



YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

(Charity Registration No. 1158290)

TRUSTEES' ANNUAL REPORT

For the Year ending 31 August 2023

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

At the start of our year we had a full staff team comprising of 3 Methodist Presbyters, 1 URC Presbyter and 1 Methodist Deacon. During the year our URC Presbyter retired on ill health grounds and at the year end our Deacon moved to another appointment.

In addition, at the start of the year we were very fortunate to have 9 Supernumerary Ministers, 5 of whom were active and sadly one died in September. There are 10 active Local Preachers with one in training and we are blessed by having three people who have just felt God's call to start preacher training.

Within the Circuit we had 3 Lay employees; 2 being workers with children and families, one of these was employed by the Circuit and one was employed jointly by two local churches; and the other employee was our Circuit Administrator. Unfortunately, one of the children and families workers resigned at the end of December 2022. We have reviewed our work and the work that our employees are doing as well as adjusting their working hours where necessary.

In terms of our set-up this circuit had 12 societies worshipping and using 15 buildings at the start of our year. Very sadly we have closed 2 of those buildings for worship and are in the process of selling them.

Our Mission Statement is 'To know God's love; to show God's love; to share God's love' and so our aim is to work to this statement and support all of our societies and be proactive in a way which provides leadership and pastoral support to each, and to ensure that regular worship, fellowship and mission is carried out.

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
- Small house/fellowship/prayer groups – online where necessary
- The restart of the multiple Circuit-wide groups supporting children, young people and families; women's fellowship groups and senior citizens' luncheon clubs.
- The 'Clothing Exchange' project in Gillingham to supply good quality clothing for parents with babies/toddlers and young children
- 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 reviewed priorities and has planned for changes that will be required beyond 2023.
- The Circuit Meeting reviewed its financial controls and expenses policy again this year.
- Pastoral care of the housebound, the dying, those in hospital and others in need

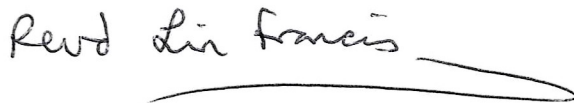
Yeovil and Blackmore Vale Methodist Circuit (26/05)
Trustees' Annual Report: Year ended 31 August 2023

- The Circuit Meeting has met four times during the year. Two of these have been 'virtual' meetings and two have been in person.

The financial impact of lost income through weekly cash offerings and hall/room lettings because of the Covid epidemic is still having affects in several of our churches, Gillingham Church in particular.

Amongst the work of 2022-2023 the discernment within the Yeovil Methodist Church' is on-going as it continues its missional work and worship, whilst exploring the viability of its two buildings and selling its third. Wincanton's work with the 'Live at Home' Scheme with Methodist Homes for the Aged is continuing to grow and is greatly appreciated within the local community. Tisbury's 'Communita' is also developing and valued. The ecumenical work across the circuit with all of the local churches is working well. As a circuit we have been exploring working closer with all of the adjoining circuits.

We are very grateful to all of our members of staff, lay and ordained and to all of our volunteers for all of their prayerful dedication to their callings to serve in this Circuit in the Lord's name. We look forward to another year full of challenge and opportunity.

A handwritten signature in black ink that reads "Revd Lin Francis". The signature is written in a cursive style and is followed by a long, horizontal, slightly wavy line that extends to the right.

Revd Lin Francis
Superintendent Minister and Chair of the Trustees

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 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 December 2023)

It has been agreed to dissolve the Circuit in two stages:

1. in September 2024 Bell St, Shaftesbury, Motcombe and Tisbury Churches will move into the Salisbury Circuit. Wincanton Church will move into the Somerset Mendip Circuit.
2. The remaining churches will move into one or two other adjacent Circuits at some later date, yet to be determined.

Circuit Policy until this process is complete is to:-

- Support all 10 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 be particularly supportive of the merger of societies within the Circuit including the three churches which have merged in Yeovil to form the new Yeovil Methodist Church, and of the merger of Sturminster Newton and King's Stag to form Vale Methodist Church.
- We committed ourselves to continuing the establishment figure of four ministers and one Deacon until the end of 2022-23. Our circumstances have changed, with the early retirement of one minister, so now we plan to retain three ministers until the end of 2023-24.
- Develop ministry amongst children, young people and families in the western end of the Circuit.
- Adapt ministry to the ever changing need of the local churches, particularly in terms of Pastoral Care.
- 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.

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Trustees' Annual Report: Year ended 31 August 2023

- 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.
- Ensure that we are compliant with Safeguarding processes and other regulatory demands (such as GDPR and Connexional requirements) 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 2022-23

Key points

During the year the Circuit received total income of £390k (FY 2021-22: £273k) and dispersed £352k (FY 2021-22: £377k). Net current assets of £385k (excluding property & land) were carried forward across the year end (FY 2021-22: £335k).

Circuit costs reduced significantly in 2022-23 with a reduction in staffing numbers through having one less minister, with the ending of the families worker role at Shaftesbury and Motcombe, and with reduced hours being worked by other lay staff. On the income side, the Circuit benefited in the amount of £150,065 in capital receipts from chapel sale proceeds.

Without capital receipts from redundant chapel sales, the total Circuit income does not fully cover net expenditure. The budgeted deficit in FY 2022-23 was £163k to be made up from Circuit reserves. In the event, with reduced costs and after chapel sales, the Circuit returned a net surplus of £37,774.

Church incomes, and Circuit assessments

Church attendance numbers have not recovered to pre-Covid levels. Circuit churches in Ibberton and Broad Oak were closed and sold during 2022-23, and those at Hazelbury Bryan, Gillingham and Preston Road Yeovil are all expected to be sold in 2023-24. Other Circuit churches, with significantly lower memberships and yet the same buildings to maintain, no longer have enough income/funds to pay their assessments without a struggle.

Finding itself in a stronger financial position, and in response to the ongoing financial struggles of our churches, in June 2023 the Circuit Meeting took the decision to reduce the Circuit's assessment level by a further 10% across all Circuit churches, for 2023-24. This is additional to the 10% reductions already implemented in both 2022-23 and 2021-22 and reflects the precarious times the churches find themselves in.

