,555	£263,803	£5,902	£28,313		£298,018
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**YEOVIL & BLACKMORE VALE METHODIST CHURCH**

	2020-21			2019-20		
	Unrestricted	QMTF	Restricted	Endow	Restricted	Endow
Expenditure: subtotals brought forward:	£291,631	£3,064	£28,861	£323,555	£263,803	£298,018

**Note 6i**      **Office expenses (SOFA line 18)**

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Stationery, postage, materials, photocopying etc	£8,011			£8,011	£6,534			
Office rent	£1,000			£1,000	£1,100			£1,100
Circuit equipment	£273			£273	£259			£259
Totals	£9,284			£9,284	£7,893			£7,893

This category aggregates the monies spent by all ministers, lay staff and other trustees (volunteers) on office expenses. The Circuit rents office space from Vicarage Street Church in Yeovil - the rental fee includes a contribution towards heat and light costs. Office costs shown include Circuit website maintenance, and the costs of printing the Circuit's quarterly newsletter and distributing it throughout the Circuit churches.

**Note 6j Telephone and travel (SOFA line 19)**

	2020-21				2019-20					
	Unrestricted	QMTF	Restricted	Endow	2020-21	Unrestricted	QMTF	Restricted	Endow	2019-20 (RESTATEd)
Telephone and broadband	£2,667				£2,667	£2,841				£2,841
Travel - ministers	£2,100				£2,100	£7,623				£7,623
Travel - lay employees	£269				£269	£1,467				£1,467
Travel - supernumeraries & local preachers	£121				£121	£1,118				£1,118
Travel - Circuit (other trustees/volunteers)	£31				£31					
Travel - stationing	£99				£99					
Totals:	£5,286				£5,286	£13,049				£13,049

This category aggregates the monies spent by all ministers, lay staff and other trustees (volunteers) on telephone/broadband costs and travel. The Circuit contribution towards telephone/broadband services at the Circuit office in Yeovil is also included here. Stationing travel refers to travelling costs of ministers visiting the Circuit whilst considering a new appointment in the Circuit.

**Note 6k Insurance, utilities, etc (SOFA line 20)**

	2020-21				2019-20			
	Unrestricted	CMTF	Restricted	Endow	Unrestricted	CMTF	Restricted	Endow
Insurance	£2,879			£2,879	£2,792			£2,792
Council tax	£11,855			£11,855	£12,140			£12,140
Water	£2,505			£2,505	£1,932			£1,932
<b>Totals</b>	<b>£17,239</b>			<b>£17,239</b>	<b>£16,864</b>			<b>£16,864</b>

The Circuit pays for council taxes, water rates and insurances on these properties. HMRC does not regard these expenses as benefits-in-kind in the hands of the minister. The total costs of these items to the Circuit are disclosed (net of rebates received for council tax and water rates) in the table above. No attempt is made to identify pre-payment or accrual issues with any of the above expenditure. Council taxes are billed monthly, usually over a 10-month period. Water rates are billed monthly. All properties are metered for supply and usage appears similar across the year. Insurances are paid annually in advance in September and the cost is wholly taken in that financial year.

Expenditure: subtotals carried forward:	£323,440	£3,064	£28,861	£355,365	£301,608	£5,902	£28,313	£335,823
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YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Expenditure: subtotals brought forward	£323,440	£3,064	£28,861		£355,365	£335,823

**Note 6l Fees and charges (SOFA line 21)**

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20 (RESTATED)
Bank admin charges	£147				£147	£116
Professional fees	£2,098				£2,098	£1,214
<b>Totals</b>	<b>£2,245</b>				<b>£2,245</b>	<b>£1,330</b>

Bank charges are transaction related and charged monthly on the previous month's activity. September figures are therefore taken as accruals.

The Circuit appointed Warner Wilde Ltd as its Independent Examiner at a Circuit Meeting held in March 2021 and professional fees agreed for FY 2020-21 accounts examination are included here. Other professional fees include the use of a surveyor to revalue the Circuit's manses and investment property in July 2021.

*[Investment management charges are treated as costs in the "Raising Funds" category. Professional fees relating to estate agency management of Circuit investment property are also included in "Raising Funds" - see Notes 6a, 1.3 and 2.2 ii.]*

**Note 6m Other outgoings (SOFA line 22)**

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
Training	£10				£10	£374
Removals, relocation	£4,599				£4,599	£600
Recruitment						£60
Other miscellaneous						£60
<b>Totals</b>	<b>£4,609</b>				<b>£4,609</b>	<b>£1,034</b>

A new Superintendent minister, Revd Linda Francis, was appointed to the Circuit in 2020-21, arriving in August 2021 ready to commence her new role from 1 September 2021 for FY 2021-22 onward. Relocation and removals costs relate to her move.

**Note 6n Internal organisations' expenditure (SOFA line 23)**

The Circuit has no internal organisations reporting their funds to the Circuit.

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20
<b>Totals</b>						

**Note 6o Total charitable expenditure (SOFA line 24)**

The sum total of the Circuit's income for FY 2020-21 (analysed in Notes 6a to 6o) is:

	2020-21			2019-20		
	Unrestricted	CMTF	Restricted	Endow	2020-21	2019-20 (RESTATED)
<b>TOTAL EXPENDITURE</b>	<b>£330,294</b>	<b>£3,064</b>	<b>£28,861</b>		<b>£362,219</b>	<b>£338,187</b>



**Note 8 Funds received as agent**

The Circuit acts as an agent for its churches in order to consolidate charitable giving to other charities and related parties. Churches send payments to the Circuit with specific directions concerning to which charities/related parties they should be paid. The Circuit also arranged collections for gifts being made to Circuit ministers, and received donations from individuals and Circuit churches. This giving is summarised below:-

See Note 2.2 i. There has been a change of accounting policy in 2020-21 to treat the Circuit as an agent when it receives grants that are directly passed on to external organisations, and where the Circuit plays no part in overseeing the grant's use. This applies to the grant for Vine Youth Ministry received by the Circuit from the Southampton Methodist District.

