

Trustees' Annual Report
and Financial Statements
for the year
1st September 2018 to 31st August 2019

registered charity number 1132306

Kennet and Test Valley Methodist Circuit
registered charity number 1132306

Trustees' Annual Report for year to 31st August 2019

1 Objectives and activities

1.1 Charity objectives

As set out in the Methodist Church Act 1976 (clause 4).

Synopsis: Advancement of religion and any charitable purpose of the Methodist Church or church organisation.

1.2 Main activities

1. The provision of regular public acts of worship open to members of the church and non-members alike.
2. The teaching of Christianity through sermons, courses and small groups.
3. Pastoral work including visiting the sick and bereaved.
4. Promotion of Christianity through the staging of events and services.

1.3 Public benefit

The trustees have had regard to the guidance issued by the Charity Commission on public benefit.

1.4 Grant-making policy

The Circuit Model Trust Fund consists of proceeds of sale of property no longer required for charity purposes. From time to time grants are made from this fund to local churches towards projects with a strong mission purpose. Normally the maximum grant is one third of the estimated project cost.

2 Achievements and performance

In the Methodist Church structure, a circuit is a grouping of local churches. Ministers are stationed to circuits rather than to churches directly. The circuit also depends on the contribution made by many volunteers, such as local preachers, without whom its functioning would be impossible. The main function of the circuit is to organise the deployment of the ministers and volunteers in an effective manner. This includes the provision and maintenance of manses to house the ministers.

Rev Carmel Ieraci left the circuit at the year end to take up a new appointment in Maidenhead. A leaving service was held on 20th July 2019 to celebrate her work in the circuit. The process of finding a replacement proved difficult. In the end, Rev Andy Fitchet, a Baptist minister, was appointed under special provisions for the next two connexional years, to serve in the two churches at Andover.

Towards the end of last year, Karen Frost was appointed as a Pastoral Development Worker to focus on work amongst the older age groups with links to our churches. To this end, she has established the Evergreen Fellowship at Newbury and reintroduced Holiday at Home at Lambourn.

A Circuit Administrator, Martin Borgars, was appointed from 1st July 2019. He will work closely with the superintendent minister on administrative and property matters.

Several different options have been investigated by Andover (Bridge Street) church regarding the development of the property there. At the year end it was anticipated that an outline of the scheme thought to be most suitable would be brought to the next Circuit Meeting. Currently the proceeds of sale of the Lambourn properties are held in the Circuit Model Trust Fund, and the circuit will determine how much of this money should be assigned to the revised scheme at that meeting.

The Safeguarding Policy was updated. Refresher training was undertaken as necessary. Worship Leaders and Local Preachers completed a new advanced level course, as required by the connexion.

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GDPR work has continued in the circuit and local churches. It has been made a mandatory agenda item at all church council meetings.

As last year, a group of young people and their leaders attended the 3Generate Youth and Children Gathering, with financial support from the circuit.

A decision was taken by the church council at Kintbury to close the church for worship by the end of the connexional year, and this was endorsed by the circuit. A final service was held there on 18th August 2019. The circuit acknowledges the good work that has taken place at Kintbury over many years and the dedication of members there. Sadly, dwindling numbers and the advancing age of those remaining has made this decision necessary. The property will become the responsibility of the circuit at the beginning of the next connexional year.

Members were encouraged to attend discussion groups organised by the district on the subject of a connexional report on Marriage and Relationships. Some reading material has been circulated that summarises the main points for and against any change in the church's position, in anticipation of further discussion next year.

3 Financial review

The main source of regular income is the assessment paid by the ten churches. In turn, the circuit pays assessments to the Southampton District and the Methodist Church Fund.

The circuit's financial position at the year end was again strong. The total of the assessments was kept the same as the previous year. A part-time Circuit Administrator was employed from July 2019 to assist with administrative and property matters.

It is the charity's policy ordinarily to maintain General Fund reserves of six to nine months' typical outgoings, so as to be able to continue funding usual activities even in the event of a church being unable to pay its full assessment. At £138,006, the General Fund balance at the year end represented around nine months' normal expenditure, down from ten months a year ago. This was a planned reduction, and it is anticipated that it will fall further with the Circuit Administrator in post all year.

The closing balance of the Property Fund, designated for managing all the circuit's property in both short and long term, was £71,667, a small increase on the previous year's figure of £66,774. Significant refurbishment was undertaken on the Andover manse at the changeover of ministers.

One grant was made during the year: £7,580 to Thatcham towards upgrading of the premises, which will benefit both the church and the community groups that meet there.

