BLACK COUNTRY CIRCUIT

England & Wales · Charity number 1168391

Details

Status	Registered
Legal form	Previously excepted
Registered	2016-07-22
Register	View on the Charity Commission register

Contact

Address	Leabrook Methodist Church Leabrook Road North Wednesbury West Midlands WS10 7LY
Phone	07741885827
Email	blackcountryad@gmail.com
Website	https://www.blackcountrymethodistcircuit.org.uk/

Activities

Objects: THE PURPOSES OF THE METHODIST CHURCH ARE AND SHALL BE DEEMED TO HAVE BEEN SINCE THE DATE OF UNION THE ADVANCEMENT OF -(A) THE CHRISTIAN FAITH IN ACCORDANCE WITH THE DOCTRINAL STANDARDS AND THE DISCIPLINE OF THE METHODIST CHURCH;(B) ANY CHARITABLE PURPOSE FOR THE TIME BEING OF ANY CONNEXIONAL, DISTRICT, CIRCUIT, LOCAL OR OTHER ORGANISATION OF THE METHODIST CHURCH;(C) ANY CHARITABLE PURPOSE FOR THE TIME BEING OF ANY SOCIETY OR INSTITUTION SUBSIDUARY OR ANCILLARY TO THE METHODIST CHURCH;(D) ANY PURPOSE FOR THE TIME BEING OF ANY CHARITY BEING A CHARITY SUBSIDIARY OR ANCILLARY TO THE METHODIST CHURCH.

Activities: The charity operates in the Black Country area of the West Midlands and is part of the wider Methodist Church in the United Kingdom

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Religious Activities
- **Who:** The General Public/mankind

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Geography

- Dudley
- Sandwell
- Walsall

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£250,260	£372,417	-	-
2023-08-31	£243,413	£280,011	-	-
2022-08-31	£872,218	£499,284	£1,906,033	4
2021-08-31	£255,973	£258,706	-	-
2020-08-31	£256,934	£272,977	-	-

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Trustees

Name	Role	Appointed
Rev DENISE MAVIS WILLIAMS BA BSC Hon	Chair	2015-09-01
ALEX DAVID JAMES COOKSEY		2015-09-01
CHRISTOPHER PEARCE M.SC, B.SC		2015-09-01
Chris Allen		2023-09-01
DAVID GRAHAM ASHFIELD		2015-09-01
DONALD ANDERSON		2022-09-01
Grace Peumalu		2019-05-01
Helen Allen		2014-09-01
IAN KEITH THOMSON		2015-09-01
Ian Belcher		2015-09-01
Ian Palfreyman		2015-09-01
Ian Paul Collett MAAT JP		2019-04-01
JEAN MARGARET MASON CERT Ed		2015-09-01
JOAN HOWES		2015-09-01
Jennifer Margaret Bibb		2022-09-01
Judith Palfreyman		2023-09-01
Juliet Aritey Kisob		2022-09-01
June Mary Davies		2023-04-01
Karen James		2023-09-01
Kathryn Joan Turner		2022-09-01
Kim Lesley Pollard		2019-05-01
Linda Joan Haywood		2022-09-01
Lorraine Morris		2023-09-01
MARGARET ANN MORGAN		2015-09-01
MARJORIE ASHFIELD		2015-09-01
Malcolm David Freeman MA		2022-09-01
Malcolm Wills		2018-04-01

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Name	Role	Appointed
Marlene Turner		2023-09-01
Mary Ann Thomson		2022-09-01
Miriam Jeanette Wills		2023-09-01
Paul Anthony Reynolds		2022-09-01
Pauline May Hodgetts BEM		2022-09-01
ROSEMARY ANNE JONES		2015-09-01
Rev Carole Judith Holden		2018-04-01
Robert C Peumalu		2019-05-01
Ronald Thomas Turner		2019-04-01
Ruth Helen Childs LLB DipTh		2020-09-01
SHIRLEY ANN SHELTON		2015-09-01
SUSAN DIANE SANDBROOK		2015-09-01
Stephen John Allen		2022-09-01
Sylvia Margaret Morran		2019-04-01
TERENCE DAWSON		2015-09-01
Trevor Allan		2018-04-01
Valerie Partridge		2023-09-01
Vanessa Hill		2022-04-01

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BLACK COUNTRY CIRCUIT

England & Wales - Charity number 1168391

Accounts

CHARITY REGISTRATION NUMBER: 1168391

Black Country Circuit

Unaudited Financial Statements

31 August 2024

BSN ASSOCIATES LIMITED
Chartered accountants
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

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Black Country Circuit

Financial Statements

Year ended 31 August 2024

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Black Country Circuit

Trustees' Annual Report

Year ended 31 August 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 August 2024.

Reference and administrative details

Registered charity name	Black Country Circuit
Charity registration number	1168391
Principal office	Circuit Office Leabrook Methodist Church Leabrook Road North Wednesbury WS10 7LY
Independent examiner	Philippa Miller-Hawkes BA CA 3B Swallowfield Courtyard Wolverhampton Road Oldbury West Midlands B69 2JG

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Structure, governance and management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team.

The members of the Black Country Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Members of the Black Country Circuit meeting are as follows:

Ministers

Revd Ruth Childs
Revd Denise Williams
Revd Juliet Kisob
Revd Carole Holden (Supernumerary)

Lay-workers

Mrs Karen Belcher (Administrator)
Mrs Heather Pearce

Local Preachers and Worship Leader Representatives

Mr Trevor Allen
Mrs Jean Mason

Circuit Stewards

Mrs Helen Allen
Mr Donald Anderson (Property)
Mr David Ashfield
Mr Ian Belcher
Mr Malcolm Freeman
Mr Ian Palfreyman
Mr Christopher Pearce (also Local Preachers Secretary)
Ms Shirley Shelton
Mr Ian Thomson

Circuit Treasurer

Mr John Miller (Until 30th November 2023)
Mr Malcolm Freeman (from 1st December 2023 - nominated Circuit Steward for Treasurer role)

Circuit Officers (Property)

Mr Donald Anderson
Mr Alex Cooksey

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Circuit Safeguarding Co-ordinator

Mr Ian Belcher

Circuit Representatives to Wolverhampton & Shrewsbury District Synod

Mrs Helen Allen
Mr Stephen Allen
Mrs Rosemary Jones

Circuit Church Representatives

Beeches Road - Mrs Grace Peumalu and Mr Robert Peumalu

Charlemont - Miss Linda Haywood and Mr Paul Reynolds

Hill Top - Mrs Joan Howes and Marlene Turner

Lea Brook – Judith Palfreyman

Methodist Centre - Mrs Jennifer Bibb and Mrs Vanessa Hill

New Road – Lorraine Morris and Chris Allen

Roseville - Mrs Sylvia Morran, Mrs Kathryn Turner and Mr Ronald Turner

Ryders Green - Mr Terry Dawson and Mr Alex Cooksey

St Andrews - Mrs June Davies and Miss Margaret Morgan

Tipton Green - Mrs Marjorie Ashfield, Mrs Rosemary Jones and Miss Susan Sandbrook

Toll End - Mrs Pauline Hodgetts and Miss Kim Pollard

Wednesbury (Central & Woods)- Mary Ann Thomson, Valerie Partridge and Karen James

Wesley - Mr Stephen Allen, Mr Ian Collett, Mr Malcolm Wills and Mrs Miriam Wills

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Trustee Training

A range of guidance is produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as Trustees.

Circuit financial plans for the coming year have been prepared on the basis that there remain 3 full time ordained staff with anticipated cost of living stipend increases but with an increased, subsidised cost, of our administrator and any ministerial support worker that may be appointed.

The future number of churches in the Circuit cannot be predicted at present but, especially in view of the financial situation of some churches; the number of services to be covered in the Plan coupled with the number of presbyters in post and the reduction in lay preachers, there is a likelihood that some will close.

Two churches continue to hold zoom worship (Sunday and Tuesday evenings, fortnightly) which we expect will continue, alongside some circuit worship also being held on the zoom platform. The Circuit's sub-committee structure has been working well, it has been agreed that the Circuit Leadership Team will undertake a review of the sub-committee structures during next year (2024-25); the structure continues to provide a valued way for lay persons to support Presbyters.

During this financial year, the circuit successfully recruited a part-time (60%) Family Worker to work with presbyters and churches in the circuit to create and develop closer links with the community; Community Connect project is now up and running and despite being in its early stages, good progress is being made.

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Objectives and activities

Aims and Organisation

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

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

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local, or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The Circuit produces a quarterly preaching plan to ensure that regular acts of worship take place at each of the 13 Methodist Churches in its geographical area. The Black Country Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Tipton, West Bromwich & Wednesbury. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 13 Circuit churches every Sunday. Our internal structure is based on a Circuit Meeting which meets twice a year; a Local Preachers' meeting which meets four times a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which normally meet fortnightly. We endeavour to make our meetings more than just 'talking shops'; they are the place where important decisions are made and within them, we plan our strategies and fulfil our role as Charity Trustees.

Public Benefit

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

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Achievements and performance; Review of the year

The financial year for year ended 31st August 2024 was a continuation of the previous year and one of consolidation. Many of our churches continue to struggle with ageing membership and people reluctant to take on leadership roles. The circuit has maintained its commitment from 2019 not to impose significant increases in finance requirements to the circuit from the individual churches.

The increased costs of gas and electricity continues to impact greatly on our churches; the Circuit Leadership Team has written to all churches in the circuit, highlighting the increasing costs of the circuit and continued commitment not to pass on significant increases to individual churches but to use reserves to support the work of the Black Country Methodist Circuit and individual churches within it. Each Church Council has been asked to reflect on seven areas – their financial position, state of their property, church membership (number and age demographic), leadership, interaction with the community, Mission Outreach, and lastly to consider whether merging with another church might be an option for the future.

The sale of Park Methodist Church completed in September 2024, proceeds from which have been added to reserves funds which will continue to be used for ongoing financial support of the circuit.

A new Circuit Administrator commenced employment in September 2023, alongside our existing Pastoral Worker and newly appointed Family Worker; all three support our ministerial staff and lay volunteers.

The Circuit Finances are in a healthy position thanks to income from church buildings which have been sold; some of this is ring fenced for our Circuit Connect Project which works to foster links between the church and the community as outlined above.

The situation with regard to Local Preachers in the Black Country Circuit is proving to be a difficult one. We currently have thirteen active Local Preachers with one to welcomed as an accredited Local Preacher in September 2024 having successfully completed the Worship: Leading & Preaching course of The Methodist Church; we currently have one further person “on trial”. This leads to challenges in planning the leading of worship in twelve churches, one of which has two services each Sunday. This inevitably leads to a number of “Local Arrangements” where each church prepares and leads their own worship. We also have once a quarter “sector services” which have met with varied success and are constantly under review. It is hoped that more training will be facilitated to encourage more leaders of worship.

Our modus operandum continues to be inspired and celebrated in our main activities of worship and mission. Mission and work in our local communities is an essential part of our mission and there are community activities in most of our churches, regular coffee mornings are held often with opportunities to share in craft-making. Many churches have offered Warm Spaces under the banner of the National Lottery Community Fund, an example of our churches connecting with communities and those in need.

We continue to house two Ukrainian families in two of our Manses; this project will most likely come to an end when/if the Government “Homes for Ukraine Scheme” ceases.

We would extend a big thank you to all those who have committed themselves to the work and mission of the Circuit and who provide invaluable support to the Ministerial and Administrative staff. The Circuit Leadership Team is very active in the life of the Circuit and provide expertise in financial, property, worship and other facets of church life and provide support to all our churches.

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Financial review

Circuit income is derived mainly from the assessments paid by the individual circuit churches and during the year the assessments were £195,638 (2023 £191,777). Most churches pay by standing order on a quarterly basis, but some pay monthly to lessen the burden on their cash flow. Interest received showed an increase at £34,949 due to the deposit of capital from property sales and the increase in interest rates. In the prior year there was grant income from the District in support of our Community Connect project/Pastoral Support worker of £10,000. Minister's stipends and associated costs showed an increase reflecting the annual increase of stipends.

Property costs borne by the Circuit rose due to the Circuit being responsible for the maintenance of the Park and Hallam Street churches. The Circuit receives rental income from Hallam Street tenants and this situation is under constant review; sale of Park by auction is scheduled for 12th September 2024. All the church and manse properties are in a state of good repair.

As at 31st August 2024, unrestricted reserves excluding Land and Buildings stood at £180,554 (2023 £218,376). The Circuit finances are in a relatively healthy position due to the closure and sale of church properties not withstanding that individual churches are struggling to break even. The Circuit Leadership Team have considered offering a further grant scheme to the churches; this will be considered on an ongoing basis if there are suitable projects to support. In the meantime, the healthy financial position will support the ongoing work and costs of the circuit, rather than imposing significant increases in quarterly assessments on the individual churches.

Plans for 2024/25

Budgets for the coming year have been prepared on the basis that three presbyters will be in post together with a paid Circuit Administrator, Pastoral Support worker and Family Worker (all part-time roles)

The Manses situation will be kept under review but there is a distinct possibility that further church closures may take place, and the properties sold. This will help to maintain a healthy Circuit financial profile.

The Circuit Connect Project is underway and will be monitored on its outcomes by presbyters and the Circuit Leadership Team.

A "Circuit Celebration Day" was held in July 2024 where each church was invited to bring a display of things happening in their church; over 100 people from churches in the circuit gathered together to share fellowship, take part in workshops, with a buffet lunch provided and ending in worship. It

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Financial review *(continued)*

Reserves Policy General

It is the Trustees' policy to maintain a balance of unrestricted and undesignated funds equivalent to around six months average unrestricted expenditure, to cover unexpected requirements which may occur from time to time. Due to the uncertain future of some of our churches our reserves are currently above six months expenditure to support our future expenditure plans without having to impose substantial increases in annual assessments. Our reserves will diminish over the next few years as we continue to subsidise paid employment positions needed to continue the work of the Methodist Church in the Black Country Circuit.

The policy of only slowly reducing reserves has been vindicated in the current financial situation as some churches are facing serious financial problems but the Circuit itself is in a strong position to support the work of the Methodist Church in the Black Country.

Risk Management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and is recorded.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults

- the safeguarding and protection of all children, young people and adults when they are vulnerable

- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.

- we will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.

- we will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.

- we will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.

- we will seek to challenge any abuse of power, especially by anyone in a position of trust.

- we will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.

- in all these principles we will follow legislation, guidance and recognised good practice.

The Black Country Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy, government legislation, guidance and safe practice in the circuit and in our

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Financial review ***(continued)***

The Black Country Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy, government legislation, guidance and safe practice in the circuit and in our churches, including carrying out enhanced DBS checks as required.

The Black Country Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable. We adhere to the church's Safer Recruitment Policy.

Regular training sessions are held to ensure that those required to receive the necessary training. Ensuring the appropriate training is undertaken continues to be closely monitored by our Circuit Safeguarding Officer. Necessary DBS checks have continued to be carried out over the last connexional year.

Our Circuit Safeguarding Officer, Ian Belcher, continues to meet regularly with our Church Safeguarding Officers - both informally and at regularly held formal meetings - to ensure that best practice is being followed in our churches and that effective communication about Safeguarding matters continues. Ian's priority is to ensure that Safeguarding is embedded in all aspects of Circuit and Church life, and that its core principles of inclusivity, respect, being valued, being listened to and feeling protected are at the forefront of all we do. This is achieved through ensuring that people attend Safeguarding training and undertake a DBS check appropriate to their role, the principles laid out in the Safer Recruitment Policy are adhered to and that Church Safeguarding Officers are supported in their vital role.

The trustees' annual report was approved on 13 June 2025 and signed on behalf of the board of trustees by:

D. M. Williams

Revd D Williams
Trustee

H Allen

Mrs H Allen
Trustee

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Black Country Circuit

Independent Examiner's Report to the Trustees of Black Country Circuit

Year ended 31 August 2024

I report to the trustees on my examination of the financial statements of Black Country Circuit ('the charity') for the year ended 31 August 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 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.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements 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.

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.