Description/name of party	Related party- Notes	Amount received		Amount paid out		Balance held at period end	
		This year £	Last year £	This year £	Last year £	This year £	Last year £
Grant for Vine Youth Ministry / from Southampton Methodist District	VYM is an independent charity; its founding trustee is related to 1 person who was a Circuit trustee in 2020-21	6,000	6,000	6,000	6,000	-	-
Donations to Action for Children / from Circuit churches	Action for Children is a Methodist charity	80	77	80	77	-	-
Donations to the Methodist Relief and Development Fund / from Circuit churches	Methodist Relief and Development Fund is a Methodist charity	110	296	110	296	-	-
Donations to the Methodist Church Fund for Property / from Circuit churches	Methodist Church Fund for Property is a Methodist Connexional Fund	705	1,340	705	1,340	-	-
Donations to the Fund for the Support of Presbyters & Deacons / from Circuit churches	Fund for the Support of Presbyters & Deacons is a Methodist Connexional Fund	313	584	313	584	-	-
Donations to Junior Mission for All (Methodist Church World Mission Fund) / from Circuit churches	Methodist Church World Mission Fund is a Methodist Connexional Fund	421	-	421	-	-	-
Donations to the Leaders of Worship and Preachers Trust / from Circuit churches	Leaders of Worship and Preachers Trust is a Methodist charity	420	580	420	580	-	-
Donations to the Methodist Ministers Housing Society / from Circuit churches	Methodist Ministers Housing Society is a Methodist charity	328	644	328	644	-	-
Donations to Methodist Homes Association / from Circuit churches	Methodist Homes Association is a Methodist charity	415	445	415	445	-	-
Donations to the Mission in Britain Fund / from Circuit churches	Mission in Britain Fund is a Methodist Connexional Fund	820	626	820	626	-	-
Donations to the Methodist Church World Mission Fund (Methodist Women in Britain Easter Offering) / from Circuit churches	Methodist Church World Mission Fund is a Methodist Connexional Fund	50	1,768	50	1,768	-	-
Donations to the Methodist Church World Mission Fund / from Circuit churches	Methodist Church World Mission Fund is a Methodist Connexional Fund	828	1,791	828	1,791	-	-
Donations for leaving gift for Revd Paul Arnold (funds raised by Circuit churches)	Yes, a Circuit trustee 2020-21	1,000	-	1,000	-	-	-
Donations for ordination gift for Dcn Rebekah-Joy Spinks (funds raised by Circuit churches)	Yes, a Circuit trustee 2020-21	379	-	379	-	-	-
<b>Total</b>		<b>11,869</b>	<b>14,151</b>	<b>11,869</b>	<b>14,151</b>	<b>-</b>	<b>-</b>

The Circuit's primary activity is "Circuit Ministry" - that is, the provision of a team of ministers and lay employees to deliver ministerial and families support to all of the 18 churches in the Yeovil and Blackmore Vale area. The costs incurred to support the provision of Circuit Ministry are categorised in the SOFA under Methodist Church standard headings (accounting policy: Note 2.3 ii), including:

- Stipends, salaries and associated costs
- Property maintenance
- Connexional assessment & model trust levy
- District assessment & levy
- Office expenses
- Telephone, travel
- Insurance, utilities.

All of these costs are directly related to the size of the ministry team (ministers and lay employees).

In the table overleaf is estimated the proportion of the above Circuit Ministry support costs which relate to the governance of this charity. Included in the calculation of estimated governance costs are the following:

- an estimate of the time spent by ministers and non-administrative lay staff on governance issues at Circuit and church meetings, and staff meetings. This is an estimate because time spent on governance is not recorded by our ministers and lay staff. To arrive at this estimate, the following broad assumptions have been made:
  - Each minister attends an average of 2 council meetings per small church plus 4 per large church per annum, plus 4 Circuit Meetings, and 10 CLT meetings. 1 hour of each meeting is spent discussing governance-related topics
  - Lay staff attend Circuit Meetings (4 per annum), plus church councils at their attached churches, and attend a supervisory meeting with a minister 4 times a year
  - During FY 2020-21, 5 ministers and 2 lay employees have spent 0.5 hours on governance-related topics at supervision meetings (every 2 months)
  - During FY 2020-21, the Circuit had 5 FTE ministers, and 2 lay employees (total 1.5 FTE equivalent) other than the Office Manager (see below), where an FTE equates to 40 hours per week
  - approx. total hours spent on governance per annum: 158h (ministers), 60h (lay).
- Based on these time estimates, the proportions of total minister time and total lay employee time have been applied to all the Circuit Ministry activity costs identified above, to calculate an approximate overall governance cost estimate.
- 100% of the Circuit office function (Circuit Office Manager and all associated office costs). The Circuit Office provides administrative and HR support to the Superintendent Minister and other Circuit trustees and, accordingly, 100% of this cost is regarded as governance costs (ref: SORP FRS102 2019 Appendix 1, page 186).
- Independent examiner fees. [Note: other fees and charges incurred in FY 2020-21 are not included below.]

These estimates indicate that the Circuit's governance costs are in the order of £28,000 p.a., i.e. approximately 8% of the charity's total expenditure.

## YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

The other activities of the Circuit are:

- raising funds (Note 6a)
- the award and administration of grants to Circuit churches and external bodies as appropriate and as directed by the Circuit Meeting (Note 6b)

Apart from its paid ministry team, the Circuit operates many of its functions using trustee volunteers, and there are no support costs incurred by the Circuit associated with the above two activities.