The Circuit Meeting designated an initial sum of £2,000 to be made available for the support of projects in the churches that were thought by the CLT to be useful undertakings outside the church's normal work, as an encouragement to embark on such ventures. No applications have yet been received for such funding, so the £2,000 remains available.

During the year the balance in the Youth Fund (a restricted fund) was used up in supporting attendance of young people at the 3Generate Youth and Children Gathering. The fund was therefore closed at the year end. Any future expenditure on such activities will be met from the General Fund.

The trustees have no reason to doubt the circuit's ability to continue functioning as a going concern. No funds or subsidiary undertakings were in deficit at the year end.

4 Structure, governance and management

4.1 Governing documents

Act of Parliament (Methodist Church Act 1976) and Deed of Union (1932).

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4.2 Charity constitution

Trust.

4.3 Trustee selection

Some ex-officio (because they are ordained ministers)

Most appointed by Circuit Meeting, Local Preachers Meeting or Local Church Councils

4.4 Trustee training

A range of guidance is produced by the Methodist Church which is available on its web site at:

<http://www.methodist.org.uk/ministers-and-office-holders/managing-trustees>

4.5 Structure

The circuit is part of the Southampton Methodist District and is ultimately accountable to the Methodist Conference.

4.6 Risks

These are discussed by Circuit Leadership Team from time to time and reported to the Circuit Meeting where necessary. Professional advice is taken as required.

4.7 Safeguarding

A comprehensive safeguarding policy has been adopted. This includes training for individuals as appropriate and supervision of the safeguarding processes in the churches within the circuit.

5 Reference and administrative details

5.1 Charity name

Kennet and Test Valley Methodist Circuit.

5.2 Charity registration

Registered in England and Wales with charity number 1132306.

5.3 Principal address

11 Lapwing Rise Whitchurch RG28 7SU

5.4 Managing trustees

Name	Office	Dates (if not whole year and thereafter)	Appointed by
Rachel Borgars	Superintendent Minister (chairman)		Methodist Conference
Peter Bennett	Minister		Methodist Conference
Carmel Ieraci	Minister	To 31/08/19	Methodist Conference
Karen Frost	Pastoral Development Worker		Circuit Meeting
Helen Cook	Circuit Steward		Circuit Meeting
Trevor Wills	Circuit Steward		Circuit Meeting
Peter Howson	Supernumerary Minister		Ex officio
David Read	Supernumerary Minister		Ex officio
Stephen Sankey	Supernumerary Minister		Ex officio
Colin Scarrett	Supernumerary Minister		Ex officio
Jennifer Ellis	Other Minister		Ex officio
Stephen Greenhalgh	Circuit Treasurer		Circuit Meeting

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Moira Smith	Circuit Meeting Secretary	To 31/08/19	Circuit Meeting
Christine Thomas	Local Preachers Meeting Secretary		Local Preachers Meeting
Janice Schofield	Safeguarding Representative		Circuit Meeting
Helen Watson	Local Preacher		Local Preachers Meeting
Rosemary Greenhalgh	Local Preacher		Local Preachers Meeting
Ann Hopwood	Church Steward		Andover Bridge Street CC
Julia Mundin	Joint Church Treasurer		Andover Bridge Street CC
Genifer Cowling	Joint Church Treasurer		Andover Bridge Street CC
Andrew Fendick	Church Steward		Andover St Andrews CC
Brenda Daykin	Church Steward		Andover St Andrews CC
Richard Kelly	Church Steward		Hungerford CC
Jennifer Bartter	Church Treasurer		Hungerford CC
Wendy Morgan	Church Steward		Kingsclere CC
Jennifer Juniper	Church Treasurer		Kingsclere CC
Brian Muttram	Church Steward	To 23/07/19	Kintbury CC
Elaine Fletcher	Church Treasurer	To 31/08/19	Kintbury CC
Melanie Morgan-Jones	Church Steward		Lambourn CC
Gareth Davies	Church Treasurer		Lambourn CC
Alison Hutchins	Church Steward		Newbury CC
Gordon West	Church Treasurer	To 30/06/19	Newbury CC
Sarah Ross	Church Steward		Overton CC
Susan Sankey	Church Steward	To 31/08/19	Overton CC
Mary Armstrong	Church Steward		Thatcham CC
Stuart Armstrong	Church Treasurer		Thatcham CC
Helen Mehaffey	Church Steward		Whitchurch CC
John Waterer	Church Treasurer		Whitchurch CC
Tandy Davies	Church Representative		Andover Bridge Street CC
Susan Evans	Church Representative		Andover Bridge Street CC
Janet Woodward	Church Representative		Andover Bridge Street CC
Joy Fisher	Church Representative	To 31/08/19	Andover St Andrews CC
Moya Dixon	Church Representative		Hungerford CC
Andrew Billington	Church Representative		Kingsclere CC
Doris Vaughan	Church Representative		Newbury CC
David Vaughan	Church Representative		Newbury CC
Ray Hoyle	Church Representative		Thatcham CC
Howard Fletcher	Church Representative		Thatcham CC
Barry Jackman	Church Representative		Whitchurch CC

The following became trustees after the year end and before the approval of the report and accounts.