3.2 Reserves policy

Cash reserves

The Circuit's cash reserves held at 31st August 2023 were as follows:

Unrestricted Funds	£
Lloyds Bank – current account	58,266
Methodist CFB	58,328
Lord Alfred Trim Bequest (TMCP)	149,105
DD Gifford Cluett Bequest (TMCP)	53,086
Circuit Model Trust Fund (TMCP)	49,236
TOTAL UNRESTRICTED	368,019
Restricted Funds - Women's Work Bequest (TMCP)	4,340
TOTAL CASH FUNDS	372,359

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. 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 £3,543 held in TMCP monetary investments (unrestricted) (not included in the above figures) making a total Circuit fund balance of £375,902 at 31 August 2023.

The Circuit trustees assumed responsibility during 2022-23 for Hazelbury Bryan chapel, which became redundant. The Circuit's manses at Harbin Close Yeovil, Granville Way Sherborne and Manston Road Sturminster Newton are not currently required for ministerial accommodation and are all now treated as investment properties.

Other than these, no money is directly invested in property, securities or other forms of investment.

Policy for 2023-24

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. The Circuit's reserves policy for 2023-24 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 £155k for 2023-24. 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.

- Reserves policy for restricted funds

Bequest for Women's Work: £4,340. Originally bequested to the "Women's Work" Methodist women's organization in Sherborne (now Methodist Women in Britain (MWiB)). This Circuit's MWiB group is seeking new members at present.

The Circuit is in discussions with geographically-adjacent Circuits with a view to different parts of this Circuit amalgamating with adjoining Circuits, leading to the possibility of at least one merger completing at the end of FY 2023-24. Accordingly, the Circuit's five-year financial plan has been dis-regarded for the purpose of this reserves policy while these amalgamation discussions continue.

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 2.5% of income for the year (cf. 0.4% 2021-22). A net loss of £175 was recorded on the capital value of Circuit monetary investments over the year.

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 last undertaken in July 2021. The Circuit's receipts from its investment property amounted to 4.2% of income in 2022-23 (gross before allowing for property management costs).

Circuit manses at Sherborne and Sturminster Newton ceased being occupied by ministers in 2023-24, and so transferred from being classed as tangible fixed assets (total value: £608,000) to being treated as fixed asset investment properties at the end of 2022-23. In line with accounting policy, they are re-valued at this point, with a resulting re-valuation gain of £48,200 on these two properties. Refer to the Notes to the Accounts 2022-23.

3.4 Going concern

The trustees of the Circuit have every reason to believe that the Circuit is a going concern, principally because the assessment income from churches and rental property, combined with prudent use of its reserves and assets, enables it to safely cover its costs. There are no subsidiary undertakings.

The Circuit's amalgamation plans (see Circuit Policy) include the likely transfer of the churches at Motcombe, Shaftesbury and Tisbury to the Salisbury Methodist Circuit, and of Wincanton church to the Somerset Mendip Methodist Circuit, at the end of 2023-24. The trustees are confident that the resulting (smaller) Yeovil and Blackmore Vale Circuit will remain a going concern after these changes.

Further proposals to amalgamate the remaining church sections of Yeovil and Blackmore Vale Methodist Circuit with adjacent Circuits to the West, and subsequently to close this Circuit, are not at such advanced stages at present. The trustees fully expect this Circuit to remain a going concern until such time as these plans are agreed and implemented.

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. One of our lay employees was also a trustee until the end of December 2022. 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 Administrator with additional responsibilities as 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 list of trustees of the Circuit Meeting is provided in Appendix A: all voting members of the Circuit Meeting are the trustees of the Circuit. Representatives from the churches include the Church Steward and Treasurer for each church (ex-officio Circuit Meeting members), plus each church's further representatives to Circuit Meeting, who 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 Secretary, 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, conflict of interest policy, and the Circuit provides guidance to its trustees on maintaining awareness of risks from financial crime and abuse. In the Circuit's Financial Statements (Note 25) the trustees have assessed the charity's exposure to credit risk, liquidity risk and market risk, and have explained how the charity manages these risks.

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

5.4 Superintendent Minister

Revd Lin Francis

5.5 Circuit Administrator

Mrs Helen Coombes

5.6 Circuit Treasurer

Mr Lewis Buckwell (to 31 August 2023)

5.7 Names of trustees

All voting Members of the Circuit Meeting are trustees. The list of trustees serving from 1 September 2022 through to 21 February 2024 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

(First appointed: 23rd March, 2021, last reappointed: 18 September 2023):

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.

The Circuit acts as an agent when it receives grants and donations that are directly passed on to external organisations, and where the Circuit plays no part in overseeing their use. In this context the Circuit undertakes the administration (application, collection and disbursement) of (a) grants requested by churches and other charities /organisations within the Circuit from, but not limited to, the District and Connexion and (b) donations made by Circuit churches to certain Methodist (related party) and external charitable bodies. Sums collected by the Circuit as agent for these bodies are passed on directly to them within the same financial year (or accrued as creditors). 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 21st February, 2024:

Lin Francis (signed)



Rev Lin Francis
Chair of Circuit Meeting
Date: 08-03-24

Lewis Buckwell (signed)



Mr Lewis Buckwell
Circuit Treasurer 2022-23
Date: 9th March 2024

APPENDIX A Trustees

Trustees

The members of Yeovil and Blackmore Vale Methodist Circuit meeting are the charity trustees. Membership is made up from circuit office holders, ministers and representatives appointed by the local churches. The following were managing trustees from 1 September 2022 to 21 February 2024:

Ministers and Lay Staff

Revd Linda Francis (Superintendent)
Revd Denise Binks
Revd Duncan Goldie (to 30/04/23)
Revd Kate Konrad
Dcn Rebekah-Joy Spinks (to 31/08/23)
Revd Christina Le Moignan (Supernumerary)
Revd Margaret Oxenham (Supernumerary)
Revd Judy Turner-Smith (Supernumerary)
Revd Soon Cheol Choi (Supernumerary) (from 06/06/23)
Mrs Lynn Heaton (Children, Young People & Families Worker & Circuit Safeguarding Officer) (to 31/12/22)

Circuit Stewards

Mr Lewis Buckwell (Treasurer) (to 31/08/23)
Mrs Janet English
Mrs Margaret Whitford (Senior Steward)
Mr Stephen Watson

Other Appointments

Mr Philip Butler (Property Secretary)
Mr Colin Farrant (Local Preachers' Tutor)
Revd Judy Turner-Smith * (LP&WL Secretary)

