

The Salisbury Methodist Circuit
(Registered Charity no 1134362)



Trustees' Report
And
Financial Statements

For the year ending 31 August 2019

SALISBURY METHODIST CIRCUIT TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

Introduction

The Circuit, of 10 churches, (supporting 11 congregations) spans the *land of the five rivers* around the fine cathedral city of Salisbury. From the rugged beauty of Salisbury plain in the north, to the picturesque surroundings of the New Forest National Park in the south, we are blessed with the ever-present reminder of Gods power of creation.

The vision of the Salisbury Methodist Circuit is to know for ourselves and to share the Good News of God's love in Jesus by encouraging and enabling the people and churches of the Circuit to serve their communities and the wider world.

We will do this by:-

- Being an effective Christian presence in our communities and demonstrating a passion for our faith
- Offering inspiring, welcoming worship and other activities
- Creating an open, caring and supportive environment for all we can reach
- Recognising, respecting and encouraging the gifts of all
- Discerning, training, developing and sharing our gifts and skills across the Circuit
- Deepening our faith and growing in discipleship
- Communicating the good news enthusiastically in ways that make sense to people today
- Embracing new opportunities and reacting positively to change

Review of the year

We have prepared congregations for a change in the pattern of Presbyteral oversight from September 2019 as we relieve three supernumerary ministers of some of the work load with which they had been voluntarily supporting the Circuit.

We have provided training for Church Stewards to help them prepare worship services when an ordained Presbyterian or accredited Local Preacher is not available.

We have further developed our outreach work in local churches with new patterns of worship and social activities to which they can invite local residents.

We have explored with the District Intergenerational Mission Enabler how we might develop work at Café on the Green, our outreach venture on a large housing estate.

We have employed a Circuit Administrator to relieve the Trustees of some of their increasing administrative workload and ensure that we maintain robust controls in respect of our legal and regulatory responsibilities.

We have appointed a new Safeguarding Officer. Four people attended training to be 'trained as trainers' and we have increased the number of safeguarding training opportunities for office holders in local churches.

We have supported two of our smaller village congregations through periods of change. At one we were able to help them come to a decision to cease worship with sensitive pastoral support for all involved. At another we have supported them as a new team of officers has stepped up with the aim of maintaining a worshipping community.

We have continued conversations with all our churches on the future shape and operation of the Circuit, with the new challenges and responsibilities they are likely to face.

Financial Review

Circuit income is primarily drawn from the assessment paid by the circuit churches and the sums contributed have been sufficient to meet the set budget. Our budget has allowed for the receipt of rental income from 2 manse which are currently not needed to house presbyters.

Stipend expenditure has increased each financial year in line with conference approved increases and our lay employees are paid not less than the 'living wage' and at a rate that is at least comparable with other salaries in the area for work of a similar nature.

In the 2018/2019 accounts:

86% of our income was provided by the local churches.

55% of expenditure was on pay and related costs

18% of expenditure was our contribution to the District, of which part is used to fund the work of the wider Methodist Church

13% of expenditure was on property, including quinquennial inspections on churches

Fund balances

As at 31 August 2019 the net current assets of the Circuit's general and designated fund were £80k, giving approximately 4.6 months cover for expenditure.

Plans for 2018/2019

Circuit financial plans for the coming year have been prepared on the basis that there will be 3.4 full time ordained staff with anticipated cost of living stipend increases. Having taken into account small savings in other area and use of part of the surplus income from 2018/2019 the assessments made against churches in 2019/2020 is unchanged from the previous year.

Basis of preparation 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

Full Name of Charity: Salisbury Methodist Circuit.

Registration Charity Number: 1134362

Date of registration: 17 February 2010

Main communication address:

c/o Salisbury Methodist Church, St Edmunds Church Street, Salisbury, SP1 1EF

The members of the Salisbury Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches. Full membership is shown as Appendix A to this report.

Circuit Ministers and officers

Active Circuit Ministers Rev David Hookins
 Rev Steve Hawkes
 Rev Paul Rees
 Rev Anna Bishop

Circuit Stewards Mr Ian Hardy
 Mr Robert Taylor
 Mr Nigel Thorne
 Mrs Jacqueline Weddell
 Mrs Fiona Sherman

Administrator: Mrs Claire Rankine

Mr Ian Hardy acted as the principal officer overseeing the day to day financial management and accounting for the circuit during the year.