P Miller - Hawkes

Philippa Miller-Hawkes BA CA
Independent Examiner

3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

13 June 2025

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Black Country Circuit

Statement of Financial Activities

Year ended 31 August 2024

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total funds £	2023 Total funds £
Income and endowments					
Charitable activities	**4**	195,638	–	195,638	201,777
Investment income	**5**	28,052	26,278	54,330	35,579
Other income	**6**	292	–	292	6,057
Total income		223,982	26,278	250,260	243,413
Expenditure					
Expenditure on charitable activities	**7**	261,804	110,613	372,417	278,801
Total expenditure		261,804	110,613	372,417	278,801
Net gains/(losses) on investments		662,000	286,318	948,318	(1,210)
Net income/(expenditure) and net movement in funds		624,178	201,983	826,161	(36,598)
Reconciliation of funds					
Total funds brought forward		1,488,376	381,059	1,869,435	1,906,033
Total funds carried forward		2,112,554	583,042	2,695,596	1,869,435

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 21 form part of these financial statements.

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Black Country Circuit

Statement of Financial Position

31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	**12**	1,165,000	675,000
Investments	**13**	767,000	595,000
		1,932,000	1,270,000
Current assets			
Debtors	**14**	25,424	15,064
Investments	**15**	583,042	381,059
Cash at bank and in hand		187,187	234,129
		795,653	630,252
Creditors: amounts falling due within one year	**16**	32,057	30,817
Net current assets		763,596	599,435
Total assets less current liabilities		2,695,596	1,869,435
Net assets		2,695,596	1,869,435
Funds of the charity			
Restricted funds		583,042	381,059
Unrestricted funds		2,112,554	1,488,376
Total charity funds	**17**	2,695,596	1,869,435

These financial statements were approved by the board of trustees and authorised for issue on 13 June 2025, and are signed on behalf of the board by:

Mrs H Allen
Trustee

The notes on pages 13 to 21 form part of these financial statements.

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1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Circuit Office, Leabrook Methodist Church, Leabrook Road North, Wednesbury, WS10 7LY.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Public benefit entity

The Black Country Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes below.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

Based on the monetary assets and human resources available at 31 August 2024, the Trustees believe that the Circuit is a going concern.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No cash flow statement has been presented for the company.
(b) Disclosures in respect of financial instruments have not been presented.

Consolidation

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

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3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant estimates or judgements have been made by management when preparing the financial statements. The policies followed are shown below.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant. without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in in future years as instalments are paid in accordance with the originally agreed terms.

VAT

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

Incoming resources

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

Resources expended

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

Tangible assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold property is shown in the accounts at 2015 values following a revaluation of the properties by Wakeman Chartered Surveyors an independent valuer. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material

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4. Charitable activities

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Assessments on Churches	195,638	195,638	191,777	191,777
District Advance Fund	–	–	10,000	10,000
	195,638	195,638	201,777	201,777

The Circuit comprises of 15 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. During 2017 the Circuit adopted a new method of raising its' assessments in order to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method takes account, to some degree, of membership, attendance, income and reserves but the increases are then reconsidered to ensure that no one church bears the brunt of a large increase (or decrease) in their assessment. Churches who are able to pay a little more than required help to offset the burden on struggling churches.

5. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Income from investment properties	19,381	–	19,381
Income from cash investments	8,671	26,278	34,949
	28,052	26,278	54,330

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Income from investment properties	16,126	–	16,126
Income from cash investments	6,064	13,389	19,453
	22,190	13,389	35,579

6. Other income

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Other charitable income	292	292	6,057	6,057

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7. Expenditure on charitable activities by fund type

	Unrestricted General Fund 2024 £	Circuit Model Trust Fund 2024 £	**2024 £**	2023 £
Salaries and associated costs	155,777	–	**155,777**	136,045
District assessment and levy	44,539	20,915	**65,454**	71,610
Connexional assessment model trust levy	–	89,698	**89,698**	(4,438)
Property costs	40,616	–	**40,616**	42,639
Other outgoings	19,790	–	**19,790**	30,672
Office expenses	1,082	–	**1,082**	2,273
	261,804	110,613	**372,417**	278,801

District assessment and levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shrewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMT at 31 August in the previous accounting year.

	Unrestricted General Fund 2024 £	Circuit Model Trust Fund 2024 £	**2024 £**	2023 £
District Assessment	44,539	–	**44,539**	42,960
District Levy	–	20,915	**20,915**	28,650
	44,539	20,915	**65,454**	71,610

Property costs

During the year, the Circuit was Managing Trustee for 6 properties, with one sold during the year. All are manses or former manses with two former manses being let out on 6 month renewable shorthold leases

	Unrestricted General Fund 2024 £	Circuit Model Trust Fund 2024 £	**2024 £**	2023 £
Insurance, Council tax and utilities	12,561	–	**12,561**	14,143
General maintenance on manses and other Circuit properties	28,055	–	**28,055**	28,496
	40,616	–	**40,616**	42,639

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7. Expenditure on charitable activities by fund type *(continued)*

Other outgoings

	Unrestricted General Fund 2024	Circuit Model Trust Fund 2024	**2024**	2023
	£	**£**	**£**	£
Independent exam fee	1,440	–	**1,440**	1,440
Apprenticeship levy and payroll fee	546	–	**546**	990
Gifts	–	–	**–**	93
Capital project grants	8,189	–	**8,189**	24,724
Accountancy fees	3,960	–	**3,960**	1,800
Sale of Park	5,288	–	**5,288**	–
Miscellaneous	367	–	**367**	1,625
	19,790	–	**19,790**	30,672

Office expenses

	Unrestricted General Fund 2024	Circuit Model Trust Fund 2024	**2024**	2023
	£	£	**£**	£
Website	43	–	**43**	556
Printing, postage, stationery and telephone	972	–	**972**	1,635
Miscellaneous	67	–	**67**	82
	1,082	–	**1,082**	2,273

8. Independent examination fees

	2024	2023
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,440	1,440

9. Staff costs

	Unrestricted General Fund 2024	Circuit Model Trust Fund 2024	**2024**	2023
	£	**£**	**£**	£
Presbyters	136,991	–	**136,991**	118,455
Lay workers	18,786	–	**18,786**	17,590
	155,777	–	**155,777**	136,045

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9. Staff costs *(continued)*

Presbyters

	Unrestricted General Fund 2024 £	Circuit Model Trust Fund 2024 £	**2024 £**	2023 £
Stripends and allowances	90,536	–	**90,536**	83,468
National insurance	8,809	–	**8,809**	8,041
Pension costs	23,033	–	**23,033**	21,873
	122,378	–	**122,378**	113,382
Telephone and travel	5,368	–	**5,368**	4,169
Postage and stationery	568	–	**568**	57
Miscellaneous	8,677	–	**8,677**	847
	136,991	–	**136,991**	118,455

Lay workers

	Unrestricted General Fund 2024 £	Circuit Model Trust Fund 2024 £	**2024 £**	2023 £
Salaries and allowances	18,095	–	**18,095**	16,624
National insurance	41	–	**41**	
Pension costs	–	–	**–**	
	18,136	–	**18,136**	16,624
Telephone and travel	319	–	**319**	225
Miscellaneous	331	–	**331**	741
	18,786	–	**18,786**	17,590

Stipends were paid to 3 full time Presbyters. Salaries were paid to one full time and one part time lay worker.

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

Pensions

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

On the other hand, any lay employees of the Circuit would be contractual employees and would have the option of joining a pension scheme which the Circuit would arrange with The Pension Trust.

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9. Staff costs *(Cont)*

Costs of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (CLT) are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the properties The value of Council Tax and water charges is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

10. Trustee remuneration and expenses

Apart from the 3 Presbyters no member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in particular cases.

11. Leasing commitments

At 31 August 2024 the Circuit had no leasing commitments.

12. Tangible fixed assets

	Freehold property £
Cost	
At 1 September 2023	675,000
Revaluations	490,000
At 31 August 2024	1,165,000
Depreciation	
At 1 September 2023 and 31 August 2024	–
Carrying amount	
At 31 August 2024	1,165,000
At 31 August 2023	675,000

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13. Investments

	Investment properties £
Cost or valuation	
At 1 September 2023	595,000
Additions	–
Disposals	(185,000)
Fair value movements	357,000
At 31 August 2024	767,000
Impairment	
At 1 September 2023 and 31 August 2024	–
Carrying amount	
At 31 August 2024	767,000
At 31 August 2023	595,000

All investments shown above are held at valuation.

Investment properties

Investment properties consist of two former manses currently let under the government's scheme to assist Ukrainian refugees.

14. Debtors

	2024 £	2023 £
Other debtors	25,424	15,064

15. Investments

	2024 £	2023 £
Model Trust Fund	583,042	381,059

The funds that support the Circuit Model Trust Fund are held by TMCP in the Trustees Interest Fund on which interest is credited each month. TMCP is the legal owner and custodian trustee of all Methodist model trust property including legacies, endowments and accumulated funds.

16. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	23,017	29,747
Other creditors	9,040	1,070
	32,057	30,817

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17. Analysis of charitable funds

	Opening balance	Income	Gains on investments	Expenditure	Closing balance
	£	**£**	**£**	**£**	**£**
General	1,488,376	223,982	662,000	(261,804)	2,112,554
Circuit Model Trust Fund	381,059	26,278	286,318	(110,613)	583,042
	1,869,435	250,260	948,318	(372,417)	2,695,596

18. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
Tangible fixed assets	1,932,000	–	**1,932,000**
Investments	–	583,042	**583,042**
Current assets	212,611	–	**212,611**
Creditors less than 1 year	(32,057)	–	**(32,057)**
Net assets	2,112,554	583,042	**2,695,596**

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	1,270,000	–	1,270,000
Investments	–	381,059	381,059
Current assets	249,193	–	249,193
Creditors less than 1 year	(30,817)	–	(30,817)
Net assets	1,488,376	381,059	1,869,435

19. Related parties

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Beaches Road
Charlemont
Hallam Street
Hill Top
Lea Brook
Methodist Centre
New Road
Park
Roseville
Ryders Green
St Andrews
Tipton Green
Toll End
Wesley
Wednesbury Central
Woods

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BLACK COUNTRY CIRCUIT

England & Wales - Charity number 1168391

Accounts

CHARITY REGISTRATION NUMBER: 1168391

Black Country Circuit

Unaudited Financial Statements

31 August 2023

BSN ASSOCIATES LIMITED
Chartered accountants
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Black Country Circuit

Financial Statements

Year ended 31 August 2023

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Black Country Circuit

Trustees' Annual Report

Year ended 31 August 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 August 2023.

Reference and administrative details

Registered charity name	Black Country Circuit
Charity registration number	1168391
Principal office	Circuit Office Leabrook Methodist Church Leabrook Road North Wednesbury WS10 7LY
Independent examiner	Philippa Miller-Hawkes BA CA 3B Swallowfield Courtyard Wolverhampton Road Oldbury West Midlands B69 2JG

Structure, governance and management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team along with the Local Preachers' meeting.

The members of the Black Country Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Ministers

Revd Ruth Childs
Revd Denise Williams
Revd Juliet Kisob
Revd Carole Holden (Supernumerary)

Lay-workers

Miss Diane Cripps (Administrator) (until 31/08/2023)
Mrs Heather Pearce (from April 2023)

Local Preachers and Worship Leader Representatives

Mr Trevor Allen
Mr John Blewitt
Mrs Jean Mason

Circuit Stewards

Mrs Helen Allen
Mr Donald Anderson
Mr David Ashfield
Mr Ian Belcher
Mr Malcolm Freeman
Mr Ian Palfreyman
Mr Christopher Pearce (also Local Preachers Secretary)
Ms Shirley Shelton
Mr Ian Thomson

Circuit Treasurer

Mr John Miller (Until 30th November 2023)

Circuit Officers (Property)

Mr Donald Anderson
Mr Alex Cooksey

Circuit Safeguarding Co-ordinator

Mr Ian Belcher

Circuit Representatives to Synod

Mrs Helen Allen
Mr Stephen Allen
Mrs Rosemary Jones
Mr John Blewitt

Circuit Church Representatives

Beeches Road - Mrs Grace Peumalu and Mr Robert Peumalu

Charlemont - Miss Linda Haywood and Mr Paul Reynolds

Hill Top - Mrs Joan Howes

Lea Brook - Mr John Williams

Methodist Centre - Mrs Jennifer Bibb, Mr Leslie Charters and Mrs Vanessa Hill

New Road - Mrs Jean Mason, Mr Trevor Allen

Park - Mrs Pat Foley and Mrs Gaynor Idles

Roseville - Mrs Sylvia Morran, Mrs Kathryn Turner, Mr Ronald Turner and Mrs Sally-Anne Westwood

Ryders Green - Mr Terry Dawson, Mr Alex Cooksey

St Andrews - Mrs June Davies and Miss Margaret Morgan

Tipton Green - Mrs Marjorie Ashfield, Mrs Rosemary Jones, Mrs Margaret Moore and Miss Susan Sandbrook

Toll End - Mrs Sylvia Harrison, Mrs Pauline Hodgetts and Miss Kim Pollard

Wednesbury (Central & Woods)- Mrs Judith Morgan, Mrs Esther Westbury

Wesley - Mr Stephen Allen, Mr Ian Collett and Mr Malcolm Wills

Trustee Training

A range of guidance is produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as Trustees.

Structure, governance and management *(continued)*

Circuit financial plans for the coming year have been prepared on the basis that there remains 3 full time ordained staff with anticipated cost of living stipend increases but with an increased, subsidised cost, of our administrator and any ministerial support worker that may be appointed.

The future number of churches in the Circuit cannot be predicted at present but, especially in view of the financial situation of some churches; the number of services to be covered in the Plan coupled with the number of presbyters in post and the reduction in lay preachers, there is a likelihood that some will close.

Zoom meetings are likely to continue, at least in the short term, especially in winter months, as will the Circuit's new sub-committee structure as this is felt to be a vital way for lay persons to support Presbyters.

A group has been set up to consider a community linked project to make good use of our reserves. This may include employing one full time and one part time member of staff to assist in developing what we hope will become an exciting venture for the Circuit.

Objectives and activities

Aims and Organisation

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

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

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local, or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The Circuit produces a quarterly preaching plan to ensure that regular acts of worship take place at each of the 13 Methodist Churches in its geographical area. The Black Country Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Tipton, West Bromwich & Wednesbury. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 13 Circuit churches every Sunday (in most cases). Our internal structure is based on a Circuit Meeting which meets twice a year; a Local Preachers' meeting which meets four times a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which normally meet fortnightly We endeavour to make our meetings more than just 'talking shops'; they are the place where important decisions are made and within them, we plan our strategies and fulfil our role as Charity Trustees.

Public Benefit

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

Achievements and performance

The financial year for year ended 31st August proved to be one of consolidation. Life has proved difficult for churches as they strive to recover from the affects of the Covid pandemic. Income was lost due to a reduction in congregation sizes and some loss of lettings. However it was good to return to normal worship services and there are signs in some churches that new people are attending worship. The cost-of-living increase continues to cause increased expenditure particularly for gas and electricity resulting in some decrease of viability of some churches in the future. However most churches have maintained their contribution to the Circuit Fund in the current year.

The Circuit did announce the closure of Park Methodist Church in May 2023 and it was decided that the building would be offered for sale. This should take place in 2024.

Following the resignation of Mrs Elizabeth Farley (employed as Pastoral worker until 31/08/2022) it was decided to replace her with a part time pastoral assistant and Mrs Heather Pearce has been appointed to this post effective from April 2023. Since then in August 2023 Diane Cripps the Circuit Administrator resigned, but we are happy to report that in September 2023 Mrs Karen Belcher was appointed as the new Circuit Administrator.

The Circuit Finances are in a healthy position thanks to the sales income from Moorlands Methodist Church. Some of this income has been ring fenced for a Circuit project entitled Circuit Connect Project which intends to foster links between the church and the community. The first tranche of this project will be to appoint a Family and Children Worker.

The situation with regard to Local Preachers in the Black Country Circuit is proving to be a difficult one. There are twelve active Local Preachers plus three on trial and these plus the ministers have to cover services in twelve churches. This means that there are a significant number of services that are covered by Local Arrangements. We also have once a quarter "sector services" which have met with varied success and are constantly under review.

Our modus operandum is inspired and celebrated in our main activities of worship and mission. Mission and work in our local communities is an essential part of our mission and there are community activities in most of our churches, which have increased significantly post Covid. A significant part of the sales income from Moorlands has been ring fenced for the expenses linked with the Circuit Connect Project. Some progress has been made on this and we hope to appoint a Family and Children's worker in the near future. This is an ongoing project.

We still house two Ukrainian families in two of our Manses and this will continue next year.