Andrew Fitchet	Minister	Methodist Conference
Elaine Rawlings	Supernumerary Minister	Ex officio
Jeanette Smith	Church Treasurer	Newbury CC

CC = Church Council

5.5 Custodian trustee

Trustees for Methodist Church Purposes (a body corporate)

6 Exemptions from disclosure

No trustee claims exemption from disclosure of his or her name.

7 Funds held as custodian trustee on behalf of others

No funds are held as custodian trustee. However, during the year sums were collected from the churches for various funds within the connexion and paid over to those funds, as reported in the notes to the accounts. These sums do not form part of the circuit's income as their use is not within its control.

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8 Additional information: Advisors

8.1 Independent examiner

Claire Connell
86 Silverdale Road Earley Reading RG6 7LT

8.2 Bankers

CAF Bank Ltd
25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ

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

8.3 Investment manager

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

8.4 Solicitor

Bull & Co
41B London Street Andover SP10 2NU

8.5 Surveyor

WG Sykes
15 London Street Andover SP10 2NU

8.6 Property letting agents

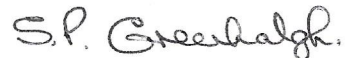
Rockwood Ltd (trading as Belvoir Lettings)
18 Bridge Street Andover SP10 1BH

Blindspot Enterprises Ltd (trading as Belvoir Lettings)
54 Northbrook Street Newbury RG14 1AN

9 Declarations

The trustees declare that they have approved the trustees' report above.
Signed on behalf of the charity's trustees:

Signature



Full Name

Rev Rachel Jane Borgars

Stephen Paul Greenhalgh

Position

Superintendent minister
(Chairman of trustees)

Circuit Treasurer

Date

29th January 2020

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Statement of Financial Activities for year to 31st August 2019

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Prior year total
Income and endowments from:						
Donations and legacies	5		2,160		2,160	3,181
Charitable activities	6	157,200			157,200	157,200
Investments	7	50,904	2,563		53,467	53,998
Other income	8	320	72		392	124,188
Total		208,424	4,795		213,219	338,567
Expenditure on:						
Stipends, salaries, NIC and pensions	9	113,952			113,952	100,977
District Assessment		6,036			6,036	7,056
Methodist Church Fund		28,476			28,476	34,908
Telephone and travel	10	13,852			13,852	10,570
Insurance, utilities etc.	11	13,122			13,122	13,273
Maintenance of manses	12	22,024			22,024	8,239
Other circuit property	13	7,118	1,877		8,995	10,035
Depreciation	17					
Provisions	24					
Other expenditure	14	12,477	4,345		16,822	137,495
Grants and donations	15	7,580			7,580	14,350
Levy to District Advance Fund		13,421			13,421	1,826
Total		238,058	6,222		244,280	338,729
Net operating income/(expenditure)		(29,634)	(1,427)		(31,061)	(162)
Net gains/(losses) on investment assets		1,184		923	2,107	(5,134)
Net income/(expenditure)		(28,450)	(1,427)	923	(28,954)	(5,296)
Transfers between funds	16	(610)	610			
Net movement in funds		(29,060)	(817)	923	(28,954)	(5,296)
Reconciliation of funds:						
Total funds brought forward		2,170,050	24,435	169,702	2,364,187	2,369,483
Total funds carried forward		2,140,990	23,618	170,625	2,335,233	2,364,187

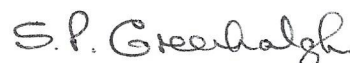
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Balance Sheet for year to 31st August 2019

