

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

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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.

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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.

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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.

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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 notwithstanding 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.

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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

Black Country Circuit

Trustees' Annual Report *(continued)*

Year ended 31 August 2023

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.

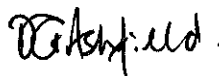
Following the lifting of COVID-19 restrictions over the last connexional year and life starting to return to normal, both Foundation Module and Advanced Module trainings have resumed. These have been conducted both online (using Zoom) and face-to-face. This approach has proved successful and will continue 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

			2023		2022
		General fund	Circuit model		
	Note	(unrestricted)	trust	Total funds	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		<u>230,024</u>	<u>13,389</u>	<u>243,413</u>	<u>872,218</u>
Expenditure					
Expenditure on charitable activities	7	254,589	24,212	278,801	499,284
Total expenditure		<u>254,589</u>	<u>24,212</u>	<u>278,801</u>	<u>499,284</u>
Net losses on investments		–	1,210	1,210	1,939
Net (expenditure)/income and net movement in funds		<u>(24,565)</u>	<u>(12,033)</u>	<u>(36,598)</u>	<u>370,995</u>
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		<u>1,488,376</u>	<u>381,059</u>	<u>1,869,435</u>	<u>1,906,033</u>

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.

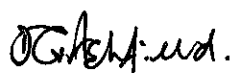
Black Country Circuit

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
		<u>1,270,000</u>	<u>1,270,000</u>
Current assets			
Debtors	14	15,064	13,193
Investments	15	381,059	480,416
Cash at bank and in hand		234,129	170,396
		<u>630,252</u>	<u>664,005</u>
Creditors: amounts falling due within one year	16	30,817	27,972
Net current assets		<u>599,435</u>	<u>636,033</u>
Total assets less current liabilities		<u>1,869,435</u>	<u>1,906,033</u>
Net assets		<u>1,869,435</u>	<u>1,906,033</u>
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	<u>1,869,435</u>	<u>1,906,033</u>

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.

Black Country Circuit

Notes to the Financial Statements

Year ended 31 August 2023

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.

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

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 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 entitled 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

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

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
	<u>201,777</u>	<u>201,777</u>	<u>202,298</u>	<u>202,298</u>

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	–	–	–
	<u>22,190</u>	<u>13,389</u>	<u>35,579</u>

	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
	<u>6,210</u>	<u>662,459</u>	<u>668,669</u>

6. Other income

	General fund (unrestricted)	Total Funds 2023	General fund (unrestricted)	Total Funds 2022
	£	£	£	£
Other charitable income	<u>6,057</u>	<u>6,057</u>	<u>1,251</u>	<u>1,251</u>

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

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
	<u>254,589</u>	<u>24,212</u>	<u>278,801</u>	<u>256,865</u>	<u>242,419</u>	<u>499,284</u>

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
	<u>–</u>	<u>–</u>	<u>–</u>	<u>961</u>	<u>–</u>	<u>961</u>

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
	<u>42,960</u>	<u>28,650</u>	<u>71,610</u>	<u>43,194</u>	<u>2,014</u>	<u>45,208</u>

Property costs

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

Black Country Circuit

Notes to the Financial Statements (continued)

Year ended 31 August 2023

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 manse 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
	<u>42,639</u>	<u>—</u>	<u>42,639</u>	<u>40,014</u>	<u>—</u>	<u>40,014</u>

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
	<u>30,672</u>	<u>—</u>	<u>30,672</u>	<u>2,612</u>	<u>—</u>	<u>2,612</u>

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
	<u>2,273</u>	<u>—</u>	<u>2,273</u>	<u>4,190</u>	<u>—</u>	<u>4,190</u>

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

8. Independent examination fees

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

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
	<u>136,045</u>	<u>—</u>	<u>136,045</u>	<u>165,894</u>	<u>—</u>	<u>165,894</u>

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
	<u>113,382</u>	<u>—</u>	<u>113,382</u>	<u>108,535</u>	<u>—</u>	<u>108,535</u>
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
	<u>118,455</u>	<u>—</u>	<u>118,455</u>	<u>121,170</u>	<u>—</u>	<u>121,170</u>

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

9. Staff costs (continued)

Lay workers	Unrestricted	Circuit		Unrestricted	Circuit	
	General	Model Trust	2023	General	Model Trust	2022
	Fund 2023	Fund 2023	£	Fund 2022	Fund 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 manse is 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.

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

12. Tangible fixed assets

	Freehold property £
Cost	
At 1 September 2022	855,000
Transfers	(180,000)
At 31 August 2023	<u>675,000</u>
Depreciation	
At 1 September 2022 and 31 August 2023	<u>—</u>
Carrying amount	
At 31 August 2023	<u>675,000</u>
At 31 August 2022	<u>855,000</u>

13. Investments

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

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	<u>15,064</u>	<u>13,193</u>

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

15. Investments

	2023 £	2022 £
Model Trust Fund	<u>381,059</u>	<u>480,416</u>

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	<u>29,747</u>	<u>22,225</u>
	<u>30,817</u>	<u>27,972</u>

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)
	<u>(1,906,033)</u>	<u>(243,413)</u>	<u>1,210</u>	<u>–</u>	<u>278,801</u>	<u>(1,869,435)</u>

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	<u>1,488,376</u>	<u>381,059</u>	<u>1,869,435</u>

	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	<u>1,425,617</u>	<u>480,416</u>	<u>1,906,033</u>

Black Country Circuit

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

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