We would extend a big thank you to all those who have committed themselves to the work and mission of the Circuit and who provide invaluable support to the Ministerial and Administrative staff. The Circuit Leadership Team is very active in the life of the Circuit and provide expertise in financial, property, worship and other facets of church life and provide support to all our churches.

Financial review

Circuit income is derived mainly from the assessments paid by the individual circuit churches and during the year the assessments were £191,777 (2022 £192,268). Most churches pay by standing order on a quarterly basis, but some pay monthly to lessen the burden on their cash flow. Interest received showed an increase at £19,453 due to the investment of Moorlands sales income. There was grant income from the District in support of our Pastoral Support worker of £10,000. Minister's stipends and associated costs showed an increase reflecting the annual increase of stipends.

Property costs rose due to the Circuit now being responsible for the maintenance of the Park and Hallam Street churches. The Circuit receives rental income from Hallam Street tenants and this situation is under constant review. Park is awaiting sale by auction. All the church and manse properties are in a state of good repair.

As at 31st August 2023, unrestricted reserves excluding Land and Buildings stood at £599,435 (2022 £636,033). The Circuit finances are in a relatively healthy position due to the closure and sale of church properties not withstanding that individual churches are struggling to break even. As a result £70,000 was made available to churches to assist in any capital expenditure but as at 31st August 2023 only £24,724 had been spent. The Circuit Leadership Team will continue to monitor the financial affairs of the Circuit.

Plans for 2023/24

Budgets for the coming year have been prepared on the basis that three presbyters will be in post together with a paid part-time Circuit Administrator and a paid part-time Pastoral Support worker.

The Manses situation will be kept under review but there is a distinct possibility that further church closures may take place and the properties sold. This will help to maintain a healthy Circuit financial profile.

The Circuit Connect Project will be taken forward and the first part of taking on a Family and Children's Worker will hopefully be completed in the current year.

Financial review *(continued)*

Reserves Policy General

It is the Trustees' policy to maintain a balance of unrestricted and undesignated funds equivalent to around six months average unrestricted expenditure, to cover unexpected requirements which may occur from time to time. Due to the uncertain future of some of our churches our reserves are currently above six months expenditure to support our future expenditure plans without having to impose substantial increases in annual assessments. Our reserves will diminish over the next few years as we subsidise the position of our planned Circuit Ministerial Support Worker and Circuit Administrator and the new community initiative.

The policy of only slowly reducing reserves has been vindicated in the current financial situation as some churches are facing serious financial problems but the Circuit itself is in a strong position to support the work of the Methodist Church in the Black Country.

Risk Management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and is recorded.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults

- the safeguarding and protection of all children, young people and adults when they are vulnerable

- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.

- we will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.

- we will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.

- we will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.

- we will seek to challenge any abuse of power, especially by anyone in a position of trust.

- we will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.

- in all these principles we will follow legislation, guidance and recognised good practice.

The Black Country Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy, government legislation, guidance and safe practice in the circuit and in our

Financial review *(continued)*

churches, including carrying out enhanced DBS checks as required.

The Black Country Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable. We adhere to the church's Safer Recruitment Policy.

Following the lifting of COVID-19 restrictions over the last connexional year and life starting to return to normal, both Foundation Module and Advanced Module trainings have resumed. These have been conducted both online (using Zoom) and face-to-face. This approach has proved successful and will continue into this connexional year and for the foreseeable future. Our priority for Advanced Module Training has been our leaders of worship (Presbyters, Supernumeraries, Local Preachers and Worship Leaders) to ensure they can continue to in their roles beyond the church's 31st August 2022 deadline. After this date, those who have not undertaken Advanced Module Training cannot be on Plan. We achieved this target. DBS checks have continued to be carried out over the last connexional year, surpassing the number of checks undertaken in previous years. Our Circuit Safeguarding Officer, Ian Belcher, continues to meet regularly with our Church Safeguarding Officers - both informally and at regularly held formal meetings - to ensure that best practice is being followed in our churches and that effective communication about Safeguarding matters continues. Ian's four priorities, as agreed by CLT and the Circuit Meeting, for this connexional year remain:

- to ensure the correct level of training is undertaken by our church members, depending on their role

- to ensure that DBS checks are carried out by our members, appropriate to their role

- to ensure that the principles laid out in the Safer Recruitment Policy are known and adhered to to support our Church Safeguarding Officers in their work

The trustees' annual report was approved on 8 August 2024 and signed on behalf of the board of trustees by:

Revd D Williams
Trustee

Mr D Ashfield
Trustee

Black Country Circuit

Independent Examiner's Report to the Trustees of Black Country Circuit

Year ended 31 August 2023

I report to the trustees on my examination of the financial statements of Black Country Circuit ('the charity') for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 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.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements 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.

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.

P. Miller - Hawkes.

Philippa Miller-Hawkes BA CA
Independent Examiner

3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

8 August 2024

Black Country Circuit

Statement of Financial Activities

Year ended 31 August 2023

	Note	General fund (unrestricted) £	2023 Circuit model trust (unrestricted) £	Total funds £	2022 Total funds £
Income and endowments					
Charitable activities	4	201,777	–	201,777	202,298
Investment income	5	22,190	13,389	35,579	668,669
Other income	6	6,057	–	6,057	1,251
Total income		230,024	13,389	243,413	872,218
Expenditure					
Expenditure on charitable activities	7	254,589	24,212	278,801	499,284
Total expenditure		254,589	24,212	278,801	499,284
Net losses on investments		–	1,210	1,210	1,939
Net (expenditure)/income and net movement in funds		(24,565)	(12,033)	(36,598)	370,995
Reconciliation of funds					
Total funds brought forward		1,425,617	480,416	1,906,033	1,535,038
Transfer		87,324	(87,324)	–	–
Total funds carried forward		1,488,376	381,059	1,869,435	1,906,033

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 21 form part of these financial statements.

Black Country Circuit

Statement of Financial Position

31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**12**	675,000	855,000
Investments	**13**	595,000	415,000
		1,270,000	1,270,000
Current assets			
Debtors	**14**	15,064	13,193
Investments	**15**	381,059	480,416
Cash at bank and in hand		234,129	170,396
		630,252	664,005
Creditors: amounts falling due within one year	**16**	30,817	27,972
Net current assets		599,435	636,033
Total assets less current liabilities		1,869,435	1,906,033
Net assets		1,869,435	1,906,033
Funds of the charity			
Circuit model trust (unrestricted)		381,059	480,416
General fund (unrestricted)		1,488,376	1,425,617
Total charity funds	**17**	1,869,435	1,906,033

These financial statements were approved by the board of trustees and authorised for issue on 8 August 2024, and are signed on behalf of the board by:

Mr D Ashfield
Trustee

The notes on pages 12 to 21 form part of these financial statements.

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Circuit Office, Leabrook Methodist Church, Leabrook Road North, Wednesbury, WS10 7LY.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Public benefit entity

The Black Country Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes below.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No cash flow statement has been presented for the company.
(b) Disclosures in respect of financial instruments have not been presented.

Consolidation

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

3. **Accounting policies** *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant estimates or judgements have been made by management when preparing the financial statements. The policies followed are shown below.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant. without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in in future years as instalments are paid in accordance with the originally agreed terms.

VAT

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

Incoming resources

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

Resources expended

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

Tangible assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold property is shown in the accounts at 2015 values following a revaluation of the properties by Wakeman Chartered Surveyors an independent valuer. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material

4. Charitable activities

	General fund (unrestricted) £	**Total Funds 2023 £**	General fund (unrestricted) £	Total Funds 2022 £
Assessments on Churches	191,777	191,777	192,298	192,298
District Advance Fund	10,000	10,000	10,000	10,000
	201,777	201,777	202,298	202,298

The Circuit comprises of 15 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. During 2017 the Circuit adopted a new method of raising its assessments in order to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method takes account, to some degree, of membership, attendance, income and reserves but the increases are then reconsidered to ensure that no one church bears the brunt of a large increase (or decrease) in their assessment. Churches who are able to pay a little more than required help to offset the burden on struggling churches.

5. Investment income

	General fund (unrestricted) £	Circuit model trust (unrestricted) £	**Total Funds 2023 £**
Income from investment properties	16,126	–	16,126
Income from cash investments	6,064	13,389	19,453
Capital receipts	–	–	–
	22,190	13,389	35,579

	General fund (unrestricted) £	Circuit model trust (unrestricted) £	Total Funds 2022 £
Income from investment properties	5,590	–	5,590
Income from cash investments	620	1,446	2,066
Capital receipts	–	661,013	661,013
	6,210	662,459	668,669

6. Other income

	General fund (unrestricted) £	**Total Funds 2023 £**	General fund (unrestricted) £	Total Funds 2022 £
Other charitable income	6,057	6,057	1,251	1,251

7. Expenditure on charitable activities by fund type

	Unrestricted General Fund 2023 £	Circuit Model Trust Fund 2023 £	2023 £	Unrestricted General Fund 2022 £	Circuit Model Trust Fund 2022 £	2022 £
Grants and donations	–	–	–	961	–	961
Salaries and associated costs	136,045	–	136,045	165,894	–	165,894
District assessment and levy	42,960	28,650	71,610	43,194	2,014	45,208
Connexional assessment model trust levy	–	(4,438)	(4,438)	–	240,405	240,405
Property costs	42,639	–	42,639	40,014	–	40,014
Other outgoings	30,672	–	30,672	2,612	–	2,612
Office expenses	2,273	–	2,273	4,190	–	4,190
	254,589	24,212	278,801	256,865	242,419	499,284

Grants and donations

	Unrestricted General Fund 2023 £	Circuit Model Trust Fund 2023 £	2023 £	Unrestricted General Fund 2022 £	Circuit Model Trust Fund 2022 £	2022 £
Fund for the support of presbyters and deacons	–	–	–	720	–	720
Methodist Church Fund for property	–	–	–	200	–	200
Outreach Project	–	–	–	41	–	41
	–	–	–	961	–	961

District assessment and levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shrewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMT at 31 August in the previous accounting year.

	Unrestricted General Fund 2023 £	Circuit Model Trust Fund 2023 £	2023 £	Unrestricted General Fund 2022 £	Circuit Model Trust Fund 2022 £	2022 £
District Assessment	42,960	–	42,960	43,194	–	43,194
District Levy	–	28,650	28,650	–	2,014	2,014
	42,960	28,650	71,610	43,194	2,014	45,208

Property costs

The Circuit is Managing Trustee for 6 properties. All are manses or former manses with two former manses being let out on 6 month renewable shorthold leases.

7. Expenditure on charitable activities by fund type (continued)

	Unrestricted General Fund 2023 £	Circuit Model Trust Fund 2023 £	2023 £	Unrestricted General Fund 2022 £	Circuit Model Trust Fund 2022 £	2022 £
Insurance, Council tax and utilities	14,143	–	14,143	11,167	–	11,167
General maintenance on manses and other Circuit properties	28,496	–	28,496	19,930	–	19,930
Legal costs sale of Moorlands MC	–	–	–	6,081	–	6,081
Legal costs repossession of Hill Top Manse	–	–	–	2,836	–	2,836
	42,639	–	42,639	40,014	–	40,014

Other outgoings

	Unrestricted General Fund 2023 £	Circuit Model Trust Fund 2023 £	2023 £	Unrestricted General Fund 2022 £	Circuit Model Trust Fund 2022 £	2022 £
Independent exam fee	1,440	–	1,440	300	–	300
Benevolent Fund	–	–	–	329	–	329
Apprenticeship levy and payroll fee	990	–	990	1,060	–	1,060
Gifts	93	–	93	760	–	760
Capital project grants	24,724	–	24,724	–	–	–
Accountancy fees	1,800	–	1,800	–	–	–
Miscellaneous	1,625	–	1,625	163	–	163
	30,672	–	30,672	2,612	–	2,612

Office expenses

	Unrestricted General Fund 2023 £	Circuit Model Trust Fund 2023 £	2023 £	Unrestricted General Fund 2022 £	Circuit Model Trust Fund 2022 £	2022 £
Website	556	–	556	377	–	377
Printing, postage, stationery and telephone	1,635	–	1,635	1,721	–	1,721
Computer costs	–	–	–	50	–	50
Twelve Baskets and other worship materials	–	–	–	583	–	583
Office rent	–	–	–	1,300	–	1,300
Miscellaneous	82	–	82	159	–	159
	2,273	–	2,273	4,190	–	4,190

8. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,440	300

9. Staff costs

	Unrestricted General Fund 2023	Circuit Model Trust Fund 2023	2023	Unrestricted General Fund 2022	Circuit Model Trust Fund 2022	2022
	£	£	£	£	£	£
Presbyters	118,455	–	118,455	121,170	–	121,170
Lay workers	17,590	–	17,590	44,724	–	44,724
	136,045	–	136,045	165,894	–	165,894

Presbyters

	Unrestricted General Fund 2023	Circuit Model Trust Fund 2023	2023	Unrestricted General Fund 2022	Circuit Model Trust Fund 2022	2022
	£	£	£	£	£	£
Stripends and allowances	83,468	–	83,468	80,053	–	80,053
National insurance	8,041	–	8,041	7,642	–	7,642
Pension costs	21,873	–	21,873	20,840	–	20,840
	113,382	–	113,382	108,535	–	108,535
Telephone and travel	4,169	–	4,169	7,770	–	7,770
Postage and stationery	57	–	57	1,052	–	1,052
Miscellaneous	847	–	847	3,813	–	3,813
	118,455	–	118,455	121,170	–	121,170

9. Staff costs (continued)

Lay workers

	Unrestricted General Fund 2023	Circuit Model Trust Fund 2023	2023	Unrestricted General Fund 2022	Circuit Model Trust Fund 2022	2022
	£	£	£	£	£	£
Salaries and allowances	14,998	–	14,998	39,298	–	39,298
National insurance	943	–	943	2,922	–	2,922
Pension costs	683	–	683	2,118	–	2,118
	16,624	–	16,624	44,338	–	44,338
Telephone and travel	225	–	225	386	–	386
Miscellaneous	741	–	741	–	–	–
	17,590	–	17,590	44,724	–	44,724

Stipends were paid to 3 full time Presbyters. Salaries were paid to one full time and one part time lay worker.

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

Pensions

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

On the other hand, any lay employees of the Circuit would be contractual employees and would have the option of joining a pension scheme which the Circuit would arrange with The Pension Trust.

Costs of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (CLT) are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the properties The value of Council Tax and water charges is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

10. Trustee remuneration and expenses

Apart from the 3 Presbyters no member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in particular cases.

11. Leasing commitments

At 31 August 2023 the Circuit had no leasing commitments.

12. Tangible fixed assets

	Freehold property £
Cost	
At 1 September 2022	855,000
Transfers	(180,000)
At 31 August 2023	675,000
Depreciation	
At 1 September 2022 and 31 August 2023	–
Carrying amount	
At 31 August 2023	675,000
At 31 August 2022	855,000

13. Investments

	Investment properties £
Cost or valuation	
At 1 September 2022	415,000
Transfers	180,000
At 31 August 2023	595,000
Impairment	
At 1 September 2022 and 31 August 2023	
Carrying amount	
At 31 August 2023	595,000
At 31 August 2022	415,000

All investments shown above are held at valuation.

Investment properties

Investment properties consist of three former manses currently let under the government's scheme to assist Ukrainian refugees.

14. Debtors

	2023 £	2022 £
Other debtors	15,064	13,193

15. Investments

	2023	2022
	£	£
Model Trust Fund	381,059	480,416

The funds that support the Circuit Model Trust Fund are held by TMCP in the Trustees Interest Fund on which interest is credited each month. TMCP is the legal owner and custodian trustee of all Methodist model trust property including legacies, endowments and accumulated funds.