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Prior year total
Fixed assets						
Tangible assets	17	900,000			900,000	900,000
Investment assets	18	861,669		170,625	1,032,294	1,030,188
Total fixed assets		<u>1,761,669</u>		<u>170,625</u>	<u>1,932,294</u>	<u>1,930,188</u>
Current assets						
Debtors and prepayments	19	11,325			11,325	13,229
Cash at bank and in hand	20	9,121			9,121	22,899
TMCP deposits	21	266,317			266,317	295,615
Central Finance Board deposits	22	113,447	23,739		137,186	127,415
Other assets						
Total current assets		<u>400,210</u>	<u>23,739</u>		<u>423,949</u>	<u>459,158</u>
Creditors and accruals (due in under 1 year)	23	20,889	121		21,010	25,159
Net current assets/(liabilities)		<u>379,321</u>	<u>23,618</u>		<u>402,939</u>	<u>433,999</u>
Total assets less current liabilities		<u>2,140,990</u>	<u>23,618</u>	<u>170,625</u>	<u>2,335,233</u>	<u>2,364,187</u>
Provisions for liabilities	24					
Net assets		<u>2,140,990</u>	<u>23,618</u>	<u>170,625</u>	<u>2,335,233</u>	<u>2,364,187</u>
Funds of the circuit						
Unrestricted funds	25	2,140,990			2,140,990	2,170,050
Restricted funds	26		23,618		23,618	24,434
Endowment funds	27			170,625	170,625	169,703
Total Funds		<u>2,140,990</u>	<u>23,618</u>	<u>170,625</u>	<u>2,335,233</u>	<u>2,364,187</u>

Signature





Full Name

Rev Rachel Jane Borgars

Stephen Paul Greenhalgh

Position

Superintendent minister
(Chairman of trustees)

Circuit Treasurer

Date

29th January 2020

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Notes to the accounts for year to 31st August 2019

1 Accounting policies

1.1 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 Standard applicable in the UK and Republic of Ireland (FRS 102), effective from 1st January 2015 [FRS 102 SORP 2015]. They have been prepared in accordance with applicable charity law in England, this being the Charities Act 2011 and SI 2008/629 (Charities Accounting and Reporting Regulations).

The transition date as defined by FRS 102 was 1st September 2015.

1.2 Public benefit entity

The circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transition value unless otherwise stated in the relevant accounting policy note(s) below.

1.3 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 to show a true and fair view of the circuit's financial position and activities.

1.4 Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are presented in pounds sterling, rounded to whole pounds.

1.5 Going concern

Based on the monetary assets and human resources available at 31st August 2019, the trustees believe that the circuit is a going concern.

1.6 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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1.7 Income recognition

Income is included in the Statement of Financial Activities (SOFA) when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming.

Where the circuit is merely acting as agent in collecting and passing on contributions to various connexional funds, these transactions are not reflected in the SOFA as they are not income of the circuit. Instead they are disclosed in the Notes to the Accounts as required by Charities SORP (FRS 102) (see note 30).

In accordance with the SORP, no financial value is included in the accounts for the contribution of unpaid volunteers. However, the circuit gratefully acknowledges their contribution and recognises that it would be unable to function without such help. If goods are donated, a value will be shown in the SOFA or Notes to the Accounts where the value is considered material.

1.8 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.

1.9 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 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 to be accrued 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 in accordance with the originally agreed terms.

1.10 VAT

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

1.11 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 £1,000.

The circuit has made use of the deemed cost option on transitioning to FRS 102. The value of the manses (freehold) is shown in the accounts at deemed historical cost, representing each property's carrying value as at 1st September 2015.

No depreciation is provided on the manses because the trustees consider the current residual value of each one in its present condition to be not less than its historical cost. In the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would not be material.

1.12 Investment properties

The circuit holds three houses which are not required for the long term purposes of the charity. These are rented out on a commercial basis to provide income which is credited to the Property Fund.

Any sale of property is normally subject to a connexional levy of 20% of the net proceeds up to £100,000 and 40% thereafter. Properties are therefore carried in the accounts at their net value after taking into account this levy.

From time to time the circuit may be required to assume responsibility for church premises following closure and cessation of worship. This results in the circuit becoming managing trustees for the property. At that time the property is recognised as an asset at its anticipated net sale price after taking into consideration the levy to be charged by the connexion.

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1.13 Monetary investments

The circuit's investments are in monetary assets classified as basic financial instruments under FRS 102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

1.14 Debtors and prepayments

Debtors and prepayments relate to the payment of the September stipend in August, that part of the insurance premium for next year paid in advance and miscellaneous accrued income.

1.15 Creditors

Creditors include the assessments for the first quarter of next year received in August, accrued staff expenses and miscellaneous accrued expenditure.

1.16 Funds

The trustees adopt a policy for all unrestricted reserves at the end of each accounting year.

2 Glossary of terms

CFB: Central Finance Board of the Methodist Church, which manages a common deposit fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities.

Circuit: A group of Methodist churches in a geographical area.

Circuit meeting: The trustees of the circuit, who hold specific offices in the circuit or are appointed by their local churches or others.