### This year

	Circuit Ministry activity - governance costs 2020-21								£
	Stipends, salaries etc	Property maintenance	Connexion assessment	District assessment	Office expenses	Telephone, travel	Insurance, utilities	Fees and charges	Grand total
	£	£	£	£	£	£	£	£	£
Governance	22,553	269	762	145	2,600	69	262	1,320	27,980
<b>Total</b>	<b>22,553</b>	<b>269</b>	<b>762</b>	<b>145</b>	<b>2,600</b>	<b>69</b>	<b>262</b>	<b>1,320</b>	<b>27,980</b>

### Last year

	Circuit Ministry activity - governance costs 2019-20								£
	Stipends, salaries etc	Property maintenance	Connexion assessment	District assessment	Office expenses	Telephone, travel	Insurance, utilities	Fees and charges	Grand total
	£	£	£	£	£	£	£	£	£
Governance	21,817	46	625	136	3,201	175	256	1,214	27,470
<b>Total</b>	<b>21,817</b>	<b>46</b>	<b>625</b>	<b>136</b>	<b>3,201</b>	<b>175</b>	<b>256</b>	<b>1,214</b>	<b>27,470</b>

<b>Note 10</b>	<b>Details of certain items of expenditure</b>
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**10.1 Fees for examination of the accounts**

*Details are provided here of the amount paid for statutory external scrutiny of accounts and other services provided by the Circuit's independent examiner:*

	This year £	Last year £
Independent examiner's fees	1,320	1,214
Assurance services other than audit or independent examination	-	-
Tax advisory fees	-	-
Other fees (for example: financial advice, consultancy, accountancy services) paid to the independent examiner	-	-

# YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

## Note 11

## Paid employees

### 11.1 Staff Costs

	This year £	Last year £
Salaries and wages	165,053	159,112
Employer National Insurance costs	15,692	14,775
Pension costs (defined benefit scheme)	31,453	30,491
Pension costs (defined contribution scheme)	3,001	2,909
Other employee benefits	-	-
<b>Total staff costs</b>	<b>215,199</b>	<b>207,287</b>

#### This year:

Details of expenditure on staff working for the charity whose contracts are with and are paid by a related party

Ministers are not contractually "employed", as such - see Note 6c. All Methodist ministers' stipends are paid directly by the Methodist Connexion stipends team (finance department, Methodist House, London), who then charge the Circuit for all payments made. The Circuit's URC minister's remuneration package is handled centrally by the URC "Ministry & Mission" office in London, and the Circuit pays the URC Church monthly for these costs. The manses are provided for all ministers by the Circuit and the Circuit maintains the property, and pays the Council Tax and water charges. Manse costs paid by the Circuit are not disclosed here as employee benefits as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

#### Last year:

Details of expenditure on staff working for the charity whose contracts are with and are paid by a related party

As above

**Details of the number of employees whose total employee benefits (excluding employer pension costs) fell within each band of £10,000 from £60,000 upwards:**

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

Band	Number of employees	
	This year	Last year
£60,000 to £69,999	-	-
£70,000 to £79,999	-	-
£80,000 to £89,999	-	-
£90,000 to £99,999	-	-
£100,000 to £109,999	-	-

## YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

**The total amount paid to key management personnel (includes trustees and senior management) for their services to the charity.**

Amounts shown exclude employer pension costs. For specific amounts paid to individual trustees, see Note 28.

This year	Last year
£	£
165,053	159,112

### 11.2 Average head count in the year

**The parts of the charity in which the employees work**

	This year Number	Last year Number
<b>Fundraising</b>	-	-
<b>Charitable Activities</b>	7	7
<b>Governance</b>	1	1
<b>Other</b>	-	-
<b>Total</b>	8	8

### 11.3 Ex-gratia payments to employees and others (excluding trustees)

**The nature of the payment**

<b>This year</b>	N/A
<b>Last year</b>	N/A

**The legal authority or reason for making the payment**

<b>This year</b>	N/A
<b>Last year</b>	N/A

**The amount of the payment (or value of any waiver of a right to an asset)**

This year £	Last year £
-	-

### 11.4 Redundancy payments

**Total amount of payment**

This year £	Last year £
1,171	-

# YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

The nature of the payment (cash, asset etc.)

cash	-
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The extent of redundancy funding at the balance sheet date

This year £	Last year £
-	-

Accounting policy for any redundancy or termination payments:

Refer to Note 2.3ix
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<b>Note 12</b>	<b>Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme</b>
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**12.1 Defined contribution pension scheme**

Amount of contributions recognised in the SOFA as an expense

This year	Last year
£	£
3,001	2,909

The basis for allocating the liability and expense of defined contribution pension scheme between activities and between restricted and unrestricted funds:

The Circuit offers a defined contribution pension plan to lay employees, administered by The Pensions Trust (TPT). All of the Circuit's lay employees are in this scheme. The Circuit makes a contribution of 6% of lay employees' salary, in line with Methodist Connexional directives. The expense of all these defined contributions is allocated wholly to the Circuit Ministry activity in the SOFA, paid for from general (unrestricted) funds. The liabilities of the scheme are managed by TPT.

**12.2 This section applies where the charity participates in a defined benefit pension plan but is unable to ascertain its share of the underlying assets and liabilities.**

Confirmation that although the scheme is accounted for as a defined contribution plan, it is a defined benefit plan.

N/A

Such information as is available about the plan's surplus or deficit and the implications, if any, for the reporting charity for this year and last year, if different

N/A

**12.3 Please complete this section where the charity participates in a multi-employer defined benefit pension plan that is accounted for as a defined contribution plan.**

Describe the extent to which the charity can be liable to the plan for other entities' obligations under the terms and conditions of the multi-employer plan. If this is different for last year, provide details

N/A

Provide an explanation of how any liability arising from an agreement with a multi-employer plan to fund a deficit has been determined. If this is different for last year, provide details

N/A



**Note 13 Grant making***Please refer also to Note 6b***This year:****13.1 Analysis of grants paid (included in cost of charitable activities)**

Analysis	Grants to institutions	Grants to individuals	Support costs	Total
			£	£
Vine Youth Ministry	3,000	-	-	3,000
	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>3,000</b>

**13.2 Grants made to institutions**

Name of institution	Purpose	Total amount of grants paid £
Vine Youth Ministry	Outreach in schools	3,000
		-
		-
		-
<b>Total grants to institutions in reporting period</b>		<b>3,000</b>
<b>Other unanalysed grants</b>		<b>-</b>
<b>TOTAL GRANTS PAID</b>		<b>3,000</b>

**Last year:****13.3 Analysis of grants paid (included in cost of charitable activities)**

Analysis	Grants to institutions	Grants to individuals	Support costs	Total
			£	£
Vine Youth Ministry	3,000	-	-	3,000
	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>3,000</b>

**13.4 Grants made to institutions**

Names of institution	Purpose	Total amount of grants paid £
Vine Youth Ministry	Outreach in schools	3,000
		-
		-
		-
<b>Total grants to institutions in reporting period</b>		<b>3,000</b>
<b>Other unanalysed grants</b>		<b>-</b>
<b>TOTAL GRANTS PAID</b>		<b>3,000</b>

