

South Warwickshire Methodist Circuit
(formerly Mid-Warwickshire Methodist Circuit)
Registered Charity Number 1154830

Trustees' Report and Accounts
for the year ended 31 August 2019

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)

Trustees' Report for the year ended 31 August 2019

Introduction

The report and accounts cover the year to 31 August 2019. During that period the charity operated as the Mid-Warwickshire Methodist Circuit. On 1 September 2019 the charity became the legal entity for the new South Warwickshire Methodist Circuit it changed its name to celebrate that change. As this document is being approved after 1 September 2019 it is prepared under the charity's current name.

The Circuit seeks to live out the calling of the Methodist Church to respond to the gospel of God's love in Christ and to live out its discipleship and to:

- increase awareness of God's presence and to celebrate God's love
- help people to grow and learn as Christians through mutual support and care
- be a good neighbour to people in need and to challenge injustice

The mission of the South Warwickshire Methodist Circuit is to encourage and support people to be open and responsive to God, each other and the world.

Review of the year

The Statement of Financial Activities shows a net deficit on the General Fund, before other recognised gains and losses, of £61,402 for the year. This reflects a policy of spending reserves on new initiatives to spread the word of God.

Net expenditure of £17,753 on the Circuit Model Trust Fund mainly arises from the District Advance Fund contribution of £21,653.

At the year end total reserves were £2,783,452 and over 77% of total reserves are held as freehold property, being manses for ministers.

Income trends

The principal funding sources during the year were:

1) *General Fund Assessments* received from the churches in the Circuit: £210,146 and rental income from short term letting of a manse: £9,000.

2) *Circuit Model Trust Fund*: Investment income of £4,711.

Expenditure trends

The principal items of expenditure were the stipends of four ministers (full time equivalent) and provision of their manses, as well as the salaries of lay workers employed by the Circuit. One part-time mission layworker and two part-time administrators were in post all year. Stipends increase each year in line with increases approved by the Methodist Conference. Lay workers are paid at or above the Living Wage (determined each November by the Living Wage Foundation). Lay worker salaries are reviewed annually to take account of any change in the scope and scale of responsibilities, individual performance and local comparators.

**South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Trustees' Report for the year ended 31 August 2019 (continued)**

Expenditure trends (continued)

An assessment of £40,000 was paid to the Birmingham Methodist District, to support the work of the Methodist District and the wider Methodist Church. The annual contribution to the District Advance Fund was increased from the previous year : £21,653 compared to £18,829 in 2017/18. The contribution is made under Standing Order 955(6) and is a tariff based on Circuit funds held by the Trustees for Methodist Church Purposes at the previous year end.

Other recognised gains and losses

The Circuit was able to recover the costs of bringing the redundant Church at Snitterfield to sale, £7,122, out of the proceeds. This was not anticipated when the expected gain on disposal was recognised in the 31 August 2018 accounts.

Fund balances

At 31 August 2019 net current assets were £617,892 (2018 £690,345). The reduction in net current assets reflects a combination of the Circuit's strategy of development within the Circuit and the District levy mentioned above.

Plans for 2019/20 and future years

On 1 September 2019 the Mid-Warwickshire Methodist Circuit and 5 Churches from the eastern part of the Stratford and Evesham Methodist Circuit came together to form a larger circuit and celebrated this by changing name to the South Warwickshire Methodist Circuit.

Circuit financial plans for 2019/20 have been prepared on the basis of the enlarged Circuit. The Circuit intends to continue to fund normal costs from the assessments paid by the Churches but will fund development work out of reserves.

Basis of preparation of accounts and legal framework

The Charity's annual report and accounts for the year ended 31 August 2019 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS) 102.

Charity registration number: 1154830

Main communication address : 9 Northvale Close, Kenilworth, CV8 2EN

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Trustees' Report for the year ended 31 August 2019 (continued)

Charlty trustees

The members of the Mid-Warwickshire Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches (see Appendix to Trustees' Report for a full list of Trustees). The Circuit meeting delegates the day to day running of the circuit to a leadership team.