Independent examiner: Mrs Hilary Thorne MAAT
 61 Lindford Road, Salisbury, SP1 3WX

Investment Bankers: Central Finance Board of the Methodist Church.
 Trustees for Methodist Church purposes

Bankers: CAFBank Ltd

Solicitors: Batt Broadbent Ltd

Salisbury Circuit Aims and organisation

Charity objective is to act as a Resource provider within the area around Salisbury 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
- e) The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.
- f) The teaching of Christianity through sermons, courses and small groups.
- g) The resourcing of pastoral work including visiting the sick and bereaved.
- h) Taking religious assemblies in local schools.
- i) Promotion of Christianity through the staging of events and services.
- j) Provision of chaplaincy services to the local university and other institutions.

Public Benefit:

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

Structure, Governance and Management

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

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

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

Trustee Training:

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

Related Parties:

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

The following Methodist Churches are linked to the circuit: Amesbury, Bemerton, Bourne Valley, Downton, Fordingbridge, Salisbury, Sandleheath, Shrewton, Winterslow (incorporating Pitton), Woodfalls.

Any other specific organisations with specific linkage: Wellow Wood Chapel

Risk Management

Major risks have been identified and recorded by the Leadership Team with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on congregations

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 Salisbury 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 Salisbury 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.


Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 3 months' average expenditure plus a manse maintenance reserve of £20,000 This should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

Tasks for the year 2019/2020:-

- Explore key areas to consider to inform a new Strategic Development Plan.
- Consider the wise and proper use of our Circuit resources and reserves to encourage mission opportunities throughout the circuit.
- Continue to talk together to support and encourage one another as the 'family of the Salisbury Circuit'.
- Ensure support to all churches is maintained as two presbyters take or plan sabbaticals.
- Prepare the Circuit for a possible future staff reduction to two presbyters who not have pastoral charge of all congregations.
- Support the staff team, both ministerial and lay, in their roles.
- Be open to possible links with other Circuits in accord with the Connexional Restructuring programme.
- Encourage the development of ecumenical partnerships, not only for the sake of relationships, but principally for the sharing of work and witness.
- Continue to support and encourage developing work in new housing developments.

Name of Circuit - Salisbury							Circuit No: 26/12
Statement of Financial Activities (SOFA) for the year ended 31 August 2019							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2018-19
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments		483	1,012				1,495
3 Income from investment properties	3	20,412		4,525			24,937
4 Assessments on Churches	4	182,276					182,276
5 Capital Receipts							0
6 Grants received				623			623
7 Other charitable income				1,647			1,647
8 Total income		203,171	1,012	6,795	-	-	210,978
Expenditure							
9 Grants and donations	7	2,500	18,000				20,500
10 Salaries and associated costs	8	130,604					130,604
11 Property maintenance	9	4,695		26,756			31,451
12 Connexional assessment & model trust levy	10	32,266					32,266
13 District Assessment & Levy	10	6,842	4,193				11,035
14 Depreciation							0
15 Office expenses	11	2,761	268				3,029
16 Other outgoings	12	2,257		4,525			6,782
17 Total charitable expenditure		181,925	22,461	31,281	0	0	235,667
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							
20 Net income/(expenditure)		21,246	-21,449	-24,486	0	0	-24,689
21 Transfers between funds	-	21,500		21,500			0
22 Other gains/(losses)							
23 Net movement in funds		-254	-21,449	-2,986	0	0	-24,689
24 Total funds brought forward		52,844	133,868	30,406			217,118
25 Total funds carried forward		52,590	112,419	27,420	-	-	192,429

Name of Circuit: Salisbury								Circuit No: 26/12
Balance Sheet as at 31 August 2019								
	Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2018/19	Totals 2017/18
		£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment	BS1	1,967,562					1,967,562	2,026,666
Investment properties	BS1	557,438					557,438	500,000
Investments							0	
Total fixed assets		2,525,000	0	0	0	0	2,525,000	2,526,666
Current Assets								
Debtors	BS2	12,867		600			13,467	9,307
Loans by the Circuit							0	0
Investments with TMCP			112,419				112,419	133,789
Central Finance Board Deposits	BS3	53,489		23,300			76,789	83,435
Cash at Bank and in hand		14,172		3,520			17,692	18,121
Total current assets		80,528	112,419	27,420	0	0	220,367	244,652
Current liabilities								
Creditors (due in under 1 year)	BS4	27,938					27,938	27,613
Grants payable within 2018-19							0	
Total current liabilities		27,938	0	0	0	0	27,938	27,613
Net current assets/liabilities		52,590	112,419	27,420	0	0	192,429	217,039
Total assets less current liabilities		2,577,590	112,419	27,420	0	0	2,717,429	2,743,705
Long term liabilities (due after more than one year)								
Grants payable after 2018-19							0	
Loans to the Circuit							0	
Net assets		2,577,590	112,419	27,420	0	0	2,717,429	2,743,705
Funds of the Circuit								
General Fund (Unrestricted)		2,577,590					2,577,590	2,579,510
Circuit Model Trust Fund (Unrestricted)			112,419				112,419	133,789
Designated Funds (Unrestricted)				27,420			27,420	30,406
Total Unrestricted Funds							2,717,429	2,743,705
Restricted Funds					0		0	
Endowment Funds						0	0	
Total Funds		2,577,590	112,419	27,420	0	0	2,717,429	2,743,705
Signed								
								