**Note 14 Tangible fixed assets**

**14.1 Cost or valuation**

	Freehold land & buildings - manse properties	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
At the beginning of the year	1,588,000		-	102,129	1,690,129
Additions	-	-	-	-	-
Revaluations	-	-	-	(100,000)	(100,000)
Disposals	-	-	-	-	-
Transfers *	-	-	-	-	-
At end of the year	1,588,000	-	-	2,129	1,590,129

**14.2 Depreciation and impairments**

<b>**Basis</b>				SL	
<b>** Rate</b>				3 years	
At beginning of the year	-	-	-	710	710
Disposals	-	-	-	-	-
Depreciation	-	-	-	710	710
Impairment	-	-	-	-	-
Transfers*	-	-	-	-	-
At end of the year	-	-	-	1,419	1,419

**14.3 Net book value**

Net book value at the beginning of the year	1,588,000	-	-	101,419	1,689,419
Net book value at the end of the year	1,588,000	-	-	710	1,588,710

**14.4 Impairment**

**This year: a description of the events and circumstances that led to the recognition or reversal of an impairment loss.**

[For information only]: In July 2021 the Circuit arranged for professional reassessment of its manses' open market values. This exercise confirmed that the property values are higher than the values shown in the accounts, i.e. that there has been no impairment loss. Accordingly, the Circuit's manses continue to be carried in the accounts at the Deemed Cost values from previous years.

**Last year: a description of the events and circumstances that led to the recognition or reversal of an impairment loss.**

N/A

**14.5 Revaluation**

The Circuit's accounting policy is "cost less impairment" for the Circuit's manse properties - (not revaluation) - see Note 2.4 i.

The Circuit has this year revised its accounting policy regarding the valuation of Circuit equipment at manses. Refer to Notes 1.3 and 2.4 i. Fixtures and fittings provided by the Circuit at the Circuit's manses are now identified, capitalised and depreciated under the new policy if they individually cost at least £1,000. Other equipment owned by the Circuit is already treated in this way. (This replaces the Circuit's previous policy, which had been to declare an estimate of £20,000 for fixtures and fittings at each property, valued on a "new for old" replacement basis.)

The impact of this policy change is to reduce the value of the Circuit's tangible fixed assets from £100,000 (£20,000 x five manses) to £NIL. This reduction is shown in the 2020-21 SOFA (line 30) as a £100,000 loss in the Circuit's fixed asset values. Although not strictly a "revaluation", this adjustment has been shown in Note 14.1 (above) in the "revaluation" line - and in SOFA line 30.

**14.6 Other disclosures**

**(i) The amount of borrowing costs, if any, capitalised in the construction of tangible fixed assets and the capitalisation rate used.**

**(ii) The amount of contractual commitments for the acquisition of tangible fixed assets.**

**(iii) Details of the existence and carrying amounts of property, plant and equipment to which the charity has restricted title or that are pledged as security for liabilities.**

This year	Last year
£	£
-	-
-	-
-	-

\* The "transfers" row is for movements between fixed asset categories.

\*\* Method of depreciation: SL = straight line; RB = reducing balance). Rate of depreciation: for straight line, the anticipated life of the asset (in years); for reducing balance, the percentage annual deduction.

**Note 17 Investment assets**

**17.1 Fixed asset investments (please provide for each class of investment)**

	Cash & cash equivalents	Listed investments	Investment properties	Social investments	Monetary investments (CMTF @ TMCP)	Total
Carrying (fair) value at beginning of period		-	340,000	-	6,973	346,973
<b>Add:</b> additions to investments during period*	-	-	-	-	-	-
<b>Less:</b> disposals at carrying value	-	-	-	-	-	-
<b>Less: impairments</b>	-	-	-	-	-	-
<b>Add: Reversal of impairments</b>	-	-	-	-	-	-
<b>Add/(deduct):</b> transfer in/(out) in the period	-	-	-	-	-	-
<b>Add/(deduct):</b> net gain/(loss) on revaluation	-	-	(15,000)	-	1,144	(13,856)
Carrying (fair) value at end of year	-	-	325,000	-	8,117	333,117

\*additions resulting from acquisitions through business combinations, if any.

*Please note that Fair Value in this context is the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. For traded securities, the fair value is the value of the security quoted on the London Stock Exchange Daily Official List or equivalent. For other assets where there is no market price on a traded market, it is the trustees' or valuers' best estimate of fair value.*

**17.2 Breakdown of investments shown above agreeing with the balance sheet, differentiating between those held at fair value and those held at cost less impairment.**

This year:

	Analysis of investments	
	Fair value at year end	Cost less impairment
	£	£
Cash or cash equivalents	-	-
Listed investments	-	-
Investment properties	325,000	-
Social investments	-	-
Monetary investments (CMTF @ TMCP)	8,117	-
Total	333,117	-
Grand total (Fair value at year end+Cost less impairment)		333,117

## YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

Last year:

	Analysis of investments	
	Fair value at year end	Cost less impairment
	£	£
Cash or cash equivalents	-	-
Listed investments	-	-
Investment properties	340,000	-
Social investments	-	-
Monetary investments (CMTF @ TMCP)	6,973	-
Total	346,973	-
Grand total (Fair value at year end+Cost less impairment)		346,973

### 17.3 The Circuit holds investment properties, so the following information is provided:

(i) An explanation of the methods and significant assumptions in determining the fair value of investment property held by the charity:

The Circuit's investment property at 24 Harbin Close, Yeovil, was revalued by a professional firm of surveyors in July 2021, in line with the Circuit's policy of revaluing its investment properties periodically. The surveyors determined that the property (land + buildings) had gained in value by £5,000 to £325,000 from the previous valuation of £320,000, with the land component being 25% of this.

In arriving at their opinions of value the surveyors adopted the comparative method of valuation. A desk top valuation appraisal was undertaken. Inspection of the property had been undertaken by the same firm of surveyors (for the purposes of quinquennial inspection) over the last 5 years, and, appraisal included analysis of information recorded therefrom along with due consideration of comparable sales evidence which was available at the date of the valuation. Valuation was carried out in accordance with the Practice Statements in the RICS Global Valuation Standards (effective from 1st July 2017).