Representatives

Mrs Joy Aylen
Mrs Jo Bathurst
Mr Phil Butler * (to 16/12/23)
Mr Tony Cole
Mrs Anne Cook (from 01/09/23)
Mrs Margaret Evans
Mrs Pearl Evans (to 16/12/23)
Mr George Faris
Mr Don Farquharson
Mrs Christine Fordham
Mrs Beth Fox
Mr Geoff Gardner

Miss Sarah James (from 01/09/23)
Dr Bob Jones
Mrs Ruth Jones
Mrs Christine Lydford (to 29/03/23)
Mr Mark Parsons
Mr Richard Sinden (to 01/07/23)
Mr Alan Turner-Smith (to 31/08/23)
Mrs Sarah Upshall
Mrs Gillian Walsham
Mrs Lynda Walters
Mr Hayden Williams
Mr David Wooldridge

*** Already a member in another capacity**



YEOVIL & BLACKMORE VALE METHODIST CIRCUIT

(Charity Registration No. 1158290)

FINANCIAL STATEMENTS

For the Year ending 31 August 2023

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 and Blackmore Vale Circuit

Circuit No.	26/05
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Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	Totals this year 2022-23	Totals prev year 2021-22
		£	£	£	£	£	£
Income							
Donations and legacies inc. Gift Aid	3	1,969				1,969	2,372
Grants received	3			16,142		16,142	27,176
Assessments on churches	3	194,270				194,270	215,593
Income from monetary investments	3	8,302	1,388	135		9,825	1,564
Income from investment properties	3	16,200				16,200	15,300
Capital receipts	3	1,470	150,065			151,535	10,799
Other charitable income	3						
Internal organisations	3						
Total Income	3	222,210	151,452	16,278		389,940	272,805

Expenditure							
RAISING FUNDS	2.3 ii, 6	3,973	11	12		3,996	4,496
GRANTS AND DONATIONS	2.2 i, 6, 13			1,500		1,500	20,013
CIRCUIT MINISTRY:							
Stipends, salaries and associated costs	6, 11, 12	165,842		18,042		183,885	230,075
Property maintenance	6	25,715				25,715	13,812
Connexional assessment & model trust levy	6	47,742	17,216			64,959	54,434
District assessment & levy	6	10,398				10,398	9,624
Depreciation	6						710
Provisions	6, 21	18,618		(3,400)		15,218	712
Office expenses	6	6,307				6,307	7,303
Telephone, travel	6	10,816				10,816	10,754
Insurance, utilities	6	21,775				21,775	22,004
Fees and charges	2.3 ii, 6	1,729	5,255			6,984	2,713
Other outgoings	6	614				614	98
Internal organisations	6						
Total Charitable Expenditure	6	313,529	22,483	16,154		352,166	376,747

Net income/(expenditure) before investment gains/(losses)		(91,319)	128,970	123		37,774	(103,942)
Gains/(losses) on monetary investments	17		(175)			(175)	(4,400)
Gains/(losses) on investment properties	17	656,200				656,200	
Net income/(expenditure)		564,881	128,795	123		693,800	(108,342)
Transfers between funds	27	80,000	(80,000)				
Gains/(losses) on fixed assets for the charity's own use	14	(608,000)				(608,000)	
Other gains/(losses)							
Net movement in funds	27	36,881	48,795	123		85,800	(108,342)
Total funds brought forward		2,243,102	3,983	4,217		2,251,302	2,359,644
Total funds carried forward		2,279,984	52,778	4,340		2,337,102	2,251,302

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

Balance brought forward from last year

Offerings/Gifts - received for External

Organisations

Offerings/Gifts - passed to External

Organisations

Balance carried forward

2.2 i, 8
2.2 i, 8

2,458
2,458

4,533
4,533

Yeovil and Blackmore Vale Circuit

Circuit No.	26/05
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Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the 2021-22 accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2021-22	Totals prev year 2020-21
		£	£	£	£	£	£
Income							
Donations and legacies inc. Gift Aid	3	2,372				2,372	1,968
Grants received	3			27,176		27,176	28,852
Assessments on churches	3	215,593				215,593	244,890
Income from monetary investments	3	1,146	398	20		1,564	1,255
Income from investment properties	3	15,300				15,300	14,080
Capital receipts	3	6,800	4,000			10,799	
Other charitable income	3						2,688
Internal organisations	3						334
Total Income	3	241,211	4,398	27,196		272,805	294,068

Expenditure							
RAISING FUNDS	2.3 ii, 6	4,325	158	12		4,496	4,676
GRANTS AND DONATIONS	2.2 i, 6, 13	20,013				20,013	3,021
CIRCUIT MINISTRY:							
Stipends, salaries and associated costs	6, 11, 12	206,298		23,776		230,075	237,745
Property maintenance	6	13,812				13,812	18,207
Connexional assessment & model trust levy	6	53,046	1,388			54,434	54,645
District assessment & levy	6	9,624				9,624	8,964
Depreciation	6	710				710	710
Provisions	6, 21	(2,688)		3,400		712	(4,412)
Office expenses	6	7,303				7,303	9,284
Telephone, travel	6	10,754				10,754	5,286
Insurance, utilities	6	22,004				22,004	17,239
Fees and charges	2.3 ii, 6	2,713				2,713	2,245
Other outgoings	6	98				98	4,609
Internal organisations	6						
Total Charitable Expenditure	6	348,012	1,547	27,188		376,747	362,219

Net income/(expenditure) before investment gains/(losses)		(106,801)	2,851	8		(103,942)	(68,151)
Gains/(losses) on monetary investments	17		(4,400)			(4,400)	1,144
Gains/(losses) on investment properties	17						(15,000)
Net income/(expenditure)		(106,801)	(1,549)	8		(108,342)	(82,007)
Transfers between funds	27	50,000	(50,000)				
Gains/(losses) on fixed assets for the charity's own use	14						(100,000)
Other gains/(losses)							
Net movement in funds	27	(56,801)	(51,549)	8		(108,342)	(182,007)
Total funds brought forward		2,299,903	55,532	4,209		2,359,644	2,541,651
Total funds carried forward		2,243,102	3,983	4,217		2,251,302	2,359,644