Circuit Treasurer								

The Salisbury Methodist Circuit

Notes to the accounts for the year ending 31 August 2019

1. Basis of accounting and accounting policies

i Accounting Standard

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

ii Public benefit entity

The Salisbury Methodist 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 stated otherwise in the relevant accounting policy note(s) below.

iii Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year. The accruals basis has been used and trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling rounded to the nearest pound,

v FRS102 SORP 2015

These accounts are compliant with FRS 102 and with the FRS 102 SORP 2015. The accounts 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) and, pending the making of replacement Regulations specific to SORP 2015 in accordance with Reg.8(4)(d) of SI 2008/629, the charity trustees have departed from the requirements of Reg.(8)(5) by following SORP (FRS102) instead of SORP 2005 to the extent necessary to give a true and fair view in the circumstances.

vi Going concern

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

vii 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.

viii Income recognition

Income is brought into the account when there is entitlement and amount is reliably measured once it is more likely than not that the economic benefit of the income will be forthcoming.

Individual amounts categorised as *Other Income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from churches and payment over of their contributions to various Funds controlled and administered by the Methodist Church – “Connexional Funds”
- the administration (application, collection and disbursement) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion

In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or Churches as appropriate. Instead the transactions are disclosed in the Notes to the Accounts as required by SORP(FRS102), module 19.12

In accordance with the Charities SORP (FRS 102) the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or Notes where the value is considered material.

ix 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.

x Grants

Grants made by the Circuit from its own funds are recognised in full at the time of the 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 to be accrued is recurrent over more than one year the balance payable in future years, discounted to net present value where the difference is material, 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. In cases where the grant has been charged to one fund but for ease of payment has been transferred to another fund any future payment provision is applied to the fund from which the grant will ultimately be paid.

xi VAT

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

xii Tangible fixed assets

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

The freehold and /or long leasehold residential property is shown in the accounts at deemed historical cost representing each property's gross carrying value as at 1 September 2015, being that property's insurance reinstatement value as assessed by the representative of Methodist Insurance plc in 2010 and subsequently adjusted up to and including 31 August 2015 or, if acquired after that date, at its insurance reinstatement value at the date of acquisition. No depreciation is provided because the trustees consider the current residual value of the property in its present condition to be not less than its historical cost and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would be immaterial.

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 as determined by a professional valuation and after taking into account the levy to be charged by the Connexion. Any expenditure on such assets, if held for reinvestment of the proceeds, as the trustees determine, that is likely to enhance sale value is capitalised at the time the expenditure is incurred. Where the proceeds are intended to be spent on activities, the property is included in current assets at the lower of cost and realisable value.

The Circuit has made use of the deemed cost option on transitioning to FRS 102, as outlined above.

xiii(a) Monetary investments

The Circuit's investments are in monetary assets classified as being 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. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 20 below.

xiii(b) Investment Property

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its current staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse within a period of two years, the property is classified as Investment Property (whether let out or not) and any lets are at market rates unless there is a compelling reason not to do so in furtherance of the Circuit's charitable objectives. Any such cases are specified in Notes 4& 9 below

xiv Receivables and Payables: Bank and Cash (Basic Financial instruments)

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or the amount advanced to the

Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit fund balances are shown at their realisable values.

xv Loans as Basic Financial Instruments

Where concessionary loans (i.e free of interest) are made to the Circuit to further its charitable purposes, and are repaid after more than one year, they are initially recognised as the amount paid, with the carrying value adjusted in subsequent years to reflect payment and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the Statement of Financial Activities. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Where loans require the calculation of a discounted cash flow valuation, this will be so marked.

xvi Methodist Connexional Funds

The Methodist Church Connexion raises assessments against the Circuits and these are paid quarterly to their Districts. The Circuit raises assessments against the Churches in the Circuit. The District quarterly remits to the Methodist Church Fund most of the sum received from the Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds administered by The Methodist Church. These are detailed in Note 20 below.

xvii Funds

The trustees have adopted a policy for all unrestricted reserves.

xviii Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits-in-kind for ministers as HMRC does not seek to tax these receipts in the hand of the ministers.