Notes 1.3 and 2.4 i describe a significant change in the Circuit's accounting policy which has been adopted this year - relating to the carrying value of fixtures and fittings (tangible fixed assets) at the Circuit's investment property and manses. Under the previous policy, an estimate of £20,000 had been included in the Balance Sheet as part of the Circuit investment property's valuation. Under the revised policy an adjustment of -£20,000 has been applied, on the basis that the Circuit has no tangible fixed assets with individual purchase value of more than £1,000 at its investment property.

The net impact of these two factors on the investment property's valuation in 2020-21 compared with the 2019-20 figure was -£15,000.

(ii) Name of independent valuer, if applicable, and relevant qualifications

ADRIAN MALE FRICS, Christophers Chartered Surveyors

## YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

(iii) Details of any restrictions on the ability to realise investment property or on the remittance of income or disposal proceeds

The Circuit's investment property is currently let to private tenants, and any sale of the property would need to be subject to vacant possession by the Circuit under the notice terms of the lease. Furthermore, Circuit manses are Model Trust properties under Methodist Church rules and the Circuit would be required to obtain consent from the Trustees for Methodist Church Purposes (TMCP) prior to undertaking any property disposal. Disposal proceeds are subject to a levy chargeable by TMCP at 20% on the first £100,000 and 40% on any excess over £100,000. Any leasing of Circuit property is subject to TMCP approval, to ensure model tenancy agreement terms are in place. There are no constraints on the Circuit's use of rent income from investment property while leased.

(iv) An explanation of any contractual obligations for the purchase, construction or development of investment property or for repairs, maintenance or enhancements

The Circuit has contractual obligations for repairs and maintenance to its investment property under the terms of the lease (it is currently let to private tenants at market rates).

### 17.4 Current asset investments - breakdown

Current assets are itemised on the Balance Sheet (see Section B), which has been prepared to align with Methodist Church standard reporting and with SORP FRS102 2019. See also Note 24.

### 17.5 Guarantees

Details and amount of any guarantee made to or on behalf of a third party

Name of the entity or entities benefiting from those guarantees

An explanation of how the guarantee furthers the charity's aims

This year	Last year
N/A	N/A
N/A	N/A
N/A	N/A

### 17.6 Concessionary loans

Amount of concessionary loans made (*Multiple loans made may be disclosed in aggregate provided that such aggregation does not obscure significant information*).

Description	This year £	Last year £
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

## YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

Amount of concessionary loans received (*Multiple loans received may be disclosed in aggregate provided that such aggregation does not obscure significant information*).

Description	This year £	Last year £
	-	-
	-	-
	-	-
<b>Total</b>	-	-

Terms and conditions eg interest rate, security provided

Value of any concessionary loans which have been committed but not taken up at the reporting date

Amounts payable within 1 year

Amounts payable after more than 1 year

Amounts receivable within 1 year

Amounts receivable after more than 1 year

This year	Last year

### 17.7 Additional information

Information about the significance of investments to the charity's financial position or performance eg. terms and conditions of loans or the use of hedging to manage financial risk.

For all investments measured at fair value, the basis for determining the value, including any assumptions applied when using a valuation technique.

Where a charity has provided financial assets as a form of security, the carrying amount of the financial asset pledged as security and the terms and conditions relating to its pledge.

The Circuit has no loans. The Circuit is not dependent on income from monetary investments, which accounted for only 0.4% of its income in 2020-21 (1.3% last year). The Circuit's income from its investment property accounted for 4.8% of income in 2020-21 (5% last year).

See 17.3(i) above.

N/A

## Note 19 Debtors and prepayments

### 19.1 Analysis of debtors

	This year £	Last year £
Trade debtors	846	-
Prepayments and accrued income	11,994	11,978
Other debtors	2,768	2,631
<b>Total</b>	<b>15,608</b>	<b>14,609</b>

*Please complete 19.2 where a material debtor is recoverable more than a year after the reporting date.*

### 19.2 Analysis of debtors recoverable in more than 1 year (included in debtors above)

	This year £	Last year £
Trade debtors	-	-
Prepayments and accrued income	-	-
Other debtors	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 20****Creditors and accruals****20.1 Analysis of creditors**

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year £	Last year £	This year £	Last year £
Accruals for grants payable	2,688	7,100	-	-
Bank loans and overdrafts	-	-	-	-
Trade creditors	1,488	1,299	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Accruals and deferred income	22,303	25,646	-	-
Taxation and social security	-	-	-	-
Other creditors	-	-	-	-
<b>Total</b>	<b>26,479</b>	<b>34,045</b>	<b>-</b>	<b>-</b>

**20.2 Deferred income**

*This note applies if the charity has deferred income*

*The reasons why income is deferred*

This year	Last year
N/A	

**Movement in deferred income account**

Balance at the start of the reporting period  
 Amounts added in current period  
 Amounts released to income from previous periods  
 Balance at the end of the reporting period

This year £	Last year £
-	-
-	-
-	-
-	-



## Note 21 Provisions for liabilities and charges

Please complete this note if you have included in charity expenditure any provisions. A provision is made when the charity has a liability of uncertain timing or amount.

### 21.1 Movements in recognised provisions and funding commitment during the period

Balance at the start of the reporting period  
Amounts added in current period  
Amounts charged against the provision in the current period  
Unused amounts reversed during the period  
Balance at the end of the reporting period

This year £	Last year £
7,100	14,200
2,688	-
(7,100)	(7,100)
-	-
2,688	7,100

### 21.2 Please provide:

- a brief description of any obligations on the balance sheet and the expected amount and timing of resulting payments;

- an indication of the uncertainties about the amount or timing of those outflows; and

- the amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement.