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

Balance brought forward from last year

Offerings/Gifts - received for External

Organisations

Offerings/Gifts - passed to External

Organisations

Balance carried forward

2.2 i, 8
2.2 i, 8

4,533
4,533

11,869
11,869

Yeovil and Blackmore Vale Circuit

Circuit No. 26/05

Balance Sheet as at 31 August 2023

		General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals this year	Totals last year
Notes to the Accounts		£	£	£	£	£	£	£
Tangible Fixed Assets								
Circuit manses & equipment	14	980,000					980,000	1,588,000
Investment properties	17	981,200					981,200	325,000
Investments	17		3,543				3,543	3,717
Total fixed assets		1,961,200	3,543				1,964,743	1,916,717
Current Assets								
Debtors and Prepayments	19	17,592					17,592	23,786
Loans by Circuit	17.6							
Investments with TMCP	17.4, 24	202,191	49,236		4,340		255,766	206,673
Central Finance Board deposits	24	59,056					59,056	66,483
Cash at Bank and in hand	24	80,193		334			80,527	67,452
Total current assets		359,030	49,236	334	4,340		412,940	364,394
Current Liabilities								
Creditors and Accruals (due in under 1 yr)	20	21,963					21,963	26,409
Grants payable in <1yr	20	6,206					6,206	3,400
Total current liabilities		28,169					28,169	29,809
Net current assets/liabilities		330,861	49,236	334	4,340		384,771	334,585
Total assets less current liabilities		2,292,061	52,778	334	4,340		2,349,514	2,251,302
Long term liabilities (due after more than one year)	20							
Grants payable after one year	20	12,412					12,412	
Loans to the Circuit	20							
Total net assets or liabilities		2,279,649	52,778	334	4,340		2,337,102	2,251,302
Funds of the Circuit								
General Fund (Unrestricted)		2,279,649					2,279,649	2,242,768
Circuit Model Trust Fund (Unrestricted)			52,778				52,778	3,983
Designated Funds (Unrestricted)				334			334	334
Total Unrestricted Funds							2,332,762	2,247,086
Other Funds (Restricted)					4,340		4,340	4,217
Endowment Funds								
Total Funds		2,279,649	52,778	334	4,340		2,337,102	2,251,302

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 2023 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of treasurer L Buckwell Date 9th March 2024

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 2023 were ~~will be~~*

presented to the Circuit meeting held on 21 FEBRUARY 2024

Signature of the Chair of the meeting Lin Francis

Name of the Chair of the meeting: Revd Lin Francis Date 08-03-24

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 2023 set out in these pages. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

* delete or circle as appropriate

Name of Circuit: 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 18 March 2024

* delete or circle as appropriate

**NOTES TO THE ACCOUNTS
2022-2023**

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

These accounts are compliant with SORP FRS102 2019.

vi Consolidation

The Circuit has denominational regulatory oversight in respect of the work of the 9 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 2023, the trustees believe that the Circuit is a going concern.

1.3 Changes to accounting policies for 2022-23

None.

1.4 Changes to accounting estimates for 2022-23

None.

1.5 Prior year errors

None.

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

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

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 with additional revisions in June 2023.

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 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.

The Circuit trustees become the managing trustees of any Circuit chapels that close, where they are not merged with another society, at which point any such property becomes a Circuit asset.

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. The last such valuation was in July 2021.

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 9.

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.

CPD: "The Constitutional Practice and Discipline of the Methodist Church", published by order of the Methodist Conference, with revisions each year.

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.

M&M Fund: Ministry and Mission Fund of the United Reformed Church

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 Custodian Trustee and title holder of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds.

Note 3 Analysis of income

		Unrestricted funds	Restricted income funds	Endowment funds	Total funds £	Prior year £
Analysis						
Donations and legacies:	Donations	1,551			1,551	1,805
	Gift Aid	418			418	567
	Legacies					
	Grants received		16,142		16,142	27,176
	Assessments on churches	194,270			194,270	215,593
Total		196,238	16,142		212,380	245,142
Charitable activities:	Internal organisations					
	Other charitable income					
	Total					
Income from investments:	Income from monetary investments	9,690	135		9,825	1,564
	Income from investment properties	16,200			16,200	15,300
	Total	25,890	135		26,025	16,864
Other:	Gains on disposal of tangible fixed assets held for charity's own use					
	Transfers/gains on investment properties	656,200			656,200	
	Capital receipts	151,535			151,535	10,799
Total		807,735			807,735	10,799
TOTAL INCOME		1,029,862	16,278		1,046,140	272,805

Other information:

All income in the prior year was unrestricted except for: (please provide description and amounts)

A grant of £10,000 was received from Southampton Methodist District to support the Circuit's Diaconal project. Grants were also received to support the Circuit Family Worker (Shaftesbury and Motcombe), as follows: £2,143 (Bell Street United Church, Shaftesbury), £1,286 (Motcombe MC). Government grants totalling £1,214 were received from the Department of Work and Pensions (Access to Work grant to provide practical administrative support to the Circuit's Deacon). A grant of £1,500 was awarded to the Circuit by Methodist Insurance plc to fund a Circuit initiative led by our Deacon in Hazelbury Bryan ("Encounter project") to provide mental health resources and support at the local school and for struggling families. £135 in investment income was received into the (restricted) Bequest for Women's Work (funds held for the Circuit's Methodist Women in Britain activities).

Where any endowment fund is converted into income in the reporting period, please give the reason for the conversion.

N/A

Where any endowment fund is converted into income in the prior period, please give the reason for the conversion.

N/A

Change of use of Circuit manses from occupied by ministers (assets for the charity's own use) to unoccupied (investment property assets)

An investment property transfer/gain of £656,200 (£608,000 transfer plus £48,200 gain on revaluation) is recorded due to the change in nature of two of the Circuit's manses from being occupied by ministers during the financial year, to becoming unoccupied by ministers at the end of the year and, accordingly, being readied for leasing as Circuit investment properties. This gain is offset by a recorded loss (£608,000 transfer) on occupied manse values (fixed assets for the charity's own use) in the Expenditure section (Note 6). Refer to accounting policies: Notes 2.4i and 2.4iv.