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	1,070	5,747
Other creditors	29,747	22,225
	30,817	27,972

17. Analysis of charitable funds

	Opening balance	Income	Gains on investments	Transfer	Expenditure	Closing balance
	£	£	£	£	£	£
General	(1,425,617)	(230,024)	–	(87,324)	254,589	(1,488,376)
Circuit Model Trust Fund	(480,416)	(13,389)	1,210	87,324	24,212	(381,059)
	(1,906,033)	(243,413)	1,210	–	278,801	(1,869,435)

18. Analysis of net assets between funds

	General fund (unrestricted)	Circuit model trust (unrestricted)	**Total Funds 2023**
	£	£	£
Tangible fixed assets	1,270,000	–	1,270,000
Investments	–	381,059	381,059
Current assets	249,193	–	249,193
Creditors less than 1 year	(30,817)	–	(30,817)
Net assets	1,488,376	381,059	1,869,435

	General fund (unrestricted)	Circuit model trust (unrestricted)	Total Funds 2022
	£	£	£
Tangible fixed assets	1,270,000	–	1,270,000
Investments	–	480,416	480,416
Current assets	183,589	–	183,589
Creditors less than 1 year	(27,972)	–	(27,972)
Net assets	1,425,617	480,416	1,906,033

19. Related parties

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Beaches Road
Charlemont
Hallam Street
Hill Top
Lea Brook
Methodist Centre
New Road
Park
Roseville
Ryders Green
St Andrews
Tipton Green
Toll End
Wesley
Wednesbury Central
Woods

BLACK COUNTRY CIRCUIT

England & Wales - Charity number 1168391

Accounts

BLACK COUNTRY CIRCUIT

(Registered Charity No.1168391)

TRUSTEES' REPORT AND ACCOUNTS

Year ended 31 August 2022

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Basis of preparation and legal framework

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Full Name of Charity: **BLACK COUNTRY CIRCUIT**

Registration Charity Number: **1168391**
Date of registration **22 JULY 2016**

Main communication address: Circuit Office, The Wesley Centre, Spring Head, Wednesbury, WS10 9AD.

The members of the Black Country Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown as Appendix A on pages 9-11 of this report.

Circuit Ministers and Officers

Active Circuit Ministers:

Revd Ruth Childs

Revd Philip Thomas (until 31 August 2022)

Revd Denise Williams (Superintendent)

Circuit Stewards:

Mrs Helen Allen, Mr Donald Anderson, Mr David Ashfield, Mr Ian Palfreyman, Mr Christopher Pearce, Mrs Shirley Shelton, Mr Ian Thomson.

Circuit Officers:

Treasurer - Mr John Miller

Safeguarding - Mr Ian Belcher

Property Team - Mr Donald Anderson, Mr Alex Cooksey, Mr Trevor Cox & Miss Diane Cripps

Ex-Officio - Mr Eric Moore (until 31 August 2022)

Independent Examiner:

Neil Westwood & Co, Chartered Accountants, 101 Dixons Green Road, Dudley, West Midlands, DY2 7DJ.

Investment Bankers:

Central Finance Board of the Methodist Church

Trustees For Methodist Church Purposes

Aims and Organisation

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

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

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local, or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The Circuit produces a quarterly preaching plan to ensure that regular acts of worship take place at each of the 16 Methodist Churches in its geographical area. The Black Country Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Tipton, West Bromwich & Wednesbury. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 16 Circuit churches every Sunday (in most cases). Our internal structure is based on a Circuit Meeting which meets twice a year; a Local Preachers' meeting which meets four times a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which normally meet fortnightly but, due to the Covid-19 situation, are meeting weekly. We endeavour to make our meetings more than just 'talking shops'; they are the place where important decisions are made and within them, we plan our strategies and fulfil our role as Charity Trustees.

Public Benefit

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

Structure, Governance and Management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team along with the Local Preachers' meeting.

Trustee Training

A range of guidance is produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as Trustees.

Related Parties

See Note 19 to the Accounts

Review of the year

Although the Circuit finances are under pressure it was decided that, in view of Revd Philip Thomas's decision to curtail his appointment as at 31 August 2022 the Circuit could not, realistically, go down to two Presbyters so we entered stationing with hope rather than expectation and were fortunate to gain a Probationary Presbyter, Revd Juliet Kisob, who took up her appointment on 1 September 2022. The Circuit would like to place on record its thanks to Revd Thomas for his Ministry over many years.

Mrs Elizabeth Farley, our Ministerial Support Worker, left her position on 31 August and the CLT will now discuss how best to manage the Circuit in the future before deciding whether to replace Mrs Farley.

Churches have faced ongoing issues with their buildings and declining congregations. As part of the Circuit's work to support individual churches a number of sub-committees were set up during lockdown namely: Finance, Worship & Future of Churches, Stationing, Worship and Communications. During the year 'Property' was added to the remit of the Finance sub-committee. Further concerns have recently arisen due to the cost of living crisis and higher expected fuel bills.

Hallam Street Methodist Church has ceased to meet as a Sunday congregation but is meeting midweek. The congregations at Wednesbury Central and Woods are in a trial period of meeting together with the aim of a formal amalgamation within the next few months. The Circuit Meeting on 20 September 2021 ratified the decision to close and sell Moorlands Methodist Church. On the advice of property professionals it was decided to sell by auction. To everyone's surprise and delight the sale price vastly exceeded the reserve so our Model Trust Fund and CFB coffers have been truly swelled! As stated last year, there is still ongoing concern about some other churches, as much due to leadership problems and age of congregations as finance. Churches eventually returned the questionnaire that had been sent to them as a result of which churches were split into three groups depending upon their risk factors.

Although some meetings and services continue to be held via Zoom it has been a blessing to be able to get back to more and more face to face meetings and services as such meetings allow better discussion and fellowship. Thanks go to the members of the CLT whose technological knowledge helped the Zoom services and meetings to take place.

The situation with regard to Local Preachers and Worship Leaders in The Black Country Circuit has not changed significantly over the past twelve months. In October 2021 we held a memorial service for no less than seven of our Local Preachers who had passed away since the start of the pandemic. We now have fifteen preachers on our roll, thirteen of whom offer services on a regular basis. Five worship leaders also provide support - but only in their own churches, not across the circuit. Given that thirteen churches offer services every Sunday, it is inevitable that 'local arrangements' are necessary (whereby worship is led by competent congregation members). We also offer 'sector services' on a quarterly basis, where churches join together for corporate worship. These have proved to be successful and have promoted a greater sense of fellowship across the circuit, while reducing the demands on limited preaching resources. We currently have three 'on trials' and hope that two will finally complete their studies and come on to 'full plan' by September 2023.

Our work is informed by, inspired by and celebrated in our primary activity – worship. From our worship flows our three other main activities within local, national and global communities; learning & caring, service and evangelism. All of our churches seek to embrace the breadth of 'Our Calling' whilst also recognising the challenges and difficulties. We are rooted in sixteen different local communities but our vision is much wider as we seek to serve the wider church and world in our work.

Work in and with the local communities remains an important part of our mission although it has been interrupted by lockdown and has still to return to pre-lockdown levels in many cases.

However, one decisive decision was to use our empty manses, that would have beed sold, to house three refugee Ukrainian Families. Although this has involved some expense the Circuit has been well supported with donations from local businesses and individuals.

When considering achievements and performance it is right to pay tribute to the many people throughout the circuit who in their daily lives respond to the call of Jesus "follow me" by offering pastoral care and / or practical help and to the team of Local Preachers who enable services to take place Sunday by Sunday. We operate an open door policy and welcome all to our church communities and wider work irrespective of race, gender, ethnicity, sexuality or any kind of disability, and take seriously the challenge to love God, self and neighbour.

Financial Review

Circuit income is drawn primarily from the assessments paid by the circuit churches and, during the year, net assessments were £192,268 (2021 £205,873). Some individual churches paid more or less than previously, in line with the policy to better reflect the ability of churches to pay. Rental income was received during the year from the letting of two former manses but this was much reduced following the decision to sell both manses. As mentioned above, this decision was reversed and two are being used to house refugees but the third, which incurred high legal costs to evict the tenants, isn't suitable for such use. Interest from our CFB

account reduced by almost 83% reflecting the general low level of interests rates in the UK. The grant received from Connexion to support our Pastoral Worker ended in 2021 thus affecting income by £16,000.

Salary costs were slightly lower mainly due to lower travel costs.. The Circuit funds our administrator purely from our own resources.

Property costs were higher than last year (£40,014 compared to £23,680) partly due to expenditure to house the refugee families but also to carry out maintenance on our new minster's manse before she moved in. All manses are kept in a good state of repair and, in 2022/23 consideration will be given to expenditure to make them more energy efficient. The Circuit continues to pay for the property and electrical quinquennial inspections for all churches. When the war in Ukraine is over and the refugee families are able to return home we will revisit our plan to sell three manses and buy a new one that meets current Methodist requirements.

At 31 August 2022, unrestricted reserves, excluding Land and Buildings, stood at £622,840 (2021 £253,523). The Circuit is still in a period of uncertainty around income and expenditure levels, with a small number of churches struggling, together with changes in staffing over the next few years, the costs of which are difficult to predict. The strength of our reserves will enable the Circuit to face the uncertain times with a degree of confidence but, in any event, the Circuit Leadership Team will continue to closely monitor the size and use of the resources available to the Circuit especially how use can be made of the windfall from the sale of Moorlands Methodist Church.

Plans for 2022/23

Circuit financial plans for the coming year have been prepared on the basis that there remains 3 full time ordained staff with anticipated cost of living stipend increases but with an increased, subsidised cost, of our administrator and any ministerial support worker that may be appointed.

As mentioned above, the manses situation will be kept under review.

The future number of churches in the Circuit cannot be predicted at present but, especially in view of the financial situation of some churches; the number of services to be covered in the Plan coupled with the number of presbyters in post and the reduction in lay preachers, there is a likelihood that some will close.

Zoom meetings are likely to continue, at least in the short term, especially in winter months, as will the Circuit's new sub-committee structure as this is felt to be a vital way for lay persons to support Presbyters.

A group has been set up to consider a community linked project to make good use of our reserves. This may include employing one full time and one part time member of staff to assist in developing what we hope will become an exciting venture for the Circuit.

Reserves Policy General

It is the Trustees' policy to maintain a balance of unrestricted and undesignated funds equivalent to around six months average unrestricted expenditure, to cover unexpected requirements which may occur from time to time. Due to the uncertain future of some of our churches our reserves are currently above six months expenditure to support our future expenditure plans without having to impose substantial increases in annual assessments. Our reserves will diminish over the next few years as we subsidise the position of our planned Circuit Ministerial Support Worker and Circuit Administrator and the new community initiative.

The policy of only slowly reducing reserves has been vindicated in the current financial situation as some churches are facing serious financial problems but the Circuit itself is in a strong position to support the work of the Methodist Church in the Black Country.

Risk Management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and is recorded.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

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

• in all these principles we will follow legislation, guidance and recognised good practice.

The Black Country Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy, government legislation, guidance and safe practice in the circuit and in our churches, including carrying out enhanced DBS checks as required.

The Black Country Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable. We adhere to the church's Safer Recruitment Policy.

Following the lifting of COVID-19 restrictions over the last connexional year and life starting to return to normal, both Foundation Module and Advanced Module trainings have resumed. These have been conducted both online (using Zoom) and face-to-face. This approach has proved successful and will continue into this connexional year and for the foreseeable future. Our priority for Advanced Module Training has been our leaders of worship (Presbyters, Supernumeraries, Local Preachers and Worship Leaders) to ensure they can continue to in their roles beyond the church's 31st August 2022 deadline. After this date, those who have not undertaken Advanced Module Training cannot be on Plan. We achieved this target. DBS checks have continued to be carried out over the last connexional year, surpassing the number of checks undertaken in previous years. Our Circuit Safeguarding Officer, Ian Belcher, continues to meet regularly with our Church Safeguarding Officers – both informally and at regularly held formal meetings – to ensure that best practice is being followed in our churches and that effective communication about Safeguarding matters continues. Ian's four priorities, as agreed by CLT and the Circuit Meeting, for this connexional year remain:

- to ensure the correct level of training is untaken by our church members, depending on their role
- to ensure that DBS checks are carried out by our members, appropriate to their role
- to ensure that the principles laid out in the Safer Recruitment Policy are known and adhered to
- to support our Church Safeguarding Officers in their work

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
  - observe the methods and principles in the Charities SORP 2015 (FRS102);
  - make judgements and estimates that are reasonable and prudent;
  - state whether applicable accounting standards have been followed,

subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

DECLARATION

The Charity's Trustees declare that they have approved the Trustees' Report above. Signed on behalf of the Charity's Trustees

Signatures

Name Revd Denise Williams

DAVID ASHFIELD

Position Chair

Trustee

Date 15 March 2023

Circuit Meeting Membership

Appendix A

Ministers

Revd Ruth Childs

Revd Philip Thomas (until 31 August 2022)

Revd Denise Williams

Revd Pat Davies (Supernumary)

Revd Carole Holden (Supernumary)

Lay-workers

Mrs Elizabeth Farley (Pastoral Worker until 31 August 2022)

Miss Diane Cripps (Administrator)

Local Preachers and Worship Leader Representatives

Mr Trevor Allen, Mr John Blewitt, Mrs Jean Mason

Circuit Stewards

Mrs Helen Allen, Mr Donald Anderson, Mr David Ashfield, Mr Ian Palfreyman, Mr Christopher Pearce (also Local Preachers Secretary), Ms Shirley Shelton, Mr Ian Thomson

Circuit Meeting Secretary

Miss Diane Cripps

Circuit Treasurer

Mr John Miller

Circuit Officers (Property)

Mr Donald Anderson, Mr Alex Cooksey & Miss Diane Cripps

Circuit Safeguarding Co-ordinator

Mr Ian Belcher

Circuit Officers

Mrs Brenda Moore (Missions) Mr Eric Moore (ex officio)(both until 31 August 2022)

Circuit Representatives to Synod

Mrs Helen Allen, Mr Stephen Allen, Mrs Rosemary Jones, Mr John Blewitt

Circuit Church Representatives

Beeches Road

Mrs Grace Peumalu, Mr Robert Peumalu

Charlemont

Miss Linda Haywood, Mr Paul Reynolds

Hill Top

Mrs Joan Howes

Lea Brook

Mr Malcolm Freeman, Mr John Williams

Methodist Centre

Mrs Jennifer Bibb, Mr Leslie Charters, Mrs Vanessa Hill

New Road

Mrs Christine Allen, Mr Trevor Allen, Mrs Jean Mason, Ms Shirley Shelton

Park

Mrs Pat Foley, Mrs Gaynor Idles

Roseville

Mrs Sylvia Morran, Mrs Kathryn Turner, Mr Ronald Turner, Mrs Sally-Anne Westwood

Ryders Green

Mr Alex Cooksey, Mr Terry Dawson

St Andrews

Mrs June Davies, Miss Margaret Morgan

Tipton Green

Mrs Marjorie Ashfield, Mr John Blewitt, Mrs Rosemary Jones, Mrs Margaret Moore, Miss Susan Sandbrook

Toll End

Mrs Sylvia Harrison, Mrs Pauline Hodgetts, Miss Kim Pollard

Wesley

Mr Stephen Allen, Mr Ian Collett, Mr Malcolm Wills

Wednesbury (Central & Woods)

Mrs Judith Morgan, Mrs Ann Thomson, Mrs Esther Westbury

Name of Circuit .....Black Country..... No.....28/12.....

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of treasurer .....

Date.....2/9/22.....

Name and address of treasurer

John Miller,

7 Southwood Close, Kingswinford, West Midlands

Post Code. DY6 8JL

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were/will * be presented to the Circuit meeting held on: 26 September 2022

Signature of the Chair of the meeting: .....

Name of the Chair of the meeting: Revd Denise Williams. Date .....2/9/22.....

Independent Examiner's Report to the Trustees of the

.....Black Country..... Circuit

Charity Number ...1168391.....

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Black Country..... Circuit for the year ended 31 August 2022 set out on pages16 to 29. 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.

Name of Circuit .....Black Country..... No 28/12....

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 Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination 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 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 N. Westwood
.....

Name of independent examiner: .....Neil Westwood.....

Relevant professional qualification of independent examiner: .....
FCA.....

Name of firm (where appropriate): Neil Westwood & Co...

Address: ...101 Dixons Green Road, Dudley, West Midlands.....

Post Code: DY2 7DJ.....

Date: .....12 May 2023.....