2 Glossary of terms.

CFB: Central Finance Board of the Methodist Church 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.

Church: A group of members from fewer than 10 to more than 300

Circuit: A group of Methodist Churches near each other, typically between 10 and 30.

Circuit Meeting: The trustees of the Circuit, most of whom are appointed by their local Churches and others by virtue of a role they undertake for the Circuit and/or their local Churches.

CLT (Circuit Leadership Team): A group (comprising mostly but not exclusively) of Circuit Trustees responsible for the day to day administration and policy formation of the Circuit. Generally, the CLT comprises the Presbyters and Deacons stationed within the Circuit and the Circuit Stewards.

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain.

Connexional Funds: The Designated and/or Restricted Funds held and administered by the Connexion in furtherance of its charitable and mission objectives.

District: A group of contiguous Circuits, usually between 15 and 30.

DAF: District Advance Fund.

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs.

Lay employees: Personnel employed by the Circuit on generally accepted commercial employment terms.

MMPS: Methodist Ministers' Pension Scheme.

Pensions Trust: The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its Lay Employees.

Presbyters (including Superintendent): Probationer or Ordained Ministers and/or Deacons who have pastoral and administrative responsibility for the Churches within the Circuit.

SOFA: Statement of Financial Activities.

SORP: Statement of Recommended Practice.

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including legacies, Endowments and Accumulated Funds.

3 Income from Investment Property (SOFA 3)

The trustees have determined that the properties at 65 Winterslow Road, Porton and 7 Normandy Way, Fordingbridge are unlikely to be returned to use as manses in the foreseeable future and have therefore classified the same as Investment Properties. Letting income of £24,937 (£20,412 in the General Fund and £4,525 in designated funds) is shown gross of fees and commission.

4 Assessments on Churches (SOFA 4)

The Circuit comprises of 10 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its assessment account is taken of the voluntary giving received by each church and the average attendance at Sunday services. The initial assessment is then moderated to take account of local circumstances. In addition, a contribution is received from a church, not a member of the Methodist Connexion, which has declared an intent to preach Methodist doctrine and where the Circuit has agreed to provide a preacher for its Sunday worship. The Circuit aims to cover all its net core costs from the Assessment.

5 Grants received (SOFA 6)

A grant of £622.50 was received from the District towards the cost of children and young people attending the Connexional residential youth event.

6 Other income (SOFA 7)

Income under designated funds includes a donation towards the cost of children and young people attending the Connexional residential youth event and £1,537 from activities at our outreach project. (see note 12)

7 Grants and Donations (SOFA 9)

The Grants listed below were made during the year.

Grantee	General Fund £	Circuit Model Trust Fund £	Purpose
Winterslow Methodist Church	2,500		Refurbishment of church kitchen and toilets
Salisbury Methodist Church		9,000	Assist with employment costs of lay family/outreach worker
Bemerton Methodist Church		9,000	Assist with employment costs of lay outreach worker
Totals	2,500	18,000	

8 Stipends, Salaries and Associated Costs (SOFA 10)

Stipends were paid to 4 Presbyters (3.4 fte) and **a salary was** were paid to 1 part time lay employee (0.5 fte)

	General Fund	2018
Ministers	£	£
Stipends	81,266	82,251
National Insurance Contributions	6,998	7,253
Apprenticeship Levy	483	34
Pension Fund Contributions	19,959	21,650
Removal & relocation	0	0
Telephone & Broadband	2,638	3,218
Travelling	8,703	10,324
Sundry Expenses	0	550
Sub Total	120,047	125,280
Lay Employees		
Salaries	9,578	3,714
National Insurance Contributions	352	0
Apprentice Levy	52	17
Pension Fund Contributions	575	26
Telephone	0	0
Travelling	0	0
SubTotal	10,557	3,757
Total Stipends, salaries & related costs	130,604	129,037

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.

Pension:

Most ordained presbyters are members of the Methodist Ministers' Pension Scheme (MPPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist Ministers (which term includes presbyters and deacons) 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. The Connexion accounts for the MPPS and shows the figures in the annual Methodist Church in Great Britain accounts. The MPPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented.

Lay Employees are contractually employees and have the option of joining a pension scheme which the Circuit has arranged with The Pensions Trust. This is a defined contribution scheme and Circuit contributes as employer to this scheme.

8a Cost of Superintendent, Presbyters and Trustees.