CLT (Circuit Leadership Team): A group consisting of the ministers, stewards and treasurer of the circuit, responsible for day-to-day administration and policy formulation.

CMTF: Circuit Model Trust Fund.

Connexion: The Methodist Church in Great Britain, which includes the head office at Methodist Church House and all Methodist districts, circuits and churches in Great Britain.

Connexional funds: The designated and restricted funds held and administered by the connexion in furtherance of its charitable and mission objectives, the main one being the Methodist Church Fund (MCF).

District: A group of Methodist circuits in a geographical area.

FRS: Financial Reporting Standard.

SOFA: Statement of Financial Activities.

SORP: Statement of Recommended Practice.

TMCP: Trustees for Methodist Church Purposes, a body corporate.

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3 Funds

The funds held constitute:

3.1 Unrestricted Funds

Name	Purpose
General Fund	General circuit purposes
Property Fund	Designated for managing circuit property
Estates Fund	Designated as capital value of manses and investment properties
Circuit Model Trust Fund	Wide purposes defined in standing orders

3.2 Restricted Funds

Name	Purpose / Restrictions
Compton Pulpit Fund	Support of the circuit ministry
Youth Fund	Youth work (now closed)
Royle Trust Income Fund	Maintenance of the Thatcham (former) manse
The Forge Fund	Held on behalf of residents of The Forge collectively for maintenance and repair of road leading to Hungerford former manse (now investment property)

3.3 Endowment Funds

Name	Investment / Income
Arthur Newbery Trust	TMCP trust 5747 - permanent endowment Income unrestricted: paid to General Fund
Royle Trust	TMCP trust 11199 - capital restricted uses Income restricted: paid to Royle Trust Income Fund

Details of each fund are disclosed in notes 25-27. Any fund may be represented by more than just cash.

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4 Prior year

4.1 Restatement of comparative figures

No restatement of prior year figures has been necessary.

4.2 Comparative SOFA from prior year's accounts

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
Income and endowments from:				
Donations and legacies		3,181		3,181
Charitable activities	157,200			157,200
Other trading activities				
Investments	51,472	2,526		53,998
Other income	124,006	182		124,188
Total	332,678	5,889		338,567
Expenditure on:				
Stipends, salaries, NIC and pensions	100,977			100,977
District Assessment	7,056			7,056
Methodist Church Fund	34,908			34,908
Telephone and travel	10,570			10,570
Insurance, utilities etc.	13,273			13,273
Maintenance of manses	8,239			8,239
Other circuit property	8,644	1,391		10,035
Other expenditure	134,826	2,669		137,495
Grants and donations	14,350			14,350
Levy to District Advance Fund	1,826			1,826
Total	334,669	4,060		338,729
Net operating income/(expenditure)	(1,991)	1,829		(162)
Net gains/(losses) on investment assets	(11,873)		6,739	(5,134)
Net income/(expenditure)	(13,864)	1,829	6,739	(5,296)
Transfers between funds	(12)	12		
Net movement in funds	(13,876)	1,841	6,739	(5,296)
Reconciliation of funds:				
Total funds brought forward	2,183,926	22,593	162,964	2,369,483
Total funds carried forward	2,170,050	24,434	169,703	2,364,187

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5 Donations and legacies

	Unrestricted	Restricted	Total	Prior year
Donations (monetary)		2,160	2,160	3,181
Legacies				
Total donations and legacies		2,160	2,160	3,181

6 Charitable activities

During the year the circuit comprised ten churches as listed below; Kintbury Church closed at the year end. Each church pays an assessment which is determined on the basis of its membership, average adult attendance at the main weekly act of worship and income from offerings and gift aid tax refund. All assessments were paid.

	Unrestricted	Restricted	Total	Prior year
Assessment: Andover (Bridge Street)	36,156		36,156	34,740
Assessment: Andover (St Andrews)	9,996		9,996	11,172
Assessment: Hungerford	9,780		9,780	10,152
Assessment: Kingsclere	5,772		5,772	6,396
Assessment: Kintbury	3,504		3,504	3,228
Assessment: Lambourn	5,376		5,376	6,588
Assessment: Newbury	40,032		40,032	36,648
Assessment: Overton	7,932		7,932	8,160
Assessment: Thatcham	21,012		21,012	22,260
Assessment: Whitchurch	17,640		17,640	17,856
Miscellaneous				
Total charitable activities	157,200		157,200	157,200

7 Investment income

	Unrestricted	Restricted	Total	Prior year
Central Finance Board	8,304	2,563	10,867	9,898
Rental income: 5 The Forge Hungerford	16,500		16,500	18,000
Rental income: 1 Grassmead Thatcham	15,000		15,000	15,000
Rental income: 133 Weyhill Road Andover	11,100		11,100	11,100
Miscellaneous				
Total investment income	50,904	2,563	53,467	53,998