* delete or circle as appropriate

Name of Circuit						Circuit No	
Black Country						28/12	

Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments	2	620	1,446				**2,066**
3 Income from investment properties	5	5,590					**5,590**
4 Assessments on Churches	3	192,298					**192,298**
5 Capital Receipts			661,013				**661,013**
6 Grants received	4	10,000					**10,000**
7 Other charitable income		1,251					**1,251**
8 **Total income**		**209,759**	**662,459**	-	-	-	**872,218**
Expenditure							
9 Grants and donations	6	961					**961**
10 Salaries and associated costs	7	165,894					**165,894**
11 Property maintenance	10	40,014					**40,014**
12 Connexional assessment & model tru	9		240,405				**240,405**
13 District Assessment & Levy	8	43,194	2,014				**45,208**
14 Depreciation							**0**
15 Office expenses	12	4,190					**4,190**
16 Other outgoings	11	2,612					**2,612**
17 **Total charitable expenditure**		**256,865**	**242,419**	**0**	**0**	**0**	**499,284**
18 Gains/(losses) on monetary investments		-	1,939				-1,939
19 Gains/(losses) on investment properties							
20 **Net income/(expenditure)**		**-47,106**	**418,101**	**0**	**0**	**0**	**370,995**
21 Transfers between funds		10,000 -	10,000				0
22 Other gains/(losses)							
23 **Net movement in funds**		**-37,106**	**408,101**	**0**	**0**	**0**	**370,995**
24 Total funds brought forward		1,462,723	72,315				1,535,038
25 Total funds carried forward		**1,425,617**	**480,416**	-	-	-	**1,906,033**

Name of Circuit						Circuit No	
Black Country						28/12	

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

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2020-21
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments	3	250	620				**870**
3 Income from investment properties	6	14,526					**14,526**
4 Assessments on Churches	4	205,873					**205,873**
5 Capital Receipts							**0**
6 Grants received	5	26,450					**26,450**
7 Other charitable income		203					
8 **Total income**		**247,302**	**620**	**-**	**-**	**-**	**247,922**
Expenditure							
9 Grants and donations	7	930					**930**
10 Salaries and associated costs	8	194,002					**194,002**
11 Property maintenance	10	23,680					**23,680**
12 Connexional assessment & model tru	9		2,140				**2,140**
13 District Assessment & Levy	9	43,406					**43,406**
14 Depreciation							**0**
15 Office expenses	12	3,048					**3,048**
16 Other outgoings	11	3,541					**3,541**
17 **Total charitable expenditure**		**268,607**	**2,140**	**0**	**0**	**0**	**270,747**
18 Gains/(losses) on monetary investments			4,573				4,573
19 Gains/(losses) on investment properties							
20 **Net income/(expenditure)**		**-21,305**	**3,053**	**0**	**0**	**0**	**-18,252**
21 Transfers between funds		10,000 -	10,000				0
22 Other gains/(losses)							
23 **Net movement in funds**		**-11,305**	**-6,947**	**0**	**0**	**0**	**-18,252**
24 Total funds brought forward		1,474,028	79,262				1,553,290
25 Total funds carried forward		**1,462,723**	**72,315**	**-**	**-**	**-**	**1,535,038**

Name of Circuit: Black Country

Circuit No: 28/12

Balance Sheet as at 31 August 2022

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2021/22 £	Totals 2020/21 £	GN
Fixed Assets									
Circuit Manses & Equipment	13	855,000					855,000	855,000	R
Investment properties	13	415,000					415,000	415,000	R
Investments	15		480,416				480,416	72,315	
Total fixed assets		**1,270,000**	**480,416**	**0**	**0**	**0**	**1,750,416**	**1,342,315**	
Current Assets									
Debtors	17	13,193					13,193	11,515	S
Loans by the Circuit							0		
Investments with TMCP							0		
Central Finance Board Deposits	14	152,488					152,488	169,381	T
Cash at Bank and in hand	14	17,908					17,908	40,127	
Total current assets		**183,589**	**0**	**0**	**0**	**0**	**183,589**	**221,023**	
Current liabilities									
Creditors (due in under 1 year)	16	27,972					27,972	28,300	U
Grants payable within 2021-22							0		V
Total current liabilities		**27,972**	**0**	**0**	**0**	**0**	**27,972**	**28,300**	
Net current assets/liabilities		**155,617**	**0**	**0**	**0**	**0**	**155,617**	**192,723**	
Total assets less current liabilities		**1,425,617**	**480,416**	**0**	**0**	**0**	**1,906,033**	**1,535,038**	
Long term liabilities (due after more than one year)									
Grants payable after 2021-22							**0**		V
Loans to the Circuit							**0**		
							0		
Net assets		**1,425,617**	**480,416**	**0**	**0**	**0**	**1,906,033**	**1,535,038**	W
Funds of the Circuit									
General Fund (Unrestricted)		1,425,617					1,425,617	1,462,723	
Circuit Model Trust Fund (Unrestricted)			480,416				480,416	72,315	W
Designated Funds (Unrestricted)				0			0		
Total Unrestricted Funds							**1,906,033**	**1,535,038**	
Restricted Funds					0		0		
Endowment Funds						0	0		
Total Funds		**1,425,617**	**480,416**	**0**	**0**	**0**	1,906,033	**1,535,038**	

Signed J Miller Circuit Treasurer 27/9/22

1. Accounting policies

i Accounting Standard
The financial statements have been prepared under the Charities Act 2011 in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective from 1 January 2015) – (Charities SORP (FRS102)).

ii Public Benefit Entity
The Black Country Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless unless otherwise stated in the relevant accounting policy note(s) below.

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. The accruals basis has been used and the Trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

iv Content
The financial information 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 Going concern
Based on the monetary assets and human resources available at 31 August 2019, the Trustees believe that the Circuit is a going concern.

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

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

viii Expenditure
This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

ix Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant.without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

x VAT

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

xi Tangible fixed assets for use by the Circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at 2015 values following a revaluation of the properties by an independent valuer. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material

2. Income from Monetary Investments

	Unrestricted £	CMTF £	£2022		Unrestricted £	CMTF £	£2021
CFB	620		620		250		250
TMCP		1,446	1,446			620	620
Other							
Total	**620**	**1,446**	**2,066**		**250**	**620**	**870**

3. Assessments on Churches

The Circuit comprises of 16 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. During 2017 the Circuit adopted a new method of raising its assessments in order to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method takes account, to some degree, of membership, attendance, income and reserves but the increases are then reconsidered to ensure that no one church bears the brunt of a large increase (or decrease) in their assessment. Churches who are able to pay a little more than required help to offset the burden on struggling churches.

4. Grants receivable

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £		Unrestricted General Fund £	Circuit Model Trust Fund £	20201£
District Advance Fund	10,000		10,000		10,450		10,450
Connexion					16,000		16,000
Total	**10,000**		**10,000**		**26,450**		**26,450**

5. Property Rentals

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	20201£
2 Woodman Close	406		406	7,681		7,681
1A New Street	5,184		5,184	6,845		6,845
Total	**5,590**		**5,590**	**14,526**		**14,526**

Income from letting each of the properties (which are manses that are currently surplus to Circuit requirements) is shown net of repair costs and letting agents fees.

6. Grants and donations

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Fund for the support of presbyters and deacons	720		720	720		720
Methodist Church Fund for Property	200		200	210		210
Outreach Project	41		41			
Total	**961**		**961**	**930**		**930**

7. Salaries and associated costs

Presbyters	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Stipends and allowances	80,053		80,053	104,649		104,649
National Insurance	7,642		7,642	9,674		9,674
Pension Costs	20,840		20,840	27,464		27,464
Sub total	108,535		108,535	141,787		141,787
Telephone and Travel	7,770		7,770	6,664		6,664
Postage & Stationery	1,052		1,052	5,602		5,602
Miscellaneous	3,813		3,813	676		676
Total	**121,170**		**121,170**	**154,729**		**154,729**

Lay Workers	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Salaries and allowances	39,298		39,298	34,587		34,587
National Insurance	2,922		2,922	2.372		2.372
Pension Costs	2,118		2,118	2,075		2,075
Sub total	44,338		44,338			
Telephone and Travel	386		386	239		239
Miscellaneous						
Total	**44,724**		**44,724**	**39,273**		**39,273**
Grand Total	**165,894**		**165,894**	**194,002**		**194,002**

Stipends were paid to 3 full time Presbyters. Salaries were paid to one full time and one part time lay worker.

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

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

On the other hand, any lay employees of the Circuit would be contractual employees and would have the option of joining a pension scheme which the Circuit would arrange with The Pension Trust.

Costs of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (CLT) are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the properties The value of Council Tax and water charges is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

Payments to Trustees

Apart from the 3 Presbyters no member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in particular cases.

8. District Assessment and levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shrewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMT at 31 August in the previous accounting year.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
District Assessment	43,194		43,194	43,406		43,406
District Levy		2,014	2,014		2,140	2,140
Total	**43,194**	**2,014**	**45,208**	**43,406**	**2,140**	**45,546**

9. Connexional Assessment and Model Trust Levy

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Connexional Levy		240,405	240,405	0		0
Total		**240,405**	**240,405**	**0**		**0**

10. Property costs

The Circuit is Managing Trustee for 6 properties. All are manses or former manses with two former manses being let out on 6 month renewable shorthold leases.

	£2022	£2021
Insurance, Council tax & utilities	11,167	12,258
General maintenance on manses and other Circuit properties	19,930	11,422
Legal costs sale of Moorlands MC	6,081	
Legal costs repossession of Hill Top Manse	2,836	
Total	**40,014**	**23,680**

11. Other outgoings

	Unrestricted General Fund £	Circuit Model Trust Fund £	£2022	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Audit Fee	300		300	300		300
Benevolent Fund	329		329	251		251

	Unrestricted General Fund £	Circuit Model Trust Fund £	£2022	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Apprenticeship levy and payroll fee	1,060		1,060	1212		1212
Gifts	760		760	820		820
Miscellaneous	163		163	958		958
Total	**2,612**		**2,612**	**3,541**		**3,541**

12. Office Expenses

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Website	377		377	233		233
Printing postage and stationery & telephone	1,721		1,721	1,256		1,256
Computer costs	50		50	144		144
Twelve Baskets & other worship materials	583		583	375		375
Office rent	1,300		1,300	1,040		1,040
Miscellaneous	159		159			
Total	**4,190**		**4,190**	**3,048**		**3,048**

13. Tangible fixed assets

	Manses £	Investment properties £	Other fixed assets inc. motto vehicles	Fixtures, fittings and equipment	Total £
Balances brought forward	855,000	415,000	0	0	1,270,000
Depreciation	0	0	0	0	0
Balances carried forward	**855,000**	**415,000**	**0**	**0**	**1,270,000**

Net book value

Brought forward	855,000	415,000	0	0	1,270,000
Carried Forward	855,000	415,000	0	0	1,270,000

Investment properties consist of two former manses currently let under the government's scheme to assist Ukrainian refugees..

14. Central Finance Board (CFB) and Bank Balances

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
CFB	152,488		152,488		169,381		169,381
HSBC Bank	17,908		17,908		40,127		40,127
Cash							
Total	**170,496**		**170,496**		**209,508**		**209,508**

15. Trustees for Methodist Church Purposes (TMCP)

	Circuit Model Trust Fund £	Endowments £	2022 £	Circuit Model Trust Fund £	Endowments£	2021 £
MTF	480,416		480,416	72,315		72,315
Total	480,416		480,416	**72,315**		**72,315**

The funds that support the Circuit Model Trust Fund are held by TMCP in the Trustees Interest Fund on which interest is credited each month. TMCP is the legal owner and custodian trustee of all Methodist model trust property including legacies, endowments and accumulated funds.

16. Creditors, Accruals and Income in advance

It is expected that all sums accrued at 31 August 2022 will be paid in the year to 31 August 2023.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	£2021
Income in advance						
Assessments in advance	22,225		22,225	28,158		28,158
Creditors and accruals						
Ministers and other expenses	5,533		5,533	30		30
Property costs	214		214	112		112
Total	**27,972**		**27,972**	**28,300**		**28,300**

17. Debtors

	Unrestricted General Fund £	Circuit Model Trust Fund £	2022 £	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £
Assessments overdue	2,835		2,835	1,834		1,834
Ministers and other expenses	9,623		9,623	9,111		9,111
Investment Properties	620		620	570		570
Property costs	115		115			
Total	**13,193**		**13,193**	**11,515**		**11,515**

18. Capital Commitments and Contingent Liabilities

As at 31 August 2022 the Circuit had no capital commitments. No contingent liabilities were identified at 31 August 2022.

19. Summary of Unrestricted Fund movements

	Opening Balance £	Income £	Gains on investments £	Expenditure £	Transfers £	Closing balance £	Purpose of the fund
General	1,462,723	209,759		256,865	10,000	1,425,617	General purposes
Circuit Model Trust Fund	72,315	662,459	(1,939)	242,419	(10,000)	480,416	General purposes
Total	**1,535,038**	**872,218**	**(1,939)**	**499,284**		**1,906,033**	

20. Related Parties

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Beaches Road
Charlemont
Hallam Street
Hill Top

Lea Brook
Methodist Centre
Moorlands (until 22 June 2022)
New Road
Park
Roseville
Ryders Green
St Andrews
Tipton Green
Toll End
Wesley
Wednesbury Central
Woods

21. Leasing commitments

At 31 August 2022 the Circuit had no leasing commitments.

BLACK COUNTRY CIRCUIT

England & Wales - Charity number 1168391

Accounts

BLACK COUNTRY CIRCUIT

(Registered Charity No.1168391)

TRUSTEES' REPORT AND ACCOUNTS

Year ended 31 August 2021

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Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Basis of preparation and legal framework

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (Charities SORP (FRS102)).

Full Name of Charity: **BLACK COUNTRY CIRCUIT**

Registration Charity Number: **1168391**
Date of registration **22 JULY 2016**

Main communication address: Circuit Office, The Wesley Centre, Spring Head, Wednesbury, WS10 9AD.

The members of the Black Country Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown as Appendix A on pages 9-11 of this report.

Circuit Ministers and Officers

Active Circuit Ministers:

Revd Ruth Childs (from 1 September 2020)

Revd Philip Thomas

Revd Trevor Pratt (until 31 August 2021)

Revd Denise Williams

Circuit Stewards:

Mrs Helen Allen, Mr Donald Anderson, Mr David Ashfield, Mr Ian Palfreyman, Mr Christopher Pearce, Mrs Shirley Shelton, Mr Ian Thomson.

Circuit Officers:

Treasurer - Mr John Miller

Safeguarding - Mr Ian Belcher

Property Team - Mr Donald Anderson, Mr Alex Cooksey, Mr Trevor Cox (until 31 August 2021) & Miss Diane Cripps

Ex-Officio - Mr Eric Moore

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Independent Examiner:

Neil Westwood & Co, Chartered Accountants, 101 Dixons Green Road, Dudley, West Midlands, DY2 7DJ.

Investment Bankers:

Central Finance Board of the Methodist Church

Trustees For Methodist Church Purposes

HSBC Bank plc

Aims and Organisation

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

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

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local, or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The Circuit produces a quarterly preaching plan to ensure that regular acts of worship take place at each of the 17 Methodist Churches in its geographical area. The Black Country Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Tipton, West Bromwich & Wednesbury. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 17 Circuit churches every Sunday (in most cases). Our internal structure is based on a Circuit Meeting which meets twice a year; a Local Preachers' meeting which meets four times a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which normally meet fortnightly but, due to the Covid-19 situation, are meeting weekly. We endeavour to make our meetings more than just ‘talking shops’; they are the place where important decisions are made and within them, we plan our strategies and fulfil our role as Charity Trustees.

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Public Benefit

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

Structure, Governance and Management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team along with the Local Preachers' meeting.

Trustee Training

A range of guidance is produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as Trustees.

Related Parties

See Note 19 to the Accounts

Review of the year

Revd Ruth Childs joined us from the Vale of Stour Circuit on 1 September 2020. The Black Country Circuit considers itself fortunate not only to secure the services of an experienced Presbyter but to keep its full strength of four Presbyters in the current climate.

Our Superintendent Minister, Revd Denise Williams, finishers her current appointment in September and, with the agreement of the Circuit Meeting, was reappointed for a further 5 years. Revd Trevor Pratt retired in August and the Circuit is very grateful for his ministry over the years. The Circuit Leadership Team had not planned to enter the stationing procedure as there is so much uncertainty about the future of some of our churches and, therefore, the finances of the Circuit, due to the Covid-19 pandemic. However, Revd Philip Thomas has asked to curtail his appointment on 31 July 2022 and, as this has been agreed by the Circuit Meeting, the decision not to enter stationing has been reversed.

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Mrs Elizabeth Farley, our Circuit Mission Enabler, has had her work curtailed by Covid-19. It was decided not to furlough her so part of her work has been adjusted to make her the Circuit Covid-19 co-ordinator to sign off each church's Covid-19 risk assessment prior to the churches reopening. However, due to the reduction in full time ministerial staff her role has been changed and, from 1 September 2021 she will become our Ministerial Support Worker.