This year	Last year
<b>Refer to Note 6b.</b> (a) Grant to Vine Youth Ministry (ref: Note 6b): £3,000 FY 2020-21 being the final year. (b) Commitment to spend £4,100 of the Circuit's funds towards the cost of the Family Worker at Shaftesbury and Motcombe; FY 2020-21 being the final year. (c) The Family Worker at Shaftesbury and Motcombe was furloughed from the end of January 2021 to early April 2021. An amount of District grant received in FY 2020-21 to support the Family Worker, equal to Government furlough payments received of £2688, has been deferred to FY 2021-22, and so a new provision for this cost has been included in this year's expenditure. <b>See Note 3g.</b>	<b>Refer to Note 6b.</b> (a) Grant to Vine Youth Ministry: £3,000 (2019-20) + £3,000 (FY 2020-21). (b) Commitment to spend £4,100 of the Circuit's funds in both FY 2019-20 and FY 2020-21 towards the cost of the Family Worker at Shaftesbury & Motcombe.
It is fully expected the grant amount deferred to FY 2021-22 will be spent early in FY 2021-22.	
None	None

21.3 For any funding commitment that is not recognised as a liability or provision, provide details of commitment made, the time frame of that commitment, any performance-related conditions and details of how the commitment will be funded (with contracts for capital expenditure separately identified).

This year	Last year
The Circuit has contracts or obligations for the following:  Office accommodation, which is an informal arrangement with a church within the Circuit and a contribution of £1,000 was made for rent during the year (2019-20: £1,100) and to cover heating and lighting costs, plus an amount of £450 to cover telephone and broadband costs.  The Sherborne manse, and the investment property in Yeovil, each attract a grounds maintenance charge via estate management companies.  In addition there are short term obligations as follows: - telephones at the Circuit office and the Circuit manses along with various maintenance contracts (building alarms/security systems). - photocopier rental at the Circuit Office. The total annual cost of these is not considered material.	

21.4 Where unrestricted funds have been designated to a fund commitment, please disclose the nature of any amounts designated and the likely timing of that expenditure.

<b>See Note 3h.</b> An amount of £334 is being held as "designated funds", for children's work in Wincanton unless and until it becomes apparent that there will be no replacement children's group activity there. The timing and possibility of needing to use these monies is currently uncertain, the context being that the Circuit's work with children in Wincanton ceased recently.	
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**Note 24 Cash at bank and in hand**

Monetary balances held at the Central Finance Board of the Methodist Church are short term deposits available on demand without loss of interest. The Circuit's account with Lloyds Bank plc is its current account.

TMCP works through the agency of CFB. Monies are held by TMCP on the Circuit's behalf are short term cash investments in the Circuit's Model Trust Fund, the "Trim Bequest", and "Cluett Bequest". These are all Model Trust funds. Funds can be withdrawn on demand subject to Circuit Meeting approval, and subject to approval by TMCP to ensure that funds withdrawn are used for Model Trust purposes in accordance with Methodist Church rules. Such purposes might include, for example, repair/maintenance and caretaking of trust property, support of personnel serving in the Circuit, payments to Methodist organisations/charities, etc.. It is the responsibility of the Circuit Meeting to ensure that any funds withdrawn take account of trustees' other obligations including assessments, building maintenance, reserves policy, and mission policy.

The Circuit is holding £334 of designated monies (see Notes 3h and 21.4).

Monies held in the Bequest for Women's Work are similarly available as above but are restricted and can only be used by the Circuit's Methodist Women in Britain group in line with their aims and objectives.

2020-21							2019-20
General Fund	Circuit Model Trust Fund	Designated Funds (Unrestricted)	Trim Bequest	Cluett Bequest	Women's Bequest (restricted)	Total	
Funds held with TMCP	47,415		159,105	53,093	4,209	263,821	316,415
Central Finance Board deposits	90,942					90,942	59,627
Cash at bank (Lloyds Bank plc)	93,591	334				93,926	148,652
<b>Totals</b>	<b>184,533</b>	<b>334</b>	<b>159,105</b>	<b>53,093</b>	<b>4,209</b>	<b>448,688</b>	<b>524,694</b>

**Note 25 Fair value of assets and liabilities**

**25.1** Below are provided details of the charity's exposure to credit risk (the risk of incurring a loss due to a debtor not paying what is owed), liquidity risk (the risk of not being able to meet short term financial demands) and market risk (the risk that the value of an investment will fall due to changes in the market) arising from financial instruments to which the charity is exposed at the end of the reporting period and explain how the charity manages those risks.

**Credit risk:**

- The Circuit's primary sources of income are: assessments from churches, grants (e.g. from Southampton Methodist District) and rental income from its investment property. The risk of default on these payments is considered to be low.

**Liquidity risk:**

- The Circuit maintains a reserves policy of keeping six months' budgeted expenditure in hand, to be able to meet unforeseen short term financial demands alongside its ongoing financial obligations. Further Circuit resources are planned to be used in accordance with the Circuit's 5-year plan - these amounts are included and detailed in the reserves policy. Under the current plan, the Circuit's currently available reserves are entirely committed. To avoid spending beyond its available funds, the sale of Circuit assets (e.g. the Circuit's investment property, or any chapels becoming redundant in the interim) will be required in the next few years, to replenish the Circuit's reserves. This will enable the Circuit to continue to hold a minimum of six months' expenditure in its general funds at any time whilst funding, on an annual basis, the ongoing commitments made in its financial plan. On this basis, the Circuit's exposure to liquidity risk is low.

**Market risk:**

- The Circuit's financial investments are managed on its behalf by the Trustees for Methodist Church Purposes. These include £8,117 invested in the CFB's Managed Mixed Fund (£7,458) and Managed Fixed Interest Fund (£660). The Managed Mixed Fund provides a diversified blend of investment funds, with a bias towards equities. It is preferred by many Methodist investors who are looking for a balance of long term capital appreciation and income, through a diversified portfolio. Other Circuit funds are held on deposit with the Central Finance Board of the Methodist Church. The proportion of Circuit reserves held by TMCP in the two CFB financial investment funds is approximately 1.7% of the Circuit's current assets (0.3% of its total funds), and this is regarded as a low level of exposure to market risk.

- The asset values of the Circuit's manses are determined on a Fair Value basis. The Circuit's manses and investment property represent, unsurprisingly, the majority of the Circuit's assets, and in the event of a collapse in the housing market the Circuit would undoubtedly be significantly affected.