8 Other income

	Unrestricted	Restricted	Total	Prior year
Property Fund: Insurance claim (Andover manse)	320		320	1,261
CMTF: Net sale proceeds (Lambourn properties)				122,745
Youth Fund: Other				110
The Forge Fund: Other		72	72	72
Total other income	320	72	392	124,188

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9 Paid staff

The ministers were Rev Rachel Borgars, Rev Peter Bennett and Rev Carmel Ieraci. Their stipends and employer contributions to the Methodist Ministers Pension Scheme (a defined benefit scheme) were paid at the rates agreed annually by the Methodist Conference.

Lay staff were a Pastoral Development Worker, Karen Frost, and (from 1st July 2019) a Circuit Administrator, Martin Borgars, who each worked for 20 hours per week. Their remuneration was set in line with the principles of the Methodist Church's policy for payment of lay employees.

All staff were paid at or above the living wage. No member of staff received pay and benefits in excess of £60,000. There is no accrual for holiday pay as it would be immaterial.

	Unrestricted	Restricted	Total	Prior year
Gross stipends and salaries	86,585		86,585	75,035
Employer's National Insurance	7,127		7,127	6,776
Pension costs	20,240		20,240	19,166
Total staff costs	113,952		113,952	100,977

Average number of full-time staff

3.6	3.125
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10 Telephone and travel

	Unrestricted	Restricted	Total	Prior year
Telephone	3,065		3,065	2,181
Travel	10,787		10,787	8,389
Total telephone and travel	13,852		13,852	10,570

11 Insurance, utilities etc.

	Unrestricted	Restricted	Total	Prior year
Insurance	3,871		3,871	3,933
Council tax	7,841		7,841	7,690
Water charges	1,410		1,410	1,632
Fuel (unoccupied premises)				18
Total insurance, utilities etc.	13,122		13,122	13,273

12 Maintenance of manses

	Unrestricted	Restricted	Total	Prior year
Whitchurch manse	6,264		6,264	1,070
Newbury manse	846		846	4,611
Hungerford manse (now an investment property)				(1,583)
Andover manse	14,914		14,914	4,141
Total maintenance on manses	22,024		22,024	8,239

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13 Other circuit property

	Unrestricted	Restricted	Total	Prior year
5 The Forge Hungerford	3,991		3,991	5,188
1 Grassmead Thatcham		1,877	1,877	3,778
133 Weyhill Road Andover	2,138		2,138	829
Compton graveyard	989		989	240
Total other circuit property	7,118	1,877	8,995	10,035

14 Other expenditure

	Unrestricted	Restricted	Total	Prior year
General Fund: Postage and administration	4,430		4,430	3,373
General Fund: Training	1,814		1,814	1,162
General Fund: Miscellaneous	1,402		1,402	1,358
Property Fund: Letting agent fees	4,240		4,240	4,233
Property Fund: Quinquennial inspections				1,809
Property Fund: Miscellaneous				
CMTF: administration	591		591	146
CMTF: Lambourn property sale outgoings (including CPF levy)				122,745
Youth Fund: 3Generate event		4,165	4,165	2,495
Royle Trust Income Fund: Miscellaneous		180	180	174
Total other expenditure	12,477	4,345	16,822	137,495

15 Grants

Grants are made from time to time from the CMTF to churches within the circuit towards projects identified as having a strong mission purpose. One such grant was made during the year:

£7,580 to Thatcham towards upgrading of the premises.

16 Transfers between funds

The reasons for the transfers between funds are as follows:

- £8,000 from General Fund to Property Fund (both unrestricted) for long term property maintenance.
- £12 from Property Fund (unrestricted) to The Forge Fund (restricted) for long term road maintenance.
- £598 from General Fund (unrestricted) to Youth Fund (restricted) to cover the deficit prior to its closure at the year end.

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17 Tangible assets

The circuit has three manses. See note 1.11 regarding value and depreciation policy.

There is also an active graveyard at Compton which is not capitalised as its realisable value is low and very uncertain. At the year end, these (and the investment properties described in note 18) were the only land and buildings held by the circuit, and no assets were under construction.