Note 4 Analysis of receipts of government grants

	Description	This year £
Government grant 1	Department of Work and Pensions Access to Work grant to provide practical administrative support to the Circuit's Deacon.	1,214
Government grant 2		-
Government grant 3		-
Other		-
	Total	1,214

	Description	Last year £
Government grant 1		-
Government grant 2		-
Government grant 3		-
Other		-
	Total	-

	This year	Last year
<i>Please provide details of any unfulfilled conditions and other contingencies attaching to grants that have been recognised in income.</i>	None	-

	This year	Last year
<i>Please give details of other forms of government assistance from which the charity has directly benefited.</i>	None	-

Note 6 Analysis of expenditure								
Analysis	This year				Last year			
	Unrestricted funds	Restricted income funds	Endowment funds	Total funds £	Unrestricted funds	Restricted income funds	Endowment funds	Total funds £
Expenditure on raising funds:								
investment management costs	588	12		600	763	12		775
rent collection/property management fees	1,944			1,944	1,836			1,836
rented property insurance	851			851	745			745
repairs to rented properties	601			601	1,140			1,140
Raising funds	3,984	12		3,996	4,484	12		4,496
Expenditure on grants and donations:								
CMTF grants for property schemes								
other grants and donations		1,500		1,500	20,013			20,013
Grants and donations		1,500		1,500	20,013			20,013
Expenditure on charitable activities - CIRCUIT MINISTRY:								
stipends (presbyters & deacons)	101,454	10,000		111,454	128,893	10,000		138,893
NIC (presbyters & deacons)	10,627			10,627	10,267			10,267
pension (presbyters & deacons)	28,975			28,975	27,787			27,787
apprenticeship levy on ministers' stipends	556			556	533			533
salaries (lay employees)	20,126	8,042		28,168	31,433	13,776		45,210
NIC (lay employees)	1,206			1,206	2,678			2,678
pension (lay employees)	978			978	2,551			2,551
lay payroll charge & lay salary apprenticeship levy	621			621	706			706
supernumeraries - preaching fees	1,300			1,300	1,450			1,450
Stipends, salaries and associated costs	165,842	18,042		183,885	206,298	23,776		230,075
manse and redundant chapel repairs	25,715			25,715	11,157			11,157
manse quinquennials					280			280
church quinquennials					2,375			2,375
Property maintenance	25,715			25,715	13,812			13,812
Connexional assessment (Methodist Church Fund)	47,742			47,742	48,708			48,708
URC Synod levy					4,338			4,338
TMCP MTF levy (DAF charge)	17,216			17,216	1,388			1,388
Connexional assessment and model trust levy	64,959			64,959	54,434			54,434
district assessment	10,398			10,398	9,624			9,624
District Assessment and levy	10,398			10,398	9,624			9,624
depreciation					710			710
Depreciation					710			710
provisions	18,618	(3,400)		15,218	(2,688)	3,400		712
Provisions	18,618	(3,400)		15,218	(2,688)	3,400		712
stationery, postage etc	5,281			5,281	5,890			5,890
office rent	700			700	1,000			1,000
circuit equipment	325			325	413			413
Office expenses	6,307			6,307	7,303			7,303
telephone & broadband	2,189			2,189	2,661			2,661
travel - ministers	6,145			6,145	6,239			6,239
travel - lay employees	260			260	435			435
travel - supernumeraries & lay preachers	1,944			1,944	832			832
travel - circuit trustees/volunteers	278			278	587			587
travel - stationing								
Telephone & travel	10,816			10,816	10,754			10,754
insurance	5,809			5,809	4,741			4,741
council tax	12,871			12,871	13,439			13,439
water, electricity	3,095			3,095	3,824			3,824
Insurance, utilities, etc	21,775			21,775	22,004			22,004

Note 6 Analysis of expenditure

Analysis	This year				Last year			
	Unrestricted funds	Restricted income funds	Endowment funds	Total funds £	Unrestricted funds	Restricted income funds	Endowment funds	Total funds £
bank admin charges	115			115	106			106
professional fees	6,869			6,869	2,607			2,607
Fees and charges	6,984			6,984	2,713			2,713
training	610			610	88			88
removals, relocation								
recruitment								
other miscellaneous	4			4	10			10
Other outgoings	614			614	98			98
Internal Organisations								
Internal Organisations								
Total Expenditure on charitable activities - CIRCUIT MINISTRY:	332,028	14,642		346,670	325,061	27,176		352,238
TOTAL EXPENDITURE	336,012	16,154		352,166	349,559	27,188		376,747

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. This giving is summarised below:-

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
		£	£	£	£	£	£
Donations to Action for Children / from Circuit churches	Action for Children is a Methodist charity	50	265	50	265	-	-
Donations to the Methodist Relief and Development Fund / from Circuit churches	Methodist Relief and Development Fund is a Methodist charity	280	170	280	170	-	-
Donations to the Methodist Church Fund for Property / from Circuit churches	Methodist Church Fund for Property is a Methodist Connexional Fund	210	410	210	410	-	-
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	190	340	190	340	-	-
Donations to Junior Mission for All (Methodist Church World Mission Fund) / from Circuit churches	Methodist Church World Mission Fund is a Methodist Connexional Fund	-	302	-	302	-	-
Donations to the Leaders of Worship and Preachers Trust / from Circuit churches	Leaders of Worship and Preachers Trust is a Methodist charity	95	384	95	384	-	-
Donations to the Methodist Ministers Housing Society / from Circuit churches	Methodist Ministers Housing Society is a Methodist charity	250	350	250	350	-	-
Donations to Methodist Homes Association / from Circuit churches	Methodist Homes Association is a Methodist charity	200	500	200	500	-	-
Donations to the Mission in Britain Fund / from Circuit churches	Mission in Britain Fund is a Methodist Connexional Fund	230	440	230	440	-	-
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	191	922	191	922	-	-
Donations to the Methodist Church World Mission Fund / from Circuit churches	Methodist Church World Mission Fund is a Methodist Connexional Fund	140	350	140	350	-	-
Donations to the Methodist Ministers Pension Reserve Fund / from Circuit churches	Methodist Ministers Pension Reserve Fund is a Methodist Connexional Fund	-	100	-	100	-	-
Retirement gift for Revd Duncan Goldie / donations from individual church members	Revd Duncan Goldie - retired during 2022-23	475	-	475	-	-	-
Leaving gift for Deacon Rebekah-Joy Spinks / donations from individual church members	Dcn Rebekah-Joy Spinks - stationed to Preston Circuit and relocated at the end of 2022-23	146	-	146	-	-	-
Total		2,458	4,533	2,458	4,533	-	-

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 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 2022-23, 4 ministers and 1 lay employee have spent 0.5 hours on governance-related topics at supervision meetings (every 2 months)
 - During FY 2022-23, the Circuit had 4 FTE ministers, and 1 part-time lay employee (total 0.3 FTE equivalent) other than the Circuit Administrator (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 Administrator 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 2022-23 are not included below.]