Churches have faced ongoing issues with their buildings and declining congregations. As part of the Circuit's work to support individual churches 5 sub-committees were set up during lockdown namely: Finance, Future of Churches, Stationing, Worship and Communications. During the year the Worship and Future of Churches groups merged.

Hallam Street Methodist Church has ceased to meet as a Sunday congregation but is meeting midweek. The congregations at Wednesbury Central and Woods are in a trial period of meeting together with the aim of a formal amalgamation within the next few months. It has been decided to close Moorlands Methodist Church with the decision due to be ratified at the Circuit Meeting on 20 September 2021. There is still ongoing concern about some other churches, as much due to leadership problems and age of congregations as finance and the Circuit Leadership Team has written to all churches asking them to seriously consider their futures and reply before the end of September 2021 so that their replies can be considered in planning for the future needs of the Circuit.

During the year the Circuit Leadership Team met more frequently than normal to enable decisions to be made about the problems caused by lockdown. These meetings (as well as some Circuit services) were held by Zoom which helped greatly to get round the problem of social distancing. Thanks go to the members of the CLT whose technological knowledge helped the services and meetings to take place. Some churches held Zoom services whilst others supported their congregations by preparing shorter, 'hardcopy' services that were emailed posted to church members. This led to a substantial increase in printing, postage and stationery costs. However, on the positive side, travel costs were much reduced!

It is regrettable to say that seven local preachers died during the year but good news in that one local preacher would be fully accredited in September 2021.

It was a joy when Covid restrictions began to be eased and churches could meet again in person and other meetings could also be held in person although Zoom meetings will still have their place in the future, particularly on winter evenings.

Our work is informed by, inspired by and celebrated in our primary activity – worship. From our worship flows our three other main activities within local, national and global communities; learning & caring, service and evangelism. All of our churches seek to embrace the breadth of 'Our Calling' whilst also recognising the

challenges and difficulties. We are rooted in seventeen different local communities but our vision is much wider as we seek to serve the wider church and world in our work.

Work in and with the local communities remains an important part of our mission although it has been interrupted by lockdown.

When considering achievements and performance it is right to pay tribute to the many people throughout the circuit who in their daily lives respond to the call of Jesus “follow me” by offering pastoral care and / or practical help and to the team of Local Preachers who enable services to take place Sunday by Sunday. We operate an open door policy and welcome all to our church communities and wider work irrespective of race, gender, ethnicity, sexuality or any kind of disability, and take seriously the challenge to love God, self and neighbour.

Financial Review

Circuit income is drawn primarily from the assessments paid by the circuit churches and, during the year, net assessments were £205,873 (2020 £203,229). Some individual churches paid more or less than previously, in line with the policy to better reflect the ability of churches to pay. Rental income was received during the year from the letting of two former manses. Interest from our CFB account reduced by almost 83% reflecting the general low level of interests rates in the UK. The grant received to assist in the amalgamation with Wednesbury Circuit ended in 2020 thus affecting income by £10,000.

Salary costs were, as expected, higher than last year, primarily due to the employment of our lay workers. However, the Circuit applied for, and received, grants from District and Connexion towards the cost of our Circuit Mission Enabler whilst making a contribution to her costs from our own resources. The Circuit funds our administrator purely from our own resources. Due to the change in Connexional grants the Circuit will have to fund substantially more of her salary.

Property costs were very slightly reduced with most expenditure being carried out on the investment properties; all manses are kept is a good state of repair. The Circuit continues to pay for the property and electrical quinquennial inspections for all churches. The Circuit has decided to sell the two manses that are let and has given notice to the tenants to vacate the properties. The sale funds, together with the sale funds of Revd Thomas’s property when he leaves the Circuit, will be used to purchase a new manse that fits better with the current (and ever changing) Methodist requirements.

At 31 August 2021, unrestricted reserves, excluding Land and Buildings, stood at £265,038 (2020 £283,290 as restated). The Circuit is still in a period of uncertainty around income and expenditure levels, with a small number of churches struggling, together with changes in staffing over the next few years, the costs of which

are difficult to predict. The strength of our reserves will enable the Circuit to face the uncertain times with a degree of confidence but, in any event, the Circuit Leadership Team will continue to closely monitor the size and use of the resources available to the Circuit.

Plans for 2021/22

Circuit financial plans for the coming year have been prepared on the basis that there remains 3 full time ordained staff with anticipated cost of living stipend increases but with an increased, subsidised cost, of our new ministerial support worker and our administrator. Once the replies from churches regarding their future have been received the Finance & Property sub group will consider the future finances of the Circuit against a revised budget As stated above, the Circuit is entering stationing in 2021 with a view to keeping staffing to 3 full time ordained staff at least in the medium term.

Following a review of the Circuit manses we plan to sell manses that no longer meet current requirements with the likelihood of buying a new manse in due course. This will reduce our property 'portfolio' from 6 to 4 properties during 2021/2 with a further reduction to 3 in 2022/3.

The future number of churches in the Circuit cannot be predicted at present but, especially in view of the number of services to be covered in the Plan coupled with the number of presbyters in post and the reduction in lay preachers, there is a likelihood that some will close.

Zoom meetings are likely to continue, at least in the short term, as will the Circuit's new sub-committee structure as this is felt to be a vital way for lay persons to support Presbyters.

Reserves Policy General

It is the Trustees' policy to maintain a balance of unrestricted and undesignated funds equivalent to around six months average unrestricted expenditure, to cover unexpected requirements which may occur from time to time. Due to the uncertain future of some of our churches our reserves are currently above six months expenditure to support our future expenditure plans without having to impose substantial increases in annual assessments. Our reserves will diminish over the next few years as we subsidise the position of our Circuit Ministerial Support Worker and Circuit Administrator.

The policy of only slowly reducing reserves has been vindicated in the current financial situation as some churches are facing serious financial problems but the Circuit itself is in a strong position to support the work of the Methodist Church in the Black Country.

As the year ended, we became aware that there may be an enforced levy taken from church, circuit and district reserves to help to cover an apparent shortfall in the Ministers' Pension Scheme. The Circuit

Leadership Team has not recommended making a voluntary payment towards the shortfall as it believes that a more fundamental review of the pension scheme is required including changing the basis from final salary to money purchase - at least for new members, if not all members. The CLT also has misgivings about the actual amount of potential shortfall as the actuarial review took place during a depressed time for financial markets caused by the Covid pandemic.

Risk Management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and is recorded.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:
• the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
• the safeguarding and protection of all children, young people and adults when they are vulnerable
• the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
• we will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.

• we will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
• we will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.

• we will seek to challenge any abuse of power, especially by anyone in a position of trust.
• we will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.

• in all these principles we will follow legislation, guidance and recognised good practice.

The Black Country Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy, government legislation, guidance and safe practice in the circuit and in our churches, including carrying out enhanced DBS checks as required.

The Black Country Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable. We adhere to the church's Safer Recruitment Policy.

Although he has been unable to conduct any trainings over the last Connexional year, due to COVID-19, Ian Belcher, our Circuit Safeguarding Officer, has continued to carry out DBS checks. Trainings will resume November 2021. Ian has also stayed in touch with our Church Safeguarding Officers, and has held regular safeguarding meetings, to ensure information is passed on and best practice is being followed in our churches, especially as they return from lockdown.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
  - observe the methods and principles in the Charities SORP 2015 (FRS102);
  - make judgements and estimates that are reasonable and prudent;
  - state whether applicable accounting standards have been followed,

subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions

of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DECLARATION

The Charity's Trustees declare that they have approved the Trustees' Report above. Signed on behalf of the Charity's Trustees

Signatures

Name Revd Denise Williams

Position Chair Trustee

Date 20 September 2021

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Circuit Meeting Membership

Ministers

Revd Ruth Childs (from 1 September 2020)

Revd Philip Thomas

Revd Trevor Pratt (until 31 August 2021)

Revd Denise Williams

Revd Pat Davies (Supernumary)

Revd Carole Holden (Supernumary)

Lay-workers

Mrs Elizabeth Farley (Ministerial Support)

Miss Diane Cripps (Administrator)

Local Preachers and Worship Leader Representatives

Mr Trevor Allan, Mr John Blewitt, Mrs Jean Mason, Mr Alan Moore (until 3 December 2020)

Circuit Stewards

Mrs Helen Allen, Mr Donald Anderson, Mr David Ashfield, Mr Ian Palfreyman, Mr Christopher Pearce (also Local Preachers Secretary), Mrs Shirley Shelton, Mr Ian Thomson

Circuit Meeting Secretary

Miss Diane Cripps

Circuit Treasurer

Mr John Miller

Circuit Officers (Property)

Mr Donald Anderson, Mr Alex Cooksey, Mr Trevor Cox (until 31 August 2021) & Miss Diane Cripps

Circuit Safeguarding Co-ordinator

Mr Ian Belcher

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Circuit Officers

Mrs Brenda Moore (Missions) Mr Eric Moore (ex officio)

Circuit Representatives to Synod

Mrs Helen Allen, Mr Stephen Allen, Mrs Rosemary Jones

Circuit Church Representatives

Beeches Road

Mrs Karen Belcher, Mr Eric Moore,

Charlemont

Ms Karen Bennett, Ms Pat Greenalgh, Miss L Haywood,

Hallam Street

Miss M Wakeman

Hill Top

Mrs Joan Howes

Lea Brook

Mr Malcolm Freeman, Mr John Williams

Methodist Centre

Mr Robert Cooper

New Road

Chris Allen, Mrs Lorraine Morris

Park

Mrs Pat Foley, Mrs Gaynor Idles

Roseville

Mrs Sylvia Morgan, Mr Ron Turner

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2021

Ryders Green

Mr Alex Cooksey, Mr Terry Dawson

St Andrews

Mrs June Davies, Miss Margaret Morgan

Tipton Green

Mrs Marjorie Ashfield, Mrs Rosemary Jones, Mrs Margaret Moore, Miss Susan Sandbrook

Toll End

Mrs Pauline Hodgetts

Wesley

Mr Steve Allen, Mrs Beryl Price,

Wednesbury (Central & Woods)

Mr Norman Jones

Black Country Circuit

Declarations and Scrutiny

For the year ended 31 August 2021

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

J Miller
7 Southwood Close
Kingswinford
West Midlands
DY6 8JL

Date 20 September 2021

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were presented to the Circuit meeting held on ……..

Rev Denise Williams

Date 20 September 2021

Black Country Circuit

Independent Examiners Report to the

Trustees of the Black Country Circuit

I report on the Accounts of the Black Country Circuit for the year ended 31st August 2021 which are set out on pages 16 - 30.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011(the 2011 Act) and that an independent examination is needed.

It is my responsibility to:
- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view".

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention:
(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 130 of the 2011 Act.
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

I 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.

N A Westwood FCA
Neil Westwood & Co, Chartered Accountants
101 Dixons Green Road
Dudley, West Midlands, DY2 7DJ

23 June 2022

Black Country Circuit

Statement of Financial Activities

For the year ended 31 August 2021

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

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2020-21 £
Income							
Donations and legacies							0
Income from monetary investments	3	250	620				**870**
Income from investment properties	6	14,526					**14,526**
Assessments on Churches	4	205,873					**205,873**
Capital Receipts							**0**
Grants received	5	26,450					**26,450**
Other charitable income		203					**203**
Total income		**247,302**	**620**	**-**	**-**	**-**	**247,922**
Expenditure							
Grants and donations	7	930					**930**
Salaries and associated costs	8	194,002					**194,002**
Property maintenance	10	23,680					**23,680**
Connexional assessment & model trust l	9		2,140				**2,140**
District Assessment & Levy	9	43,406					**43,406**
Depreciation							**0**
Office expenses	12	3,048					**3,048**
Other outgoings	11	3,541					**3,541**
Total charitable expenditure		**268,607**	**2,140**	**0**	**0**	**0**	**270,747**
Gains/(losses) on monetary investments			4,573				4,573
Gains/(losses) on investment properties							
Net income/(expenditure)		**-21,305**	**3,053**	**0**	**0**	**0**	**-18,252**
Transfers between funds		10,000 -	10,000				0
Other gains/(losses)							
Net movement in funds		**-11,305**	**-6,947**	**0**	**0**	**0**	**-18,252**
Total funds brought forward		1,474,028	79,262				1,553,290
Total funds carried forward		**1,462,723**	**72,315**	**-**	**-**	**-**	**1,535,038**

Black Country Circuit

Statement of Financial Activities

For the year ended 31 August 2021

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

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-20 £
Income							
Donations and legacies							0
Income from monetary investments	2	1,450	997				**2,447**
Income from investment properties	5	14,234					**14,234**
Assessments on Churches	3	203,229					**203,229**
Capital Receipts							**0**
Grants received	4	37,000					**37,000**
Other charitable income		60					
Total income		**255,973**	**997**	**-**	**-**	**-**	**256,970**
Expenditure							
Grants and donations	6	1,130					**1,130**
Salaries and associated costs	7	183,193					**183,193**
Property maintenance	9	24,403					**24,403**
Connexional assessment & model trust l	8		2,463				**2,463**
District Assessment & Levy	8	43,655					**43,655**
Depreciation							**0**
Office expenses	11	3,925					**3,925**
Other outgoings	10	2,400					**2,400**
Total charitable expenditure		**258,706**	**2,463**	**0**	**0**	**0**	**261,169**
Gains/(losses) on monetary investments		-	443				-443
Gains/(losses) on investment properties							
Net income/(expenditure)		**-2,733**	**-1,909**	**0**	**0**	**0**	**-4,642**
Transfers between funds		10,000	- 10,000				0
Other gains/(losses)							
Net movement in funds		**7,267**	**-11,909**	**0**	**0**	**0**	**-4,642**
Total funds brought forward		1,466,761	91,171				1,557,932
Total funds carried forward		**1,474,028**	**79,262**	**-**	**-**	**-**	**1,553,290**

Black Country Circuit

Balance Sheet

As at 31 August 2021

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020/21 £	Totals 2019/20 £
Fixed Assets								
Circuit Manses & Equipment	13	855,000					855,000	855,000
Investment properties	13	415,000					415,000	415,000
Investments	15		72,315				72,315	79,262
Total fixed assets		**1,270,000**	**72,315**	**0**	**0**	**0**	**1,342,315**	**1,349,262**
Current Assets								
Debtors	17	11,515					11,515	13,963
Loans by the Circuit							0	
Investments with TMCP							0	
Central Finance Board Deposits	14	169,381					169,381	191,537
Cash at Bank and in hand	14	40,127					40,127	40,676
Total current assets		**221,023**	**0**	**0**	**0**	**0**	**221,023**	**246,176**
Current liabilities								
Creditors (due in under 1 year)	16	28,300					28,300	42,148
Grants payable within 2018-19							0	
Total current liabilities		**28,300**	**0**	**0**	**0**	**0**	**28,300**	**42,148**
Net current assets/liabilities		**192,723**	**0**	**0**	**0**	**0**	**192,723**	**204,028**
Total assets less current liabilities		**1,462,723**	**72,315**	**0**	**0**	**0**	**1,535,038**	**1,553,290**
Long term liabilities (due after more than one year)								
Grants payable after 2018-19							**0**	
Loans to the Circuit							**0**	
							0	
Net assets		**1,462,723**	**72,315**	**0**	**0**	**0**	**1,535,038**	**1,553,290**
Funds of the Circuit								
General Fund (Unrestricted)		1,462,723					1,462,723	1,474,028
Circuit Model Trust Fund (Unrestricted)			72,315				72,315	79,262
Designated Funds (Unrestricted)				0			0	
Total Unrestricted Funds							**1,535,038**	**1,553,290**
Restricted Funds					**0**		0	
Endowment Funds						**0**	0	
Total Funds		**1,462,723**	**72,315**	**0**	**0**	**0**	1,535,038	**1,553,290**

Signed

J Miller
Circuit Treasurer

Date 20 September 2021

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

1. Accounting policies

i Accounting Standard
The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective from 1 January 2015) – (Charities SORP (FRS102)).

ii Public Benefit Entity
The Black Country Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless unless otherwise stated in the relevant accounting policy note(s) below.

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. The accruals basis has been used and the Trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

iv Content
The financial information 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 Going concern
Based on the monetary assets and human resources available at 31 August 2019, the Trustees believe that the Circuit is a going concern.

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

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

viii Expenditure
This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

ix Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant.without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

x VAT

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

xi Tangible fixed assets for use by the Circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at 2015 values following a revaluation of the properties by an independent valuer. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material

2. Restatement of 2019-20 figures

A restatement of figures for 'Salaries & Associated costs' and the Model Trust Fund are required together with a restatement of the year end balances.