Circuit Leadership Team for the year to 31 August 2019

<i>Active circuit ministers</i>	Rev Peter Powers Rev Barbara Greenwood Rev Jeongsook Kim Rev Jemima Strain (part time) Rev Sam McBratney (part time)
<i>Circuit lay workers</i>	Christine Flood - Assistant Minister Catherine Evans-Routley - Circuit Operations Manager Kate Tennyson - Circuit Administrator
<i>Circuit stewards</i>	Trevor Pethick Miranda Tarrant Alison Lusty (Treasurer)

Alison Lusty acted as the principal officer overseeing the day to day financial management and accounting for the Circuit during the year.

Independent examiner	Paul Bayliss A.C.A. 643b Bearwood Road Bearwood West Midlands B66 4BL
-----------------------------	--

Bankers	Central Finance Board of the Methodist Church Trustees for Methodist Church Purposes CAF Bank
----------------	---

Aims and organisation

The charity's objective is to act as a resource provider in South Warwickshire for the Methodist Church.

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.

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit) Trustees' Report for the year ended 31 August 2019 (continued)

Aims and organisation (continued)

The Circuit encourages and supports the Methodist churches in Mid-Warwickshire in: the organisation and resourcing of regular public acts of worship which are open to members of the church and non members alike.

- the teaching of Christianity through sermons, courses and small groups.
- the resourcing of pastoral work including visiting the sick and bereaved.
- taking religious assemblies in local schools.
- promotion of Christianity through the staging of events and services.
- provision of clubs, activities and support groups with a Christian ethos.
- supporting other charities in the UK and overseas financially and with prayer.

The Circuit reviews its aims, objectives and activities and identifies opportunities for future action. It promotes mission and gives appropriate support to churches that demonstrate that they are outward looking, mission focused, not averse to change and taking risk and, where possible and appropriate, seeking to work in partnership with others.

Public Benefit

The trustees confirm that they 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.

Selection of Trustees and Training of Trustees

Trustees are appointed as set out in the Constitutional Practice and Discipline of the Methodist Church. Appointment is made by local churches or existing trustees or, in the case of ministers, on stationing in the Circuit.

A range of guidance produced by Methodist Connexion to support the effective running of the Circuit is given to Circuit Meeting members, in particular 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. Other training is provided to Trustees appropriate to their role and responsibility within the Circuit.

Related Parties

The Circuit is part of the Birmingham District and is also accountable to the Methodist Conference.

The following Methodist Churches and Local Ecumenical Projects (LEP) are linked to the Circuit: Cubbington, Dale Street, Fenny Compton, Kenilworth, Kineton, Knightcote, Radford Road (LEP), Stockton (LEP), Tysoe, Warwick, Wellesbourne and Whitnash. For the purpose of this report the Churches joining on 1 September 2019 are not treated as related parties.

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit) Trustees' Report for the year ended 31 August 2019 (continued)

Risk Management

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required. There is a regular annual review process undertaken and recorded. Income and expenditure is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process and avoid unforeseen calls on reserves.

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

The 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.

**South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Trustees' Report for the year ended 31 August 2019 (continued)**

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and continue planned activities for the short term in the event of any inability to raise the full circuit assessment from churches.

At 31 August 2019, the Circuit held reserves of £617,892, excluding reserves held as tangible fixed assets. This represents £500,000 in excess of the amount determined under the Circuit's reserves policy. The Circuit continues to develop a strategy to utilise surplus reserves for the furtherance of its objectives. The Circuit Meeting on 17 July 2017 agreed that the following costs should be excluded from the base for calculating assessments on churches and will be funded from reserves:

- Manse refurbishment costs in excess of rental income
- Costs of two part time presbyters for the length of their appointments
- Cost of additional mission focussed ministry (specific appointments being developed)
- Grants

The policy is continuing.