**25.2** Details of the amount of change in the fair value of basic financial instruments (debtors, creditors, investments (see section 11, FRS 102 SORP)) measured at fair value through the SoFA that is attributable to changes in credit risk.

This year	Last year
N/A	N/A

**Note 27 Charity funds****27.1 Details of material funds held and movements during the CURRENT reporting period**

Details are provided here of the movements of material individual funds in the reporting period. The 'Total funds' figure below reconciles to 'Total funds' in the balance sheet.

\* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and U - unrestricted funds

Fund names	Type PE, EE R or U *	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
General Fund	U		2,430,454	264,745	(330,295)	49,666	(115,000)	2,299,570
Circuit Model Trust Fund	U	General - see Note 24	106,995	457	(3,064)	(50,000)	1,144	55,532
Designated funds	U	Wincanton childrens' activities				334		334
Diaconal grants	R	Diaconal support - see Note 3b		14,000	(14,000)			
Family Worker grants	R	Support of Family Worker at Shaftesbury & Motcombe - see Note 3b		14,852	(14,852)			
Bequest for Women's Work	R	Methodist Women in Britain - see Note 24	4,203	14	(8)			4,209
<b>Total Funds</b>			<b>2,541,652</b>	<b>294,068</b>	<b>(362,219)</b>		<b>(113,856)</b>	<b>2,359,645</b>

**27.2 Details of material funds held and movements during the PREVIOUS reporting period**

Details are provided here of the movements of material individual funds in the previous reporting period. The 'Total funds' figure below reconciles to last year's 'Total funds' in the balance sheet.

Fund names	Type PE, EE R or U *	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
General Fund	U		2,426,380	258,019	(303,972)	50,028		2,430,455
Circuit Model Trust Fund	U	General - see Note 24	161,586	1,418	(5,902)	(50,000)	(107)	106,995
Designated funds	U							
Diaconal grants	R	Diaconal support - see Note 3b		14,000	(14,000)			
Family Worker grants	R	Support of Family Worker at Shaftesbury & Motcombe - see Note 3b		14,304	(14,304)			
Bequest for Women's Work	R	Methodist Women in Britain - see Note 24	4,203	36	(8)	(28)		4,203
<b>Total Funds</b>			<b>2,592,169</b>	<b>287,777</b>	<b>(338,186)</b>		<b>(107)</b>	<b>2,541,653</b>

**27.3 Transfers between funds****This year**

There were no transfers between unrestricted and restricted funds, between endowment and restricted funds, or between endowment and unrestricted funds.

**Last year**

The sum of £28 shown in Note 27.2 above is the interest (after administration charges) on the (restricted) Bequest for Women's Work fund being paid into the Circuit's current account (unrestricted).

There were no other transfers between unrestricted and restricted funds, between endowment and restricted funds, or between endowment and unrestricted funds.

**Note 28 Transactions with trustees and related parties**

*Details of the charity's transactions with related parties (other than the trustee expenses explained in guidance notes) are provided in this note.*

**28.1 Trustee remuneration and benefits****This year**

The following trustees received remuneration or other benefits from the Circuit in their capacity as paid Methodist and URC ministers, and lay employees, with the Circuit:

The Superintendent of the Circuit, the other ministers, the Circuit Stewards including the Circuit Treasurer, plus the Office Manager and Circuit Property Secretary, together form the Circuit Leadership Team (CLT) and are considered Key Management Personnel. The ministers of the Circuit undertake the primary executive roles within the Circuit. The Superintendent chairs meetings of the CLT and Circuit Meetings. All voting members of the Circuit Meeting are the trustees of the Circuit. Our Office Manager is a member of CLT and a lay employee but is not a trustee. Paid trustees are all the ministers, and one of our lay employees (the Family Worker who also takes responsibility for safeguarding). All other trustees are volunteers. All lay staff are employed at the decision of the Circuit Meeting.

The cost of all stipends, employer's NIC, employer's pension contributions and other expenses of the ministers of the Circuit are met by the Circuit. The Methodist Connexion finance team in London pays all Methodist ministers' salaries after deductions (employee NI, tax and pension payments). Connexion charges the Circuit for these costs plus employer NI and employer pension payments, and pays all tax and NI due to HMRC. The URC Mission and Ministry team similarly makes a monthly charge to the Circuit for the employment costs of the Circuit's URC minister. For all of the Circuit's Methodist and URC ministers, the Circuit does not pay any minister directly - the payment is made by the central church organisation and the costs are charged to the Circuit. Similarly, the Circuit pays no remuneration/ benefits to lay staff directly - payments are made by the Methodist Church and costs charged to the Circuit.

Apart from the five ministers and the two lay workers mentioned no other key management personnel or member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain expense costs were reimbursed - see 28.2 below.

*The amounts of, and legal authority for, any remuneration or other benefits paid to these trustees by the charity are shown below:*

Name of trustee	Legal authority (eg order, governing document)	Amounts paid or benefit value				
		Remuneration	Pension contribution	Redundancy (including loss of office)/ex gratia	Other	TOTAL
		£	£	£	£	£
Revd Paul Arnold (Superintendent Minister)	Methodist standing orders	28,245	6,866			35,111
Revd Denise Binks (Minister)	Methodist standing orders	25,693	6,866			32,559
Revd Kate Konrad (Minister)	Methodist standing orders	25,693	6,866		515	33,074
Dcn Rebekah-Joy Spinks (Deacon)	Methodist standing orders	25,693	6,866			32,559
Revd Duncan Goldie (URC Minister)	URC M&M orders	26,772	3,989		1,362	32,123
Mrs Helen Coombes (Office Manager)*	Lay employment contract	16,551	993			17,544
Mrs Lynn Heaton (Families Worker)	Lay employment contract	16,406	984			17,390
		<b>165,053</b>				<b>200,359</b>

\*key management personnel (CLT member) but not a trustee

**Details of why remuneration or other employment benefits were paid.**

See notes above. With regard to Revd Goldie, the Circuit payments shown are for 92% of his remuneration and benefits; the remaining 8% being paid by Mere URC church. "Other" payment of £1362 to Revd Goldie is URC car allowance cost met by the Circuit in 2020-21. In addition to remuneration and pension payments, Revd Konrad received a payment from the Circuit of £515 (gross: taxed via Methodist finance London) to compensate her for privately-contracted telephone/broadband expenses.