Expenditure	2019-20 as previously stated £	Prior year adjustment £	2019-20 as restated £
Salaries & Associated Costs	195,001		
Stipend August 2020 paid in advance		-11,808	
			183,193

Debtors	2019-20 as previously stated £	Prior year adjustment £	2019-20 as restated £
Stipends and associated costs	2,154	11,808	13,962

Income	2019-20 as previously stated £	Prior year adjustment £	2019-20 as restated £
Income from monetary investments	961	36	997
Gains/(losses) on monetary investments	-1020	577	443

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

Balance Sheet	2019-20 as previously stated £	Prior year adjustment £	2019-20 as restated £
	1,540,869		
Debtors		11,808	
Income from monetary investments		613	
			1,553,290

3. Income from Monetary Investments

	Unrestricted £	CMTF £	£2021		Unrestricted £	CMTF £	2020 £
CFB	250		250		1,450		1,450
TMCP		620	620			1574	1574
Other							
Total	250	620	870		1,450	1574	3024

4. Assessments on Churches

The Circuit comprises of 17 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. During 2017 the Circuit adopted a new method of raising its assessments in order to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method takes account, to some degree, of membership, attendance, income and reserves but the increases are then reconsidered to ensure that no one church bears the brunt of a large increase (or decrease) in their assessment. Churches who are able to pay a little more than required help to offset the burden on struggling churches.

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

5. Grants receivable

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
District Advance Fund	10,450		10,450		20,000		20,000
Connexion	16,000		16,000		17,000		17,000
Total	**26,450**		**26,450**		**37,000**		**37,000**

6. Property Rentals

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
2 Woodman Close	7,681		7,681		7,389		7,389
1A New Street	6,845		6,845		6,845		6,845
Total	**14,526**		**14,526**		**14,234**		**14,234**

Income from letting each of the properties (which are manses that are currently surplus to Circuit requirements) is shown net of repair costs and letting agents fees.

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

7. Grants and donations

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
Fund for the support of presbyters and deacons	720		720		720		720
Methodist Church Fund for Property	210		210		210		210
Flood Relief Donation					200		200
Wednesbury							
Total	**930**		**930**		**1,130**		**1,130**

8. Salaries and associated costs

Presbyters	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
Stipends and allowances	104,649		104,649		90,315		90,315
National Insurance	9,674		9,674		9,386		9,386
Pension Costs	27,464		27,464		26801		26,801
Sub total	141,787		141,787		**126,502**		**126,502**
Telephone and Travel	6,664		6,664		10,665		10,665
Postage & Stationery	5,602		5,602		3,533		3,533
Miscellaneous	676		676		2,899		2,899
Total	154,729		154,729		**143,599**		**143,599**

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

Lay Workers	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
Salaries and allowances	34,587		34,587		34,586		34,586
National Insurance	2.372		2.372		2,388		2,388
Pension Costs	2,075		2,075		2,032		2,032
Sub total					**39,006**		**39,006**
Telephone and Travel	239		239		588		588
Miscellaneous							
Total	39,273		39,273		**39,594**		**39,594**
Grand Total	**194,002**		**194,002**		**183,193**		**183,193**

Stipends were paid to 4 full time Presbyters. Salaries were paid to one full time and one part time lay worker.

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

Pensions

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

On the other hand, any lay employees of the Circuit would be contractual employees and would have the option of joining a pension scheme which the Circuit would arrange with The Pension Trust.

Costs of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (CLT) are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the properties The value of Council Tax and water charges is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

Payments to Trustees

Apart from the 4 Presbyters no member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in particular cases.

9. District Assessment and levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shrewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMT at 31 August in the previous accounting year.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
District Assessment	43,406		43,406		43,655		43,655
District Levy		2,140	2,140			2,463	2,463
Total	**43,406**	**2,140**	**45,546**		**43,655**	**2,463**	**46,118**

10. Property costs

The Circuit is Managing Trustee for 6 properties. All are manses or former manses with two former manses being let out on 6 month renewable shorthold leases.

		£2021	£2020
Insurance, Council tax & utilities		12,258	13,299
General maintenance on manses and other Circuit properties		11,422	11,104
Total		**23,680**	**24,403**

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

11. Other outgoings

	Unrestricted General Fund £	Circuit Model Trust Fund £	£2021		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
Audit Fee	300		300				
Benevolent Fund	251		251		327		327
Apprenticeship levy and payroll fee	1212		1212		1,122		1,122
Gifts	820		820		522		522
Miscellaneous	958		958		429		429
Total	**3,541**		**3,541**		**2,400**		**2,400**

12. Office Expenses

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
Website	233		233		215		215
Printing postage and stationery & telephone	1256		1256		2,242		2,242
Computer costs	144		144				
Twelve Baskets	375		375		428		428
Office rent	1040		1040		1,040		1,040
Total	**3,048**		**3,048**		**3,925**		**3,925**

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

13. Tangible fixed assets

	Manses £	Investment properties £	Other fixed assets inc. motto vehicles	Fixtures, fittings and equipment	Total £
Balances brought forward	855,000	415,000	0	0	1,270,000
Depreciation	0	0	0	0	0
Balances carried forward	**855,000**	**415,000**	**0**	**0**	**1,270,000**

Net book value

Brought forward	855,000	415,000	0	0	1,270,000
Carried Forward	855,000	415,000	0	0	1,270,000

Investment properties consist of two former manses currently let on 6 monthly renewable short term leases.

14. Central Finance Board (CFB) and Bank Balances

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
CFB	169,381		169,381		191,537		191,537
HSBC Bank	40,127		40,127		40,676		40,676
Cash					0		0
Total	**209,508**		**209,508**		**232,213**		**232,213**

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

15. Trustees for Methodist Church Purposes (TMCP)

	Circuit Model Trust Fund £	Endowments £	2020 £		Circuit Model Trust Fund £	Endowments £	2020 £
MTF	72,315		72,315		79,262		79,262
Total	**72,315**		**72,315**		**79, 262**		**79, 262**

The funds that support the Circuit Model Trust Fund are held by TMCP in the Trustees Interest Fund on which interest is credited each month. TMCP is the legal owner and custodian trustee of all Methodist model trust property including legacies, endowments and accumulated funds.

16. Creditors, Accruals and Income in advance

It is expected that all sums accrued at 31 August 2020 will be paid in the year to 31 August 2021.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	£2020
Income in advance							
Assessments in advance	28,158		28,158		38,764		38,764
Creditors and accruals							
Ministers and other expenses	30		30		1,256		1,256
Property costs	112		112		2,128		2,128
Total	**28,300**		**28,300**		**42,148**		**42,148**

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2021

17. Debtors

	Unrestricted General Fund £	Circuit Model Trust Fund £	2021 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £
Assessments overdue	1,834		1,834		1,834		1,834
Ministers and other expenses	9,111		9,111		320		320
Investment Properties	570		570				
Property costs							
Total	**11,515**		**11,515**		**2,154**		**2154**

18. Capital Commitments and Contingent Liabilities

As at 31 August 2021 the Circuit had no capital commitments. No contingent liabilities were identified at 31 August 2021.

19. Summary of Unrestricted Fund movements

	Opening Balance £	Income £	Gains on investments £	Expenditure £	Transfers £	Closing balance £	Purpose of the fund
General	1,474,028	247,477		268,782	10,000	1,462,723	General purposes
Circuit Model Trust Fund	79,262	620	4,573	2,140	(10,000)	72,315	General purposes
Total	**1,553,290**					1,535,038	

20. Related Parties

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Beaches Road
Charlemont
Hallam Street
Hill Top
Lea Brook
Methodist Centre
Moorlands
New Road
Park
Roseville
Ryders Green
St Andrews
Tipton Green
Toll End
Wesley
Wednesbury Central
Woods

21. Leasing commitments

At 31 August 2021 the Circuit had no leasing commitments.

BLACK COUNTRY CIRCUIT

England & Wales - Charity number 1168391

Accounts

BLACK COUNTRY CIRCUIT

(Registered Charity No.1168391)

TRUSTEES' REPORT AND ACCOUNTS

Year ended 31 August 2020

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Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Basis of preparation and legal framework

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Full Name of Charity: **BLACK COUNTRY CIRCUIT**

Registration Charity Number: **1168391**
Date of registration **22 JULY 2016**

Main communication address: Circuit Office, The Wesley Centre, Spring Head, Wednesbury, WS10 9AD.

The members of the Black Country Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown as Appendix A on pages 9-11 of this report.

Circuit Ministers and Officers

Active Circuit Ministers:

Revd Philip Thomas

Revd Patricia Mukorombindo (until 31 august 2020)

Revd Trevor Pratt

Revd Denise Williams

Circuit Stewards:

Mrs Helen Allen (from 1 September 2019), Mr Donald Anderson, Mr David Ashfield, Mr Ian Palfreyman (from 1 September 2019), Mr Christopher Pearce, Mr Derek Percival (until 31 August 2020), Mrs Shirley Shelton, Mr Ian Thomson.

Circuit Officers

Treasurer - Mr John Miller

Safeguarding - Mr Ian Belcher

Property Team - Mr Donald Anderson, Mr Alex Cooksey, Mr Trevor Cox & Miss Diane Cripps

Ex-Officio - Mr Eric Moore

Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Independent Examiner:

Neil Westwood & Co, Chartered Accountants, 101 Dixons Green Road, Dudley, West Midlands, DY2 7DJ.

Investment Bankers:

Central Finance Board of the Methodist Church

Trustees For Methodist Church Purposes

HSBC Bank plc

Aims and organisation

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

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

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local, or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

The Circuit produces a quarterly preaching plan to ensure that regular acts of worship take place at each of the 17 Methodist Churches in its geographical area. The Black Country Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Tipton, West Bromwich & Wednesbury. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 17 Circuit churches every Sunday (in most cases). Our internal structure is based on a Circuit Meeting which meets twice a year; a Local Preachers' meeting which meets four times a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which normally meet fortnightly but, due to the Covid-19 situation, are meeting weekly. We endeavour to make our meetings more than just talking shops; they are the place where important decisions are made and within them, we plan our strategies and fulfil our role as Charity Trustees.

Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Public Benefit

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

Structure, Governance and Management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the Circuit is undertaken by the Circuit Leadership Team along with the Local Preachers' meeting.

Trustee Training

A range of guidance is produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as Trustees.

Related Parties

See Note 19 to the Accounts

Review of the year

Rev Patricia Mukorombindo left the Circuit at at the end of August 2020 to take up a new position in Hinckley. We are very grateful to her for her ministry in the Black Country Circuit and wish her well in her new position. Rev Ruth Childs will be joining us from the Vale of Stour Circuit on 1 September 2020. The Black Country Circuit considers itself fortunate not only to secure the services of an experienced Presbyter but to keep its full strength of four Presbyters in the current climate.

Our Superintendent Minister, Rev Denise Williams, finishers her current appointment next September but has indicated that she would like to continue in our Circuit for a further 5 years. This will be decided by the forthcoming Circuit Meeting. Rev Trevor Pratt will retire next August and the Circuit Leadership Team has recommended that the Circuit does not enter the stationing procedure at this time as there is so much uncertainty about the future of some of our churches and, therefore, the finances of the Circuit, due to the Covid-19 pandemic.

Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Mrs Elizabeth Farley, our Circuit Mission Enabler, has had her work curtailed by Covid-19. It was decided not to furlough her so part of her work has been adjusted to make her the Circuit Covid-19 co-ordinator to sign off each church's Covid-19 risk assessment prior to the churches reopening.

Miss Diane Cripps, our part time Circuit Administrator, has settled well into her role and has been able to work from home whilst the Circuit Office is closed.

Churches have faced ongoing issues with their buildings and declining congregations. As part of the Circuit's work to support individual churches 5 sub-committees were set up during lockdown namely: Finance, Future of Churches, Stationing, Worship and Communications. Despite this, Hallam Street Methodist Church could not meet its financial obligations to the Circuit and there is ongoing concern about some other churches, as much due to leadership problems and age of congregations as finance.

During the year the Circuit Leadership Team met more frequently than normal to enable decisions to be made about the problems caused by lockdown. These meetings (as well as some Circuit services) were held by Zoom which helped greatly to get round the problem of social distancing. Thanks go to the members of the CLT whose technological knowledge helped the services and meetings to take place. Some churches held Zoom services whilst others supported their congregations by preparing shorter, 'hardcopy' services that were posted to church members. This led to a substantial increase in printing, postage and stationery costs. However, on the positive side travel costs were much reduced!

Our work is informed by, inspired by and celebrated in our primary activity – worship. From our worship flows our three other main activities within local, national and global communities; learning & caring, service and evangelism. All of our churches seek to embrace the breadth of 'Our Calling' whilst also recognising the challenges and difficulties. We are rooted in seventeen different local communities but our vision is much wider as we seek to serve the wider church and world in our work.

Work in and with the local communities remains an important part of our mission although it has been interrupted by lockdown.

When considering achievements and performance it is right to pay tribute to the many people throughout the circuit who in their daily lives respond to the call of Jesus "follow me" by offering pastoral care and / or practical help and to the team of Local Preachers who enable services to take place Sunday by Sunday. We operate an open door policy and welcome all to our church communities and wider work irrespective of race, gender, ethnicity, sexuality or any kind of disability, and take seriously the challenge to love God, self and neighbour.

Financial Review

Circuit income is drawn primarily from the assessments paid by the circuit churches and, during the year, net assessments were £203,229 (2019 £202,089). Some individual churches paid more or less than previously, in line with the policy to better reflect the ability of churches to pay. Rental income was received during the year from the letting of two former manses.

Salary costs were, as expected, higher than last year, primarily due to the employment of our lay workers. However, the Circuit applied for, and received, grants from District and Connexion towards the cost of our Circuit Mission Enabler whilst making a contribution to her costs from our own resources. The Circuit funds our administrator purely from our own resources.

Property costs were slightly reduced with most expenditure being carried out on the investment properties; all manses are kept is a good state of repair. The Circuit continues to pay for the property and electrical quinquennial inspections for all churches.

At 31 August 2020, unrestricted reserves, excluding Land and Buildings, stood at £270,869 (2019 £287,932). The Circuit is entering a period of uncertainty around income and expenditure levels, with a small number of churches struggling, together with changes in staffing over the next few years, the costs of which are difficult to predict. The strength of our reserves will enable the Circuit to face the uncertain times with a degree of confidence but, in any event, the Circuit Leadership Team will continue to closely monitor the size and use of the resources available to the Circuit.

Plans for 2020/21

Circuit financial plans for the coming year have been prepared on the basis that there remains 4 full time ordained staff with anticipated cost of living stipend increases but with an increased, subsidised cost, of our new Circuit Mission Enabler and our administrator. A 1% increase in the overall underlying assessment paid by the churches is expected to be required. As stated above, the Circuit is not entering stationing in 2020 with a view to reducing staffing to 3 full time ordained staff at least in the short term.

Following a review of the Circuit manses we plan to sell manses that no longer meet current requirements with the likelihood of buying a new manse in due course. This will reduce our property 'portfolio' from 6 to 4 properties.

Zoom meetings are likely to continue, at least in the short term, as will the Circuit's new sub-committee structure as this is felt to be a vital way for lay persons to support Presbyters.

Reserves Policy General

It is the Trustees' policy to maintain a balance of unrestricted and undesignated funds equivalent to around six months average unrestricted expenditure, to cover unexpected requirements which may occur from time to time. Due to the uncertain future of some of our churches our reserves are currently above six months expenditure to support our future expenditure plans without having to impose substantial increases in annual assessments. Our reserves will diminish over the next few years as we subsidise the position of our Circuit Mission Enabler and Circuit Administrator.

The policy of only slowly reducing reserves has been vindicated in the current financial situation as some churches are facing serious financial problems but the Circuit itself is in a strong position to support the work of the Methodist Church in the Black Country.

Risk Management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and is recorded.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- we will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.

- we will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- we will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.

• we will seek to challenge any abuse of power, especially by anyone in a position of trust.

• we will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.

• in all these principles we will follow legislation, guidance and recognised good practice.