Signed:

Date: 4 December 2019

Rev Peter Powers
Superintendent Minister

**South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Circuit Meeting Membership**

MINISTERS	Rev Peter Powers - Superintendent Minister	
	Rev Barbara Greenwood	
	Rev Jemima Strain	
	Rev Sam McBratney	
	Rev Jeongsook Kim	
	Rev Audrey Simpson	From 1 September 2019
OTHER MINISTERS RESIDING IN THE CIRCUIT WHO WISH TO BE MEMBERS OF THE CIRCUIT MEETING		
	Rev Andy Laird	
	Rev E Brian Mason	From 1 September 2019
	Rev Richard Wilde	From 1 September 2019
CIRCUIT STEWARDS	Trevor Pethick	
	Miranda Tarrant	
	Alison Lusty - Treasurer	To 31 August 2019
	David Witham - Treasurer	From 1 September 2019
	Janet Mee	From 1 September 2019
	Kath Fraser	From 1 September 2019
LOCAL PREACHERS REPRESENTATIVES		
	Graham Howe	To 31 August 2019
	Russell Blackwell	
CHURCH REPRESENTATIVES		
Bidford upon Avon	Alan Walker	From 1 September 2019
	Barry Sutcliffe	From 1 September 2019
Cubbington	Derek Dwyer	
	David Chirnside	
Dale Street	Rachel Weir	From 1 September 2019
	Joanna Rhodes	
Fenny Compton	Linda Coleman	
	Jane Knight	
Henley in Arden	Margaret Blakemore	From 1 September 2019
	Andrew Steele	From 1 September 2019
Kineton	David Gill	To 31 August 2019
	Michael Phipps	
Kenilworth	Fiona Pethick	To 31 August 2019
	Jo Roberts	
	Mervyn Harvey	
Knightcote	Antony Charles	
Mickleton	Mark Boulton	From 1 September 2019
	Timothy Mead	From 1 September 2019
Radford Road	Margaret Bull	
	Christina Wise	
Stockton	Heather Chamberlain	
Stratford upon Avon	Margaret Smith	From 1 September 2019
	David Dumper	From 1 September 2019
Tysoe	Christopher Gibbs	
	Russell Blackwell	
Warwick	Richard Ratcliffe	To 31 August 2019
	Trevor Blades	From 1 September 2019
	Trevor Wills	
Welford upon Avon	Brian Bradley	From 1 September 2019
Wellesbourne	Roy Clabon	To 31 August 2019
	Alison Lusty	From 1 September 2019
	Roger Thompson	
Whitnash	Keith Miles	

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Statement of Financial Activities (SOFA) for the year ended 31 August 2019

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.19	General Fund (Unrestricted)	Circuit Model Trust Fund (Unrestricted)	Year ended 31.8.18
		£	£	£	£	£	£
Income							
Charitable activities							
Assessments from churches	5	210,146	-	210,146	226,482	-	226,482
Lettings of manses	6	9,000	-	9,000	8,600	-	8,600
Other	7	-	-	0	5,054	-	5,054
Interest receivable	8	338	4,711	5,049	270	2,452	2,722
Cash balance from Snitterfield Church on closure			-	0	7,136	-	7,136
Total income		219,484	4,711	224,195	247,542	2,452	249,994
Expenditure							
Stipends, salaries, NI, Pension	9	163,050	-	163,050	156,057	-	156,057
District Assessment		40,000	-	40,000	40,200	-	40,200
Telephone & travel		12,289	-	12,289	9,509	-	9,509
Insurance, utilities, etc		14,277	-	14,277	15,721	-	15,721
Maintenance on manses		12,423	-	12,423	32,776	-	32,776
Other Expenditure		26,739	811	27,550	25,677	735	26,412
Grants and donations		10,098	-	10,098	4,811	-	4,811
Interest payable		-	-	-	-	-	0
Depreciation		2,010	-	2,010	1,136	-	1,136
Contributions to District Advance Fund		-	21,653	21,653	-	18,829	18,829
Total expenditure		280,886	22,464	303,350	285,887	19,564	305,451
Net (expenditure) / income		(61,402)	(17,753)	(79,155)	(38,345)	(17,112)	(55,457)
Other recognised gains and losses							
Redundant churches held for sale	12	-	(700)	(700)	-	240,954	240,954
Costs of bringing Snitterfield Church to sale	12	7,122		7,122	(7,122)	-	(7,122)
Reclassification of funds		-	-	-	-	-	-
Transfers between funds		-	-	-	-	-	-
Draw down from model trust		50,000	(50,000)	0	-		0
Net movement in funds		(4,280)	(68,453)	(72,733)	(45,467)	223,842	178,375
Reconciliation of funds:							
Total funds brought forward		2,209,599	646,586	2,856,185	2,255,066	422,744	2,677,810
Total funds carried forward		2,205,319	578,133	2,783,452	2,209,599	646,586	2,856,185