These estimates indicate that the Circuit's governance costs are in the order of £17,000 p.a., i.e. approximately 5% of the charity's total expenditure (FY 2021-22: £22,000 6%).

The other activities of the Circuit are (Note 6):

- raising funds
- the award and administration of grants to Circuit churches and external bodies as appropriate and as directed by the Circuit Meeting

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 2022-23								£
	Stipends, salaries etc	Property maintenance	Connexion assessment	District assessment	Office expenses	Telephone, travel	Insurance, utilities	Fees and charges	Grand total
	£	£	£	£	£	£	£	£	£
Governance	12,328	334	655	143	1,794	60	283	1,476	17,072
Total	12,328	334	655	143	1,794	60	283	1,476	17,072

Last year

	Circuit Ministry activity - governance costs 2021-22								£
	Stipends, salaries etc	Property maintenance	Connexion assessment	District assessment	Office expenses	Telephone, travel	Insurance, utilities	Fees and charges	Grand total
	£	£	£	£	£	£	£	£	£
Governance	16,249	170	789	155	2,581	83	334	1,422	21,782
Total	16,249	170	789	155	2,581	83	334	1,422	21,782

Note 10	Details of certain items of expenditure
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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	1,476	1,422
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	-	-

Note 11 Paid employees

11.1 Staff Costs

	This year £	Last year £
Salaries and wages	139,622	184,102
Employer National Insurance costs	11,833	12,945
Pension costs (defined benefit scheme)	28,975	27,787
Pension costs (defined contribution scheme)	978	2,551
Other employee benefits	0	0
Total staff costs	181,408	227,385

This year:

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

All Methodist ministers' stipends are paid directly by the Methodist Connexion stipends team (finance department, The Methodist Church, London), who then charge the Circuit for all payments made.

The manses are provided for all ministers by the Circuit and the Circuit maintains these properties, and pays the Council Tax and water charges. Manse costs paid by the Circuit are not disclosed here as employee benefits since 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	-	-

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
£	£
133,007	160,766

11.2 Average head count in the year

The parts of the charity in which the employees work

	This year Number	Last year Number
Fundraising	-	-
Charitable Activities	6	7
Governance	1	1
Other	-	-
Total	7	8

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

The nature of the payment

This year	N/A
Last year	N/A

The legal authority or reason for making the payment

This year	N/A
Last year	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 £
-	-

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

-	-
---	---

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

Note 12	Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme
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12.1 Defined contribution pension scheme

Amount of contributions recognised in the SOFA as an expense

This year	Last year
£	£
978	2,551

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). Most of the Circuit's lay employees have opted to join 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 6

This year:**13.1 Analysis of grants paid (included in cost of charitable activities)**

Analysis	Grants to institutions	Grants to individuals	Support costs	Total
			£	£
ENCOUNTER Project - see below	-	-	1,394	1,394
Hazelbury Bryan Primary School (ENCOUNTER Project)	106	-	-	106
	-	-	-	-
Total	106	-	1,394	1,500

Note: the Circuit was a prize-winner in a national competition and was awarded a grant of £1,500 by Methodist Insurance plc towards funding for the Circuit's ENCOUNTER Project. Led by our Deacon, this project was set up to support the mental health of vulnerable youngsters in the Hazelbury Bryan area by means of improving their access to computer technology. The funds were used to purchase activity packs, laptop computers, computer ancillary equipment and consumables. A remainder of £105.83 was gifted to Hazelbury Bryan Primary School towards the same goals (subsidising costs of a printer/ consumables in support of widening youngsters' access to computer technology). The cost of the Deacon's time spent running all the activities in this project was met fully by the Circuit.

Note: the Circuit provided a grant to support a Children and Families Worker for Shaftesbury and Motcombe, for the period from September to December 2022. The Circuit's grant was matched by the District. During FY 2022-23 this joint Circuit/District grant funding amounted to £3,400 deferred from FY 2021-22. This expense is not shown as a grant since it forms part of the Circuit's employer costs itemised in Note 6 - and these costs were taken as a provision in 2021-22's accounts. The remainder of the £6,828.65 cost of this role was met from grants received from Circuit churches in Shaftesbury (£2,142.49) and Motcombe (£1285.75).

13.2 Grants made to institutions

Name of institution	Purpose	Total amount of grants paid £
Hazelbury Bryan Primary School	ENCOUNTER Project - to support mental health and computer access of vulnerable youngsters in the Hazelbury Bryan area	106
		-
		-
		-
Total grants to institutions in reporting period		106
Other unanalysed grants		-
TOTAL GRANTS PAID		106

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

Analysis	Grants to institutions	Grants to individuals	Support costs £	Total £
Methodist Ministers' Pension Scheme (MMPS)	20,000	-	-	20,000
	-	-	-	-
Total	20,000	-	-	20,000

13.4 Grants made to institutions

Names of institution	Purpose	Total amount of grants paid £
Methodist Minister's Pension Scheme (MMPS)	Circuit contribution to Methodist Ministers' Pension Reserve Fund	20,000
		-
Total grants to institutions in reporting period		20,000
Other unanalysed grants		-
TOTAL GRANTS PAID		20,000

Note 14 Tangible fixed assets
14.1 Cost or valuation

Note 14 Tangible fixed assets

	Freehold land & buildings - manse properties	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
At the beginning of the year	1,588,000.00	-	-	-	1,588,000.00
Additions	-	-	-	-	-
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers *	(608,000.00)	-	-	-	(608,000.00)
At end of the year	980,000.00	-	-	-	980,000.00

14.2 Depreciation and impairments

**Basis			SL	
** Rate			3 years	

At beginning of the year	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
Transfers*	-	-	-	-	-
At end of the year	-	-	-	-	-

14.3 Net book value

Net book value at the beginning of the year	1,588,000	-	-	-	1,588,000
Net book value at the end of the year	980,000	-	-	-	980,000

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" (not revaluation) for the Circuit's manse properties - see Note 2.4 i.