The Black Country Circuit commits itself to ensuring the implementation of the Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Black Country Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Ian Belcher, our Circuit Safeguarding Officer, has held a number of training sessions during the year and, whilst there are still some volunteers who need to attend a training session, the Circuit appears to be ahead of many other Circuits in this regard.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
  - observe the methods and principles in the Charities SORP 2015 (FRS102);
  - make judgements and estimates that are reasonable and prudent;
  - state whether applicable accounting standards have been followed,

subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial Statements

comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DECLARATION

The Charity's Trustees declare that they have approved the Trustees' Report above. Signed on behalf of the Charity's Trustees

Signatures

D M Williams.

Name Revd Denise Williams

Position Chair

Date: 20 March 2021

Trustee

Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Circuit Meeting Membership

Ministers

Revd Philip Thomas

Revd Patricia Mukorombindo (until 31 August 2020)

Revd Trevor Pratt

Revd Denise Williams

Layworkers

Mrs Elizabeth Farley,

Miss Diane Cripps

Local Preachers and Worship Leader Representatives

Mr Trevor Allan, Mrs Jean Mason, Mr Alan Moore, Mr David Woodman (until 14 April 2020).

Circuit Stewards

Mrs Helen Allen (from 1 September 2019), Mr Donald Anderson, Mr David Ashfield, Mr Ian Palfreyman (from 1 September 2019), Mr Christopher Pearce, Mr Derek Percival (until 31 August 2020), Mrs Shirley Shelton, Mr Ian Thompson.

Circuit Meeting Secretary

Miss Diane Cripps

Circuit Treasurer

Mr John Miller

Circuit Officers (Property)

Mr Donald Anderson, Mr Alex Cooksey, Mr Trevor Cox & Miss Diane Cripps.

Circuit Safeguarding Co-ordinator

Mr Ian Belcher

Circuit Offices (Ex officio)

Mr Eric Moore

Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Circuit Representatives to Synod

Mrs Helen Allen, Mr Stephen Allen, Mrs Rosemary Jones

Circuit Church Representatives

Beeches Road

Mr Eric Moore, Mr Tony Williams, Mr Ian Belcher,

Charlemont

Ms Karen Bennett, Miss L Haywood, Ms Joy Jerrison, Mr Simon Jerrison.

Hallam Street

Ms Josie Attwood, Ms Pat Hodgetts, Miss M Wakeman

Hill Top

Mrs Joan Howes, Ms Margaret Tromans

Lea Brook

Mr Joe Norton, Mr John Williams

Methodist Centre

Mr Robert Cooper, Mr Alan Gorton, Mr Claude Laight

Moorlands

Mrs Carol Osborne, Mrs Gillian Willdig

New Road

Chris Allen, Mrs Jean Mason, Mrs Lorraine Morris

Park

Mrs Gaynor Idles

Roseville

Mrs Judith Hawkins, Mr Kenneth Hawkins, Mrs Sylvia Morgan

Black Country Circuit

Report of the Trustee

For the year ended 31 August 2020

Ryders Green

Ms Joan Butler, Mr Alex Cooksey, Mr T Dawson

St Andrews

Mr Donald Anderson, Mrs June Davies, Miss Margaret Morgan

Tipton Green

Mrs Marjorie Ashfield, Mr Peter Davies, Mrs Rosemary Jones, Mrs Margaret Moore, Miss Susan Sandbrook

Toll End

Mrs Pauline Hodgetts, Miss Kim Pollard,

Wesley

Mr Ian Collett, Mrs Beryl Price, Mrs Helen Allen, Mr Mac Wills

Wednesbury (Central & Woods)

Mrs Susan Harris, Mr Norman Jones, Miss Valerie Partridge

Black Country Circuit

Declarations and Scrutiny

For the year ended 31 August 2020

I Confirm that these accruals-based accounts for the year to 31 August 2020 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

J Miller ..... Date 20 March 2021

John Miller
7 Southwood Close
Kingswinford
West Midlands
DY6 8JL

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2020 were presented to the circuit meeting held on

D M Williams ..... Date 20 March 2021

Rev Denise Williams

Independent Examiners Report to the

Trustees of the Black Country Circuit

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Black Country Circuit for the year ended 31 August 2019 set out on pages 15 to 28. 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.

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 Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives 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.

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 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.

N. Westwood

Neil Westwood FCA

Neil Westwood & Co.
Chartered Accountants
101 Dixons Green Road
Dudley,
West Midlands,
DY2 7DJ

20 March 2021

Black Country Circuit

Statement of Financial Activities

For the year ended 31 August 2020

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

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-20 £
Income							
Donations and legacies							0
Income from monetary investments	2	1,450	961				2,411
Income from investment properties	5	14,234					14,234
Assessments on Churches	3	203,229					203,229
Capital Receipts							0
Grants received	4	37,000					37,000
Other charitable income		60					
Total income		255,973	961	-	-	-	256,934
Expenditure							
Grants and donations	6	1,130					1,130
Salaries and associated costs	7	195,001					195,001
Property maintenance	9	24,403					24,403
Connexional assessment & model trust levy	8		2,463				2,463
District Assessment & Levy	8	43,655					43,655
Depreciation							0
Office expenses	11	3,925					3,925
Other outgoings	10	2,400					2,400
Total charitable expenditure		270,514	2,463	0	0	0	272,977
Gains/(losses) on monetary investments		-	1,020				-1,020
Gains/(losses) on investment properties							
Net income/(expenditure)		-14,541	-2,522	0	0	0	-17,063
Transfers between funds		10,000 -	10,000				0
Other gains/(losses)							
Net movement in funds		-4,541	-12,522	0	0	0	-17,063
Total funds brought forward		1,466,761	91,171				1,557,932
Total funds carried forward		1,462,220	78,649	-	-	-	1,540,869

Black Country Circuit

Statement of Financial Activities

For the year ended 31 August 2020

Statement of Financial Activities (SOFA) for the year ended 31 August 2019

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2018-19 £
Income							
Donations and legacies							0
Income from monetary investments	2	1,342	1,319				2,661
Income from investment properties	5	13,778					13,778
Assessments on Churches	3	202,089					202,089
Capital Receipts							0
Grants received	4	37,000					37,000
Other charitable income		417					
Total income		254,626	1,319	-	-	-	255,945
Expenditure							
Grants and donations	6	1,932					1,932
Salaries and associated costs	7	181,357					181,357
Property maintenance	9	27,020					27,020
Connexional assessment & model trust l	8		2,821				2,821
District Assessment & Levy	8	43,447					43,447
Depreciation							0
Office expenses	11	1,906					1,906
Other outgoings	12	3,311					3,311
Total charitable expenditure		258,973	2,821	0	0	0	261,794
Gains/(losses) on monetary investments			342				342
Gains/(losses) on investment properties							
Net income/(expenditure)		-4,347	-1,160	0	0	0	-5,507
Transfers between funds		10,000 -	10,000				0
Other gains/(losses)							
Net movement in funds		5,653	-11,160	0	0	0	-5,507
Total funds brought forward		1,461,108	102,331				1,563,439
Total funds carried forward		1,466,761	91,171	-	-	-	1,557,932

Black Country Circuit

Balance Sheet

As at 31 August 2020

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2019/20 £	Totals 2018/19 £
Fixed Assets								
Circuit Manses & Equipment	12	855,000					855,000	855,000
Investment properties	13	415,000					415,000	415,000
Investments	14		78,650				78,650	91,171
Total fixed assets		**1,270,000**	**78,650**	**0**	**0**	**0**	**1,348,650**	**1,361,171**
Current Assets								
Debtors	16	2,154					2,154	437
Loans by the Circuit							0	
Investments with TMCP							0	
Central Finance Board Deposits	13	191,537					191,537	193,742
Cash at Bank and in hand	13	40,676					40,676	44,297
Total current assets		**234,367**	**0**	**0**	**0**	**0**	**234,367**	**238,476**
Current liabilities								
Creditors (due in under 1 year)	15	42,148					42,148	41,715
Grants payable within 2018-19							0	
Total current liabilities		**42,148**	**0**	**0**	**0**	**0**	**42,148**	**41,715**
Net current assets/liabilities		**192,219**	**0**	**0**	**0**	**0**	**192,219**	**196,761**
Total assets less current liabilities		**1,462,219**	**78,650**	**0**	**0**	**0**	**1,540,869**	**1,557,932**
Long term liabilities (due after more than one year)								
Grants payable after 2018-19							0	
Loans to the Circuit							0	
							0	
Net assets		**1,462,219**	**78,650**	**0**	**0**	**0**	**1,540,869**	**1,557,932**
Funds of the Circuit								
General Fund (Unrestricted)		1,462,219					1,462,219	1,466,761
Circuit Model Trust Fund (Unrestricted)			78,650				78,650	91,171
Designated Funds (Unrestricted)				0			0	
Total Unrestricted Funds							1,540,869	1,557,932
Restricted Funds					0		0	
Endowment Funds						0	0	
Total Funds		**1,462,219**	**78,650**	**0**	**0**	**0**	1,540,869	**1,557,932**

Signed

J Miller
Circuit Treasurer

Date 20 March 2021

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2020

1. Accounting policies

i Accounting Standard
The financial statements have been prepared under the Charities Act 2011 in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective from 1 January 2015) – (Charities SORP (FRS102)).

ii Public Benefit Entity
The Black Country Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

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. The accruals basis has been used and the Trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

iv Content
The financial information 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 Going concern
Based on the monetary assets and human resources available at 31 August 2019, the Trustees believe that the Circuit is a going concern.

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

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

viii Expenditure
This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

ix Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant.without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

x VAT

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

xi Tangible fixed assets for use by the Circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at 2015 values following a revaluation of the properties by an independent valuer. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material

2. Income from Monetary Investments

	Unrestricted £	CMTF £	£2020		Unrestricted £	CMTF £	2019 £
CFB	1,450		1,450		1,342		1,342
TMCP		961	961			1,319	1,319
Other							
Total	1,450	961	2,411		1,342	1,319	2,661

Assessments on Churches

The Circuit comprises of 17 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. During 2017 the Circuit adopted a new method of raising its assessments in order to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method takes account, to some degree, of membership, attendance, income and reserves but the increases are then reconsidered to ensure that no one church bears the brunt of a large increase (or decrease) in their assessment. Churches who are able to pay a little more than required help to offset the burden on struggling churches.

4. Grants receivable

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
District Advance Fund	20,000		20,000		20,000		20,000
Connexion	17,000		17,000		17,000		17,000
Total	37,000		37,000		37,000		37,000

5. Property Rentals

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
2 Woodman Close	7,389		7,389		6,933		6,933
1A New Street	6,845		6,845		6,845		6,845
Total	**14,234**		**14,234**		**13,778**		**13,778**

Income from letting each of the properties (which are manses that are currently surplus to Circuit requirements) is shown net of repair costs and letting agents fees.

6. Grants and donations

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Fund for the support of presbyters and deacons	720		720		720		720
Methodist Church Fund for Property	210		210		212		212
Flood Relief Donation	200		200				
Wednesbury					1,000		1,000
Total	**1,130**		**1,130**		**1,932**		**1,932**

7. Salaries and associated costs

Presbyters	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Stipends and allowances	102,123		102,123		98,769		98,769
National Insurance	9,386		9,386		9,022		9,022
Pension Costs	26801		26,801		26,066		26,066
Sub total	**138,310**		**138,310**		**133,857**		**133,857**
Telephone and Travel	10,665		10,665		14,386		15,475
Postage & Stationery	3,533		3,533		14,386		15,475
Miscellaneous	2,899		2,899		1,630		1,630
Total	**155,407**		**155,407**		**149,873**		**149,873**

Lay Workers	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Salaries and allowances	34,586		34,586		27,120		27,120
National Insurance	2,388		2,388		2,468		2,468
Pension Costs	2,032		2,032		1,300		1,300
Sub total	**39,006**		**39,006**		30,888		30,888
Telephone and Travel	588		588		581		581
Miscellaneous					15		15

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2020

Lay Workers	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Total	39,594		39,594		31,484		31,484
Grand Total	195,001		195,001		181,357		181,357

Stipends were paid to 4 full time Presbyters. Salaries were paid to one full time and one part time lay worker.

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

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

On the other hand, any lay employees of the Circuit would be contractual employees and would have the option of joining a pension scheme which the Circuit would arrange with The Pension Trust.

Costs of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (CLT) are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the properties The value of Council Tax and water charges is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

Payments to Trustees

Apart from the 4 Presbyters no member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in particular cases.

8. District Assessment and levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shrewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMT at 31 August in the previous accounting year.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
District Assessment	43,655		43,655		43,447		43,447
District Levy		2,463	2,463			2,821	2,821
Total	**43,655**	**2,463**	**46,118**		**43,447**	**2,821**	**46,268**

9. Property costs

The Circuit is Managing Trustee for 6 properties. All are manses or former manses with two former manses being let out on 6 month renewable shorthold leases.

		£2020	£2019
Insurance, Council tax & utilities		13,299	13,710
General maintenance on manses and other Circuit properties		11,104	13,310
Total		**24,403**	**27,020**

10. Other outgoings

	Unrestricted General Fund £	Circuit Model Trust Fund £	£2020		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Visiting preachers					785		785
Benevolent Fund	327		327		388		388
Apprenticeship levy and payroll fee	1,122		1,122		1,236		1,236
Gifts	522		522		66		66
Miscellaneous	429		429		836		836
Total	2,400		2,400		3,311		3,311

11. Office Expenses

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Website	215		215		191		191
Printing postage and stationery & telephone	2,242		2,242		1,373		1,373
Computer costs					282		282
Furniture					60		60
Twelve Baskets	428		428				
Office rent	1,040		1,040				
Total	3,925		3,925		1,906		1,906

12. Tangible fixed assets

	Manses £	Investment properties £	Other fixed assets inc. motto vehicles	Fixtures, fittings and equipment	Total £
Balances brought forward	855,000	415,000	0	0	1,270,000
Depreciation	0	0	0	0	0
Balances carried forward	**855,000**	**415,000**	**0**	**0**	**1,270,000**

Net book value

Brought forward	855,000	415,000	0	0	1,270,000
Carried Forward	855,000	415,000	0	0	1,270,000

Investment properties consist of two former manses currently let on 6 monthly renewable short term leases.

13. Central Finance Board (CFB) and Bank Balances

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
CFB	191,537		191,537		193,742		193,742
HSBC Bank	40,676		40,676		44,297		44,297
Cash	0		0		0		0
Total	**232,213**		**232,213**		**238,039**		**238,039**

14. Trustees for Methodist Church Purposes (TMCP)

	Circuit Model Trust Fund £	Endowments £	2020 £		Circuit Model Trust Fund £	Endowments £	2019 £
MTF	78,650		78,650		91,171		91,171
Total	**78,650**		**78,650**		**91,171**		**91,171**

The funds that support the Circuit Model Trust Fund are held by TMCP in the Trustees Interest Fund on which interest is credited each month. TMCP is the legal owner and custodian trustee of all Methodist model trust property including legacies, endowments and accumulated funds.

15. Creditors, Accruals and Income in advance

It is expected that all sums accrued at 31 August 2019 will be paid in the year to 31 August 2020.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Income in advance							
Assessments in advance	38,764		38,764		40,418		40,418
Creditors and accruals							
Assessments overpaid							
Ministers and other expenses	1,256		1,256		1,152		1,152
Property costs	2,128		2,128		40		40
Office					105		105
Other							
Total	**42,148**		**42,148**		**41,715**		**41,715**

16. Debtors

	Unrestricted General Fund £	Circuit Model Trust Fund £	2020 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £
Assessments overdue	1,834		1,834				
Ministers and other expenses	320		320		411		411
Property costs					26		26
Total	**2,154**		**2154**		**437**		**437**

17. Capital Commitments and Contingent Liabilities

As at 31 August 2020 the Circuit had no capital commitments. No contingent liabilities were identified at 31 August 2020.

18. Summary of Unrestricted Fund movements

	Opening Balance £	Income £	Gains on investments £	Expenditure £	Transfers £	Closing balance £	Purpose of the fund
General	1,466,761	255,973		(270,515)	10,000	1,462,219	General purposes
Circuit Model Trust Fund	91,171	961	(1,020)	(2,462)	(10,000)	78,650	General purposes
Total	**1,557,932**	**255,945**	**(1,020)**	**(272,977)**		**1,540,869**	

19. Related Parties

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Beaches Road
Charlemont
Hallam Street
Hill Top
Lea Brook
Methodist Centre
Moorlands
New Road
Park
Roseville
Ryders Green
St Andrews
Tipton Green
Toll End
Wesley
Wednesbury Central
Woods

20. Leasing commitments

At 31 August 2020 the Circuit had no leasing commitments.