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Balance Sheet as at 31 August 2019

	Notes	General Fund (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	31 August 2019 £	31 August 2018 £
Tangible Fixed Assets					
Land, buildings & equipment	11	2,165,560		2,165,560	2,165,840
Total fixed assets		2,165,560		2,165,560	2,165,840
Current Assets					
Current investments	12	-	-		240,954
Debtors and prepayments	13	20,013	430	20,443	13,329
Trustees for Methodist Church Purposes		-	577,703	577,703	405,367
Central Finance Board Deposits		17,635	-	17,635	25,767
Cash at bank		4,972	-	4,972	7,123
Total current assets		42,620	578,133	620,753	692,540
Creditors and Accruals (due in under 1 yr)	14	2,861	-	2,861	2,195
Net current assets		39,759	578,133	617,892	690,345
Net assets		2,205,319	578,133	2,783,452	2,856,185
Funds of the Circuit					
General Fund	15	2,205,319	-	2,205,319	2,209,599
Circuit Model Trust Fund	15	-	578,133	578,133	646,586
Total Funds		2,205,319	578,133	2,783,452	2,856,185

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)

Notes to the Accounts for the year ended 31 August 2019

1. Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS102 – the Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016. The accounts have been prepared on the accruals basis under the historical cost convention with items recognised at cost or transaction value (unless otherwise stated in the relevant notes to these accounts).

2. Public benefit entity

The charity constitutes a public benefit entity as defined by FRS 102.

3. 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 those Churches within the Circuit are not consolidated into these financial statements.

4. Accounting policies

i. Income Recognition

Income is brought into account when the Circuit becomes entitled to the resources and the Trustees believe it is more likely than not that they will receive the resources, and the monetary value can be measured with sufficient reliability.

In accordance with Charities SORP (FRS 102), the time of volunteers is not recognised.

ii. Expenditure and Liabilities

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Trustees to pay out resources and the amount of the obligation can be measured with reasonable certainty.

iii. Grants

Where there are no conditions attaching to a grant made by the Circuit from its own funds, the grant is recognised in full at the time of agreement to make the grant. Where the Circuit gives a grant with conditions for its payment, being a specific level of service or output to be provided, the grant is only recognised in the SOFA once the recipient of the grant has provided the specified service or output. 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 as instalments are paid in accordance with the originally agreed terms.

iv. VAT

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

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

4. Accounting policies (continued)

v. Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £250.

The freehold property is shown in the accounts at 2015 deemed value, being that property's insurance reinstatement value or, if acquired after 1 September 2015, its cost on acquisition. The land component of the freehold property is deemed to be £250,000.

No depreciation is provided on property because the Trustees consider the current residual fair value of the property in its present condition to be not less than the value at which it is stated in the balance sheet and, in the absence of any evidence of impairment, any depreciation for the buildings component of the property would be immaterial. Depreciation is provided on fixtures, fittings and equipment on a straight line basis over three years.

vi. Investment properties

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. Where this is the case and the property is deemed not to be held for the long term purposes of the Circuit, the property is designated as an investment property. All manses are currently deemed to be held for the long term purposes of the Circuit.

vii. Properties held for sale

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 Trustees becoming the managing trustees for the property so that the Trustees decide whether the property can be used in a different way to further the mission of the Circuit or whether it is redundant and should be sold. If a decision is made to sell the property, it is recognised as an asset at its anticipated net sale price as determined by a professional valuation and after taking account of the levy to be charged by the Connexion. Any expenditure on the property that is likely to enhance its sales value is capitalised at the time that the expenditure is incurred. Where proceeds are intended to be spent on activities, the property is included in assets at the lower of cost and net realisable value.

viii. Debtors, creditors, bank and cash

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

ix. Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs.