**Where an ex gratia payment has been made to a trustee, provide an explanation of the nature of the payment.**

N/A

**YEOVIL & BLACKMORE VALE METHODIST CIRCUIT**

**Last year**

The following trustees received remuneration or other benefits from the Circuit in their capacity as paid Methodist and URC ministers, and lay employees, with the Circuit:

As Note 28.1 above.

**The amounts of, and legal authority for, any remuneration or other benefits paid to these trustees by the charity are shown below:**

Name of trustee	Legal authority (eg order, governing document)	Amounts paid or benefit value				
		Remuneration	Pension contribution	Redundancy (including loss of office)/ex gratia	Other	TOTAL
		£	£	£	£	£
Revd Paul Arnold (Superintendent Minister)	Methodist standing orders	27,337	6,685			<b>34,022</b>
Revd Denise Binks (Minister)	Methodist standing orders	24,852	6,685			<b>31,537</b>
Revd Kate Konrad (Minister)	Methodist standing orders	24,852	6,685			<b>31,537</b>
Dcn Rebekah-Joy Spinks (Deacon)	Methodist standing orders	24,852	6,685			<b>31,537</b>
Revd Duncan Goldie (URC Minister)	URC M&M orders	25,171	3,751		1,500	<b>30,422</b>
Mrs Helen Coombes (Office Manager)*	Lay employment contract	16,096	966			<b>17,062</b>
Mrs Lynn Heaton (Families Worker)	Lay employment contract	15,952	957			<b>16,909</b>
		<b>159,112</b>				<b>193,027</b>

\*key management personnel (CLT member) but not a trustee

**Details of why remuneration or other employment benefits were paid.**

See notes above. With regard to Revd Goldie, the Circuit payments shown are for 92% of his remuneration and pension; the remaining 8% being paid by Mere URC church. "Other" payment of £1500 to Revd Goldie is URC car allowance cost met by the Circuit in 2019-20.

**Where an ex gratia payment has been made to a trustee, provide an explanation of the nature of the payment.**

N/A

**28.2 Trustees' expenses**

The Circuit has a published Expenses Policy (see Note 2.2 viii) under which all trustees may claim for appropriate expenses in the course of their duties on behalf of the Circuit.

Some (not all) of the Circuit's supernumeraries and local preachers and just two other volunteer trustees have claimed and received travel expense payments in relation to their travel on Circuit business. The travel costs of these volunteers, and of ministers and lay workers are shown in detail in Note 6j and summed below.

Under Methodist standing orders, supernumerary ministers can claim preaching fees as expenses, at a fixed rate per service set by the Methodist Conference (see Note 6c). Other reimbursed volunteer expenses (telephone and office costs, and certain removal expenses) are detailed in the expenditure identified in Notes 6i, 6j and 6m and are summed below.

Type of expenses reimbursed	This year	Last year
	£	£
Travel	2,619	10,208
Subsistence	-	-
Accommodation	-	-
Office expenses (stationery, postage, materials, books)	6,425	4,055
Telephone	120	120
Reimbursed removals and relocation costs	699	600
Supernumerary preaching fees	1,150	525
	-	-
<b>TOTAL</b>	<b>11,012</b>	<b>15,508</b>

**The number of trustees reimbursed for expenses or who had expenses paid by the charity was:**

**18**

**16**

**28.3 Transaction(s) with related parties**

*Details are given here of transactions undertaken by (or on behalf of) the charity in which a related party has a material interest.*

**This year**

The son of one of the Circuit's 2020-21 trustees is equipped with printers and folding, binding and stapling tools which he uses to print quantities of the Circuit magazine (published quarterly in A5 format) and Circuit preaching plan. These are distributed by the Circuit Office Manager to around 250 people in the Circuit. Via his parent this printing arrangement is with a "related party" under the definitions in SORP FRS102 2019 (9.15). Printing is expensed on an "at cost" materials and equipment use only basis: the typical charge for printing 250 copies of the Circuit magazine (6 page edition, part in colour) and a similar number of the Circuit preaching plan is in the region of £260.

Vine Youth Ministries (VYM), a local charity supported by the Circuit and by Southampton Methodist District, is run by a 2020-21 Circuit trustee's son. Refer to Notes 6b and 8. VYM is a registered charity providing outreach to schools and young people in the Somerset and Dorset area.

The Circuit's related parties include the Methodist Connexion, the Southampton Methodist District, the churches within the Circuit, and other Methodist Districts in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors. All of the Circuit trustees are members of one or another Church within the Circuit and may also be trustees in their churches.

Charges made by, and income received from, CFB and TMCP are included in Notes 3d and 6l. The Circuit is principally funded by donations received from Circuit churches, and from the District. Income received from these parties is detailed in Notes 3b and 3c.

A small number of Circuit trustees made donations (without conditions) direct to the Circuit during 2020-21 - the aggregate figure for these received donations was £1,668 including Gift Aid tax recovered (2019-20: £842).

Monies passed on to external organisations by the Circuit acting as agent are all to Methodist related parties (see Note 8). These amounts are not otherwise included in these accounts.

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	Amount	Balance at period end	Provision for bad debts at period end	Amounts written off during reporting period
			£	£	£	£
Daniel England	via family	Circuit printing costs	1044	-	-	-
Vine Youth Ministries	via family	Circuit grant for schools work	3000	-	-	-

*In relation to the transactions above, please provide the terms and conditions, including any security and the nature of any payment (consideration) to be provided in settlement.*

Terms for magazine printing expenses: payment on receipt of goods.

*For any related party, please provide details of any guarantees given or received.*

None.

**Last year**

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	Amount	Balance at period end	Provision for bad debts at period end	Amounts written off during reporting period
			£	£	£	£
Mr Daniel England	via family	Circuit printing costs	1387	-	-	-
Vine Youth Ministries	via family	Circuit grant for schools work	3000	-	-	-

*In relation to the transactions above, please provide the terms and conditions, including any security and the nature of any payment (consideration) to be provided in settlement.*

Terms for magazine printing expenses: payment on receipt of goods.

*For any related party, please provide details of any guarantees given or received.*

None.