	Manses (freehold)	Other land and buildings	Other fixed assets	Fixtures fittings and equipment	Total
Fixed assets:					
Balance brought forward	900,000				900,000
Additions					
Revaluations					
Disposals					
Transfers					
Balance carried forward	900,000				900,000
Depreciation:					
Balance brought forward					
Depreciation charge for year					
Disposals					
Transfers					
Balance carried forward					
Net book value:					
Brought forward	900,000				900,000
Carried forward	900,000				900,000

Schedule of manse deemed costs:

	Land (40%)	Buildings (60%)	Total	Prior year
Whitchurch manse	141,080	211,620	352,700	352,700
Newbury manse	121,450	182,170	303,620	303,620
Andover manse	97,470	146,210	243,680	243,680
Total	360,000	540,000	900,000	900,000

18 Investment assets

The circuit's investments comprise:

- (a) Part of the unrestricted funds not needed in the short term.
Invested in TMCP trust 21974 to obtain a better return.
- (b) Three investment properties, houses which are rented out on a commercial basis:
 - 5 The Forge Hungerford
 - 1 Grassmead Thatcham
 - 133 Weyhill Road Andover
- (c) The two endowments described in notes 3.3 and 27.

TMCP is the legal owner and custodian trustee of all Methodist Model Trust property, including legacies, endowments and accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property.

TMCP provides guidance and direction to managing trustees, thus ensuring compliance with charity law and Methodist law and policy as determined by the Methodist Conference.

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All of the monetary investments (that is (a) and (c) above) are invested through TMCP in the common funds of the CFB. They are shown at fair value at the year end as determined by valuations provided by the CFB. In addition to its strong ethical policies, the CFB adopts a low risk strategy as regards investment. The risks to which the circuit is exposed are therefore low.

The market values of the investment properties at Hungerford, Thatcham and Andover were last determined as at 31st August 2016 by WG Sykes, a chartered surveyor with knowledge and experience of the property market in the area and in accordance with the valuation standards of the Royal Institution of Chartered Surveyors. The carrying values were then calculated from the market value as described in note 1.12.

The circuit does not anticipate being forced to realise the value of any of this property in a short timescale. It is therefore considered that the market risk is low.

The investment properties are rented out on assured shorthold tenancies. This would not substantially restrict or delay the circuit's ability to sell the property should an unexpected need arise.

	TMCP trust 21974 unrestricted	Investment properties unrestricted	Endowment funds	Total	Prior year
Carrying (fair) value at beginning of year	95,485	765,000	169,703	1,030,188	944,558
Additions to investment at cost					
Transfers					318,020
Disposals at carrying value					(227,000)
Net gain/(loss) on revaluation	1,183		923	2,106	(5,390)
Carrying (fair) value at end of year	96,668	765,000	170,626	1,032,294	1,030,188

Schedule of investment properties:

	Total	Prior year
5 The Forge Hungerford	302,000	
1 Grassmead Thatcham	263,000	263,000
133 Weyhill Road Andover	200,000	200,000
8 Chapel Lane Lambourn		161,000
Lambourn Church		66,000
Total	765,000	690,000

19 Debtors and prepayments

	Unrestricted	Restricted	Total	Prior year
Stipends/salaries and associated costs (paid in advance)	8,679		8,679	8,382
Insurance (paid in advance)	2,242		2,242	2,154
3Generate tickets (paid in advance)				2,310
Accrued income	404		404	383
Total debtors and prepayments	11,325		11,325	13,229

20 Cash at bank and in hand

The Circuit holds a current account with CAF Bank Ltd, which provides banking facilities exclusively to charities. The sums held are viewed as being liquid.

	Total	Prior year
Bank balance held at CAF Bank Ltd	9,121	22,899
Cash held		
Total cash at bank and in hand	9,121	22,899

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21 TMCP deposits

The Circuit Model Trust Fund is held by TMCP in CFB Trustees Interest Funds on which interest is credited to the accounts each month.

22 Central Finance Board deposits

The circuit has a deposit account at CFB, which is a common deposit fund. Interest is earned on this account and credited monthly. The sums held in this account can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

23 Creditors and accruals

	Unrestricted	Restricted	Total	Prior year
Assessments (received in advance)	13,100		13,100	11,958
Accrued expenditure	7,789	121	7,910	13,201
Total creditors and accruals	20,889	121	21,010	25,159

24 Provisions

Provisions are made when there is a legal or operational obligation to pay money in the future (for example, see note 1.9). On this basis, no provisions were made at the year end (prior year: nil). However, for information it is recorded that there exists an understanding that, if required at some point in the future, a grant of £20,000 from the CMTF will be made available towards redevelopment of the church premises at Overton.

Furthermore, it is anticipated that a significant part of the proceeds of sale of the Lambourn properties (sold September 2017) will be required towards redevelopment at Andover Bridge Street. If such a project goes ahead within five years of the sale, the CPF levy should be refunded, giving a potential maximum of £345,425. Otherwise, the maximum amount available will be £227,255. The actual amount to be used for this purpose will be determined by the Circuit Meeting once the final scheme is decided upon.