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

4. Accounting policies (continued)

x. Ministers' Manse Costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges, as well as the cost of ministers' removal to the Circuit. Where any manse costs are viewed by HMRC as taxable benefits to the minister, the resulting employer NI charge is included as part of the NI cost for the year.

5. Assessments from Churches

At the year end the Circuit comprises 11 churches which are assessed for a contribution to meet the overall net core, ongoing costs of the Circuit. The assessment is apportioned to the Churches on the basis of their last 3 year's average income, including only 50% of letting income to allow for increased running costs and excluding one-off receipts. Year on year increases are smoothed so there is no more than a 6% increase from the previous year. During the comparative period the Trustees agreed to a dispensation to Whitnash Methodist Church to temporarily reduce the assessment.

	Year ended 31.8.19 £	Year ended 31.8.18 £
Cubbington	9,260	8,820
Dale Street	57,624	60,624
Fenny Compton	5,060	5,148
Kenilworth	61,212	66,516
Kineton	7,642	9,306
Knightcote	1,480	1,408
Radford Road	11,160	11,124
Tysoe	6,336	7,728
Warwick	35,072	42,772
Wellesbourne	9,840	10,436
Whitnash	5,460	2,600
	<u>210,146</u>	<u>226,482</u>

6. Lettings

Lettings income relates to manses that are not required to house Circuit ministers in the short term and the manse has been let to tenants. Letting income is shown gross of fees and commission. The Trustees consider that is likely that these manses are likely to be returned to use as manses in the foreseeable future so remain designated as tangible fixed assets.

7. Other Income from Charitable Activities

In the comparative period, unrestricted income of £5,054 mainly comprises contributions from the Coventry and Nuneaton Circuit towards the costs of one minister who was seconded to that Circuit until January 2018.

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

8. Interest receivable	Unrestricted	Circuit Model Trust Fund	Year ended 31.8.19	Year ended 31.8.18
Central Finance Board	£338	-	£338	£270
Trustees for Methodist Church Purposes	-	4,711	4,711	2,452
Total	£338	£4,711	£5,049	£2,722

9. Stipends, Salaries and Associated costs				Year ended 31.8.19	Year ended 31.8.18
Staff Costs paid during the year were:				Total	Total
	Ministers (Circuit Trustees)	Mission staff	Administ- ration		
Gross stipends and salaries	£96,552	£12,096	£18,967	£127,615	£120,761
Employer's National Insurance costs	7,685	495	298	8,478	9,128
Pension costs	25,485	-	570	26,055	25,512
Apprenticeship Levy	-	-	902	902	656
Total staff costs	£129,722	£12,591	£20,737	£163,050	£156,057

Average number of full time equivalent number of staff employed during the year were :

Ministers	3.92	3.92
Mission staff	1.00	1.00
Administration	1.39	0.52
	6.31	5.44

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

9. Stipends, Salaries and Associated costs (continued)

No employees received employee benefits that totalled 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 as calculated by the Living Wage Foundation.

Methodist Ministers are not employees of the Methodist Church although for simplicity, when accounting for National Insurance and pension contributions, the terms employer and employee are used as they would be in an employing body.

Contributions are made to the Methodist Ministers' Pension Scheme for all ministers. This is a defined benefit scheme which is accounted for in the financial statements of the Methodist Church in Great Britain. This scheme is in deficit but a plan for the removal of the deficit is being implemented.

Lay workers have the option of joining a defined contribution pension scheme which the Circuit has set up with TPT Retirement Solutions.

Each minister is entitled to a 3 month sabbatical every 5 years and the expenses incurred by the minister are met by the Connexion with the Circuit continuing to pay the stipend. Two ministers had sabbaticals during the year. The Circuit does not accrue for holiday pay cover as the remaining staff cover as needed without extra pay.