Equipment owned by the Circuit, and fixtures and fittings provided by the Circuit at the Circuit's manses, are all identified, capitalised and depreciated if they individually cost at least £1,000. Refer to Note 2.4 i.

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		-	325,000	-	3,717	328,717
Add: additions to investments during period*	-	-	-	-	-	-
Less: disposals at carrying value	-	-	-	-	-	0
Less: impairments	-	-	-	-	-	-
Add: Reversal of impairments	-	-	-	-	-	-
Add/(deduct): transfer in/(out) in the period	-	-	608,000	-	-	608,000
Add/(deduct): net gain/(loss) on revaluation	-	-	48,200	-	(175)	48,025
Carrying (fair) value at end of year	-	-	981,200	-	3,543	984,743

*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	981,200	-
Social investments	-	-
Monetary investments (CMTF @ TMCP)	3,543	-
Total	984,743	-
Grand total (Fair value at year end+Cost less impairment)		984,743

Last 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)	3,717	-
Total	328,717	-
Grand total (Fair value at year end+Cost less impairment)		328,717

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 last 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) was valued at £325,000, with the land component being 25% of this.

The Circuit's manses at 73 Granville Way, Sherborne and at 47 Manston Road, Sturminster Newton both ceased being occupied by ministers during FY 2022-23. Accordingly, their asset values (total: £608,000) have been transferred from tangible fixed assets (see N14) to being treated as fixed asset investment properties at the end of FY 2022-23. These properties had also been valued by professional surveyors in July 2021 at £435,000 and £400,000 respectively, with 52% of Granville Way i.e. £226,200 being the Circuit's property (the remaining 48% being URC owned). This equates to a re-valuation gain of £48,200 on these two properties.

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).

The Circuit has no tangible fixed assets with individual purchase value of more than £1,000 at its investment property.

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

ADRIAN MALE FRICS, Christophers Chartered Surveyors

(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 properties at Harbin Close, Yeovil and at 73 Granville Way, Sherborne are currently occupied by private tenants, and the recently-vacated property at 47 Manston Road, Stuminstor Newton is being prepared ready for leasing. Any sales of these properties would need to be subject to vacant possession by the Circuit by serving notice to the tenants. 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. Under Methodist Standing Order 970, the Connexional Priority Fund (CPF) levy shall be charged by TMCP on all capital money arising from a sale. The amount of levy chargeable is nil on the first £20,000, 20% on any excess over £20,000 up to £100,000 and 40% on any excess over £100,000 (Standing Order 972). 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

Where an investment property is leased, the Circuit has contractual obligations for repairs and maintenance under the terms of the lease. As responsible property owners, the Circuit continues to repair and maintain any vacant investment properties with a view to their lease or eventual sale.

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

	This year	Last year
Details and amount of any guarantee made to or on behalf of a third party	N/A	N/A
Name of the entity or entities benefiting from those guarantees	N/A	N/A
An explanation of how the guarantee furthers the charity's aims	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 £
	-	-
	-	-
	-	-
	-	-
Total	-	-

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 £
	-	-
	-	-
	-	-
Total	-	-

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.

The Circuit has no loans. The Circuit is not dependent on income from monetary investments, which accounted for only 2.5% of its income in 2022-23 (0.6% last year). The Circuit's income from its investment property (gross before deduction of property management expenses) was £16,200 (4.2% of income) in 2022-23 (£15,300, 5.6% of income, last year).

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

See 17.3(i) above.

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.

N/A

Note 19 Debtors and prepayments

19.1 Analysis of debtors

	This year £	Last year £
Trade debtors	568	0
Prepayments and accrued income	16,981	16,915
Other debtors	42	6,871
Total	17,592	23,786

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	-	-
Total	-	-

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	6,206	3,400	-	-
Bank loans and overdrafts	-	-	-	-
Trade creditors	3,782	1,297	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Accruals and deferred income	18,181	25,112	-	-
Taxation and social security	-	-	-	-
Other creditors	-	-	-	-
Total	28,169	29,809	-	-

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 £
3,400	2,688
18,618	3,400
(3,400)	(2,688)
-	-
18,618	3,400

21.2 Please provide:

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

This year	Last year
(a) District grant of £1,700 plus matching Circuit grant of £1,700 deferred from FY 2021-22 to use in FY 2022-23 towards support for the Family Worker at Shaftesbury and Motcombe (b) Circuit grant of £18,618 (£6,206 p.a. for 3 years) was awarded in June 2023 towards funding for the new Tisbury Outreach Worker for the 3 year period commencing FY 2023-24.	(a) District grant of £2,688 deferred from FY 2020-21 to use in FY 2021-22 towards support for the Family Worker at Shaftesbury and Motcombe (b) An additional District grant of £5,100 was awarded in 2022 for the Family Worker for calendar year 2022 - a provision for one third of this (£1,700) is made for FY 2022-23 (c) Matching additional Circuit grant of £5,100 was awarded for the Family Worker for calendar year 2022 - a provision for one third of this (£1,700) is made for FY 2022-23.
It is fully expected the £6,206 p.a. Tisbury grant amount will be spent in the next three years.	
None	None

- 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.

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: an informal arrangement with a Circuit church. A reduced contribution of £700 was made for rent/lighting/heating during the year (2021-22: £1,000), with £0 contribution (2021-22: £450) for telephone and broadband costs, since the Circuit's use of the office facility has reduced.	
The Sherborne and Yeovil investment properties each attract a grounds maintenance charge via estate management companies.	
In addition there are short term obligations as follows:	
- telephones at the Circuit manses along with various maintenance contracts (building alarms/security systems) at some manses and at the Circuit Office;	
- photocopier rental at the Circuit Office.	
The total annual cost of these is not considered material.	
Further short-term liabilities have arisen recently for:	
- insurance and utilities costs for the redundant chapel at Hazelbury Bryan (and any others that may close during the year) - from closure until sold;	
- professional fees to surveyors, solicitors and agents during property disposal;	
- CPF Levy (see Note 17), payable to TMCP on property disposal.	
All such costs to be funded from the property sale - likely in 2023-24.	

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.

An amount of £334 is being held as "designated funds" for children's work in Wincanton. The Wincanton monies are designated 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 Wincanton monies is currently uncertain, the context being that the Circuit's work with children in Wincanton ceased in recent years.
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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.

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.