25 Analysis of unrestricted fund movements

See note 3.1 for a description of the purposes of the funds.

Fund name	Balance brought forward	Income	Expenditure	Transfers	Gains/ (losses)	Balance carried forward
General Fund	152,661	162,721	(169,962)	(8,598)	1,184	138,006
Property Fund	66,774	43,409	(46,504)	7,988		71,667
Estates Fund	1,665,000					1,665,000
Circuit Model Trust Fund	285,615	2,294	(21,592)			266,317
Total	2,170,050	208,424	(238,058)	(610)	1,184	2,140,990

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26 Analysis of restricted fund movements

See note 3.2 for a description of the purposes of the funds.

Fund name	Balance brought forward	Income	Expenditure	Transfers	Gains/ (losses)	Balance carried forward
Compton Pulpit Fund	7,768	53				7,821
Youth Fund	1,413	2,154	(4,165)	598		
Royle Trust Income Fund	915	2,418	(2,057)			1,276
The Forge Fund	14,339	170		12		14,521
Total	24,435	4,795	(6,222)	610		23,618

27 Endowment funds

See note 3.3 for a description of the purposes of the funds.

Fund name	Capital value at year end	Income generated in year
Arthur Newbery Trust	79,918	2,379
Royle Trust	90,707	2,410
Total	170,625	4,789

28 Fees for examination of the accounts

An accrued amount of £500 is included for the independent examination of the accounts (prior year: £500).

29 Payment to trustees

The ministers, pastoral development worker and circuit administrator were the only paid staff. The ministers and pastoral development worker were members of the Circuit Meeting and therefore trustees. However, they were paid for the jobs they performed and not for being trustees. Other than these stipends/salaries, no payments were made to trustees for additional services (prior year: nil).

The ministers, pastoral development worker and some other trustees were paid travel expenses at rates agreed by the Methodist Conference and reimbursed for other sundry expenses.

	Unrestricted	Restricted	Total	Prior year
Staff	9,748		9,748	9,659
Other trustees	699		699	238
Total expenses paid	10,447		10,447	9,897

Number of trustees paid expenses

9	6
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30 Connected organisations

Ministers hold their membership of the Methodist Church at connexional level, and may be trustees of one or more of the circuit's constituent churches. Other trustees are members of one or another of the circuit's constituent churches, of which they may be trustees.

Connected organisations include the Methodist Connexion, the Southampton District, the circuit's constituent churches, the Central Finance Board (CFB) and Trustees for Methodist Church Purposes (TMCP). All of these entities have their own trustees or directors and autonomous administration such that the circuit has no significant influence over any of them, nor they over the circuit. Therefore they are not considered as related parties.

The circuit acts as a conduit for collecting together monies raised in the constituent churches for various Methodist causes and passing these on to the entities concerned. The amounts are listed below, all being received and paid out during the year. No such monies were held at the start or end of the year. These sums do not form part of the circuit's income (as the circuit has no discretion as to their use) and therefore are not recorded elsewhere in the accounts.

	Total	Prior year
Methodist Church Fund		800
World Mission Fund	383	1,415
Easter Offering	25	439
JMA	123	729
Mission in Britain Fund	382	1,424
Fund for Property	560	1,953
Fund for the Support of Presbyters and Deacons	165	1,262
Methodist Ministers Housing Society	320	310
All We Can (Methodist Relief and Development Fund)	2,126	1,365
Leaders of Worship and Preachers Trust	205	195
Methodist Homes	147	106
Action for Children	636	2,063
Carmel Ieraci leaving collection	500	
	5,572	12,061

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Declarations for year to 31st August 2019

Treasurer's statement

I confirm that I have prepared the accounts from the records of the circuit and that they include all funds under the control of the circuit.

Signature 
Name Stephen Paul Greenhalgh
Address 32 New Road Newbury RG14 7RU
Date 19th October 2019

Presentation to the Circuit Meeting for approval

I confirm that the accounts have been presented to the Circuit Meeting on 29th January 2020 and were approved.

Signature 
Name Rev Rachel Jane Borgars
Date 29th January 2020

Independent examiner's report to the trustees of Kennet and Test Valley Methodist Circuit

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st August 2019 which are set out on pages 6 to 20.

Responsibilities and basis of report

As the charity'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 charity'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

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 accounts do not accord with those records; or
3. 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.

Signed 
Name Claire Connell ACA CTA
Address 86 Silverdale Road Earley Reading RG6 7LT
Date 3rd February 2020