Payments to Trustees

The Superintendent Minister, other ministers of the Circuit and the Circuit Stewards constitute the Circuit Leadership Team and are considered as Key Management Personnel. The Superintendent chairs meetings of the Circuit Leadership Team and the Circuit Meeting. The Circuit Leadership Team, together with church and other representatives, are members of the Circuit Meeting and are the Trustees of the Circuit. The stipends, employer's National Insurance and employer's pension contributions and other expenses of the ministers of the Circuit are paid by the Circuit, as determined by the Methodist Church, and are separately disclosed as part of staff costs above. Manses are provided by the Circuit and the Circuit maintains the property.

	Year ended	
	31.8.19	31.8.18
Payments made to trustees who are not part of the Circuit Leadership Team for additional services - preaching fees and related expenses	<u>£717</u>	<u>nil</u>
Number of trustees who were paid expenses	<u>6</u>	<u>6</u>
Travel expenses	£9,040	£9,343
Phone expenses	£2,695	£2,790
	<u>£11,735</u>	<u>£12,133</u>

10. Fees for examination of the accounts

	Year ended	
	31.8.19	31.8.18
Independent examiner's fees for reporting on the accounts	<u>£1,000</u>	<u>£960</u>

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

11. Tangible Fixed Assets

	Manses Land	Manses Buildings	Fixtures, Fittings & Equipment	Total
Cost or valuation	£	£	£	£
Balance at 1 September 2018	250,000	1,914,363	3,417	2,167,780
Additions	-	-	1,730	1,730
Balance at 31 August 2019	250,000	1,914,363	5,147	2,169,510
Depreciation				
Balance at 1 September 2018	-	-	1,940	1,940
Charge of year	-	-	2,010	2,010
Balance at 31 August 2019	-	-	3,950	3,950
Net book value				
At 31 August 2019	250,000	1,914,363	1,197	2,165,560
At 31 August 2018	250,000	1,914,363	1,477	2,165,840
Basis of depreciation	-	-	Straight line 2/3 years	

Manses at 31 August 2019 comprise:

9 Northvale Close, Kenilworth	Occupied by Circuit Minister
48 Warwick Place, Leamington Spa	Occupied by Circuit Minister
101 West Street, Warwick	Occupied by Circuit Minister
22 Gardiner Road, Kineton	Occupied by Circuit Minister
61 Murcott Road East, Whitnash	Let to tenants

12. Property Held for Sale - Current Asset Investments and Loss/Gain Recognised

Snitterfield Methodist Church closed in June 2017, and Managing Trusteeship of the building was transferred to the Circuit in September 2017. During the year ended 31 August 2018, planning permission was granted to convert the church to one dwelling and the building was marketed for sale by auction. The church premises were included as a current asset at the 31 August 2018 based on the sale information available at the time. Once completion occurred some of the deduction from the gross proceeds were different. Those variation have been recognised in the year ended 31 August 2019.

	At 31.8.19 Snitterfield	At 31.8.18 Snitterfield
Sale price		£385,000
Costs related to planning permission paid directly by the Circuit		(7,122)
Selling agents fees		(7,041)
Legal fees		(2,580)
Repayment of Methodist Property Division grant	(1,570)	
Connexional Priority Fund Levy	870	(127,303)
Loss/Gain Recognised	-£700	£240,954
Current Asset Investment	-	£240,954

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

13. Debtors	31 August 2019 £	31 August 2018 £
Prepayments	<u>20,443</u>	<u>13,329</u>

14. Creditors due in less than one year	£	£
Creditors and accruals	<u>2,861</u>	<u>2,195</u>

15. Reserves	General Fund	Circuit Model Trust Fund	Total
	£	£	£
At 1 September 2018	2,209,599	646,586	2,856,185
Net (expenditure)/ income for the year	(61,402)	(17,753)	(79,155)
Redundant Church held for sale -Snitterfield	-	(700)	(700)
Cost of bringing Snitterfield Church to sale which will be reimbursed from proceeds credited to Circuit			
Model Trust Fund	7,122		7,122
Transfer between funds	50,000	(50,000)	
At 31 August 2019	<u>2,205,319</u>	<u>578,133</u>	<u>2,783,452</u>

The purpose of the General Fund is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. About 98% of this fund is held as freehold property, being manses for ministers.