2022-23							2021-22
General Fund	Circuit Model Trust Fund	Designated Funds (Unrestricted)	Trim Bequest	Cluett Bequest	Women's Bequest (restricted)	Total	
Funds held with TMCP	52,778		149,105	53,086	4,340	259,309	210,390
Central Finance Board deposits	59,056					59,056	66,483
Cash at bank (Lloyds Bank plc)	80,193	334				80,527	67,452
Totals	139,248	334	149,105	53,086	4,340	398,891	344,326

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. 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) provides a means to replenish the Circuit's reserves. 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 £3,543 invested in the CFB's Managed Mixed Fund (£3,022) and Managed Fixed Interest Fund (£521). 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 1.4% of the Circuit's TMCP-held assets (0.9% of the Circuit's total cash 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.

- If any Circuit properties (whether manses or redundant chapels) are disposed of, this results (after CPF levy - see Note 17) in capital receipts to the Circuit's general funds in line with Methodist Standing Orders, for onward application for Circuit purposes (grants, Circuit ministry, etc) as determined by Circuit Meeting decisions.

- The recent trend for smaller chapels to close has led to the Circuit's financial position improving, through such capital receipts. The Circuit expects to sell two, possibly three, chapel buildings in 2023-24.

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		329,768	222,210	(313,529)	80,000		318,449
Manses for the charity's own use (fixed asset values)	U	Ministerial accommodation	1,588,000	-	-	(608,000)		980,000
Investment property (manses unoccupied by Circuit ministers) (fixed asset values)	U	Rental income; investment	325,000	-	-	608,000	48,200	981,200
Circuit Model Trust Fund	U	General - see Note 24	3,983	151,452	(22,483)	(80,000)	(175)	52,778
Designated funds	U	Wincanton childrens' activities £334; Tisbury Outreach Worker £18,618	334					334
Diaconal grants	R	Diaconal support - see Note 3		10,000	(10,000)			
Family Worker grants	R	Support of Family Worker at Shaftesbury & Motcombe - see Note 3		3,429	(3,429)			
Government grants (DWP Access to Work)	R	Practical administrative support to the Circuit's Deacon		1,214	(1,214)			
Methodist Insurance grant for the Circuit's "Encounter" Project	R	Mental health resources and support at Hazelbury Bryan Primary School and for struggling families		1,500	(1,500)			
Bequest for Women's Work	R	Methodist Women in Britain - see Note 24	4,217	135	(12)			4,340
Total Funds			2,251,302	389,940	(352,166)		48,025	2,337,102

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		386,569	241,211	(348,012)	50,000		329,768
Manses for the charity's own use (fixed asset values)	U	Ministerial accommodation	1,588,000	-	-			1,588,000
Investment property (manses unoccupied by Circuit ministers) (fixed asset values)	U	Rental income; investment	325,000	-	-			325,000
Circuit Model Trust Fund	U	General - see Note 24	55,532	4,398	(1,547)	(50,000)	(4,400)	3,983
Designated funds	U	Wincanton childrens' activities	334					334
Diaconal grants	R	Diaconal support - see Note 3b		12,000	(12,000)			
Family Worker grants	R	Support of Family Worker at Shaftesbury & Motcombe - see Note 3b		15,176	(15,176)			
Bequest for Women's Work	R	Methodist Women in Britain - see Note 24	4,209	20	(12)			4,217
Total Funds			2,359,644	272,805	(376,747)		(4,400)	2,251,302

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

There were no 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 Circuit Administrator 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 Circuit Administrator 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). 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. 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 four 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 Lin Francis (Superintendent Minister)	Methodist standing orders	29,797	7,244			37,040
Revd Denise Binks (Minister)	Methodist standing orders	27,104	7,244			34,348
Revd Kate Konrad (Minister)	Methodist standing orders	27,104	7,244			34,348
Dcn Rebekah-Joy Spinks (Deacon)	Methodist standing orders	27,104	7,244			34,348
Mrs Helen Coombes (Circuit Administrator)*	Methodist standing orders	9,635	0			9,635
Mrs Lynn Heaton (Families Worker)**	Methodist standing orders	12,262	632			12,894
		133,007				162,613

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

**trustee for only part of this financial year

Details of why remuneration or other employment benefits were paid.

See notes above.

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

N/A

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 Lin Francis (Superintendent Minister)	Methodist standing orders	28,577	6,947			35,524
Revd Denise Binks (Minister)	Methodist standing orders	25,995	6,947			32,942
Revd Kate Konrad (Minister)	Methodist standing orders	25,995	6,947			32,942
Dcn Rebekah-Joy Spinks (Deacon)	Methodist standing orders	25,995	6,947			32,942
Revd Duncan Goldie (URC Minister)	URC M&M orders	25,900	3,859		1,380	31,139
Mrs Helen Coombes (Office Manager)*	Lay employment contract	11,399	522			11,921
Mrs Lynn Heaton (Families Worker)	Lay employment contract	16,906	1,014			17,920
		160,766				195,329

*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 £1,380 to Revd Goldie is URC car allowance cost met by the Circuit in 2021-22.

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 and other volunteers 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 just one other volunteer trustee claimed and received travel expense payments in relation to their travel on Circuit business.

Under Methodist standing orders, supernumerary ministers can claim preaching fees as expenses, at a fixed rate per service set by the Methodist Conference.

Note that trustee expenses shown here are those claimed by volunteers (including supernumerary ministers). Circuit staff, i.e. ministers and lay workers, are also trustees but the expenses they have claimed are itemised separately in Note 6.

Type of expenses reimbursed	This year	Last year
	£	£
Travel	1,388	1,419
Subsistence	-	-
Accommodation	-	-
Office expenses (stationery, postage, materials, books)	-	75
Telephone	-	-
Reimbursed removals and relocation costs	-	-
Supernumerary preaching fees	1,300	1,450
	-	-
TOTAL	2,688	2,944

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

8 (15 including Circuit staff)	13 (21 including Circuit staff)
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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 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 Note 3. The Circuit is principally funded by donations received from Circuit churches, and from the District. Income received from these parties is detailed in Note 3.

A small number of Circuit trustees made donations (without conditions) direct to the Circuit during 2022-23 - the aggregate figure for these received donations was £1,969 including Gift Aid tax recovered (2021-22: £2,372).

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
			£	£	£	£

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.

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

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 Malcolm English	via family	Labour + materials	948	-	-	-

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 services and materials provided: payment on satisfactory completion.

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

None.