The purpose of the Circuit Model Trust Fund (CMTF) is for use at the discretion of the Trustees in the furtherance of the objectives of the Circuit. Its main source of income is contributions from the sale of manses and church buildings in the Circuit, after contributions and levies to the Connexion determined by the Methodist Church. Although technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds.

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)
Notes to the Accounts for the year ended 31 August 2019

16. Events after the end of the accounting period

On 1 September 2019 the Mid-Warwickshire Methodist Circuit welcomed 5 Churches from the eastern part of the Stratford and Evesham Methodist Circuit and celebrated this by changing name to the South Warwickshire Methodist Circuit. Along with the Churches came 2 manses.

17. Capital Commitments and Contingent Liabilities

At 31 August 2019 the Circuit has no capital commitments.
 No contingent liabilities were identified at 31 August 2019.

18. Related party transactions

Name of related party	Relationship	Description of transaction	Year ended 31 August 2019		Year ended 31 August 2018	
			Income from related party	Paid to or goods provided to related party	Income from related party	Paid to or goods provided to related party
			£	£	£	£
Methodist Churches within the Mid - Warwickshire Circuit	Churches within the Circuit	Assessments (share of Circuit costs)	210,146	-	226,482	-
Various churches within the Circuit	Churches within the Circuit	Grant for youth and mission work	-	1,297	-	1,496
Various smaller churches within the Circuit	Churches within the Circuit	Grants for Audio Visual equipment	-	1,923	-	-
Tysoe Methodist Church	A Circuit Church	Grant for new fence	-	992	-	-
Kenilworth Methodist Church	A Circuit Church	Grant towards cost of resurfacing carpark	-	3,300	-	-
Various churches within the Circuit	Church within the Circuit	Grant for Bread Church equipment	-	747	-	546
Birmingham Methodist District	Methodist District in which Circuit located	Assessment (share of costs of District and Methodist Connexion)	-	40,000	-	40,200
Birmingham Methodist District	Methodist District in which Circuit located	District Advance Fund contribution	-	21,653	-	18,829
Rev D Greenwood	Spouse of a trustee	Preaching fees	-	630	-	600

There were no amounts owed to related parties at the year end.

South Warwickshire Methodist Circuit (formerly Mid-Warwickshire Methodist Circuit)

Declarations

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2019 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: 4 December 2019

Name of Treasurer: David Witham

Address: 6 Mulberry Drive, Warwick, CV34 5JP

Authorisation by the Circuit Meeting

I confirm that the annual report and accounts for the year ended 31 August 2019 were presented to the Circuit Meeting at its meeting on 4 December 2019 and that the Trustees authorised the Chair of the meeting to sign the accounts.

Signature of the Chair of the meeting:



Date: 4 December 2019

Name of the Chair of the meeting:

Rev Peter Powers

Independent Examiner's Report to the Trustees of the South Warwickshire Methodist Circuit

This Report is on the Circuit Accounts for the year ended 31 August 2019.

Respective responsibilities of Trustees and Examiner

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2019 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The Trustees consider that an audit is not necessary for this year under Section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Independent Examiner's Report to the Trustees of the South Warwickshire Methodist Circuit

I report to the trustees on my examination of the accounts of the South Warwickshire Methodist Circuit (the Circuit) for the year ended 31 August 2019.

Responsibilities and basis of report

As the charity trustees of the Circuit 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 Trust's accounts 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.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the Trustees concerning 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. My report is limited to those matters set out in the statement below.

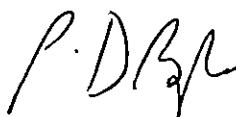
Independent examiner's statement

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 Trust as required by section 130 of the Act;
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:



Date: 28/11/19

Name:

Paul Bayliss

Relevant professional qualification:

ACA

Address:

Bayliss & Co, 643b Bearwood Road, Bearwood, West Midlands B66 4BL