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

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

Payments to Trustees

It is generally not Circuit policy to reimburse non-presbyteral members of the CLT, Circuit Meeting and others involved in the administration of Circuit affairs for expenditure properly incurred in carrying out their duties although certain travelling and administration costs may be reimbursed in relation to specific projects.

The travel costs of Presbyters who attend CLT and Circuit Meetings is included within their overall travel expenses (see note 8) and is not separately determined.

9 Property Expenses. (SOFA 11)

The Circuit is Managing Trustee for 5 manses, 3 of which are occupied by ministers stationed in the Circuit. Two manses (65 Winterslow Road and 7 Normandy Way) are let on Assured Shorthold Tenancy. The Circuit is responsible for insurance of the properties and, with the exception of the let manses, Council Tax and water charges.

Total expenditure on property was £28,881.

Expenditure on Manses

Manse	Council Tax	Water	Insurance	Maintenance	Letting Agent fees	Total	2018
1 Sycamore Drive	2,520	514		962		3,996	3,377
9 New Zealand Ave	2,760	688		349		3,797	3,514
76a Countess Road	2,597	1,056		315		3,968	4,485
7 Normandy Way	270	18		8,440	1,808	10,536	926
65 Winterslow Road	0	0		1,742	2,717	4,459	3,517
Unallocated			2,571			2,571	2,408
	8,147	2,276	2,571	11,808	4,525	29,327	18,227

Other property Expenses

2019 – £2,124.00. Quinquennial inspections of Churches

10 Connexional and District Assessment and Levy (SOFA 12 & 13)

The District Assessment is calculated relative to the staffing (Presbyter and Mission staff only) of all Circuits in the Southampton District.

The Levy is calculated on a sliding scale percentage of the Circuit's CMTF account as at 31 August the previous accounting year.

	General	CMTF	Total	2018
District Expenses	6,842		6,842	6,620
Methodist Church Fund	32,266		32,266	32,728
Levy on CMTF		4,193	4,193	5,175
Totals	39,108	4,193	43,301	44,523

11 Office & Administration costs (SOFA 15)

Costs include those incurred by presbyters in respect of their home offices and those of other circuit office holders

	General £	CMTF £	Total £	2018
Publications, including Conference Minutes	1,136		1,136	629
Furnishings	0		0	0
Postage	71		71	48
Stationery	978		978	319
Photocopier & Printing	111		111	392
Website and IT services	405		405	213
Bank charges	60		60	60
CMTF administration charge		268	268	307
Total	2,761	268	3,029	1,878

12 Other Outgoings (SOFA 16)

12(a) General Fund

	General	2018
Preaching Fees & Travel	1,312	925
Training	30	179
Catering	476	448
Entertaining	145	116
Misc	75	111
Circuit musical	219	328
Total	2,257	2107

12(b) Designated Funds

12 (b)(1) The Circuit runs an outreach project on a large housing estate, renting space in a community building for 2 half days per week. Costs are charged to a designated unrestricted fund set up several years to support mission and outreach initiatives.

Outgoings	Designated (unrestricted fund)	2018
Rent	1,344	1,505
Equipment	369	429
Consumables	854	836
Printing & Advertising	83	55
Staging seasonal events	115	514
Miscellaneous	100	0
Total	2,865	3339
Income		
Sale of refreshments	1,509	2,123
Donations	28	359
Total	1537	2,482

12(b)(2) The Circuit has funded the cost of attending 3 Generate (The Connexional Youth Weekend) for those children and young people who wish to attend

Outgoings	Designated (unrestricted fund)	2018
Attendance fees	880	1650
Travel costs	780	625
Preparation		
Total	1,660	2,275
Income		
Grant from District	623	372
Donation	110	110
Total	733	482

BS1 Manses and Other properties.

Buildings comprise 3 manses and 2 investment property.

	Residential Land	Manses	Investment Property	Plant, machinery & Motor Vehicles	Fixtures, fittings & equipment	Total
	£	£	£	£	£	£
Balance brought forward	1,183,836	841,164	500,000	0	1,666	2,526,666
Adjustment (+)		-57,438	57,438			0
Revaluations (+/-)						
Disposals (-)						
Transfers (+/-)						
Balance carried forward	1,183,836	783,726	557,438	0	1,666	2,526,666

Accumulated Depreciation

Basis	N/A	N/A	N/A	SL	SL
Rate					3 Years

Balance brought forward					1,666	1,666
Depreciation charge for year					-1,666	-1,666
Impairment provisions						
Revaluations						
Disposals						
Transfers						
Balance carried forward					0	0

Net Book Value

Brought forward	1,183,836	841,164	500,000		1,666	2,526,666
Carried forward	1,183,836	783,726	557,438		0	2,525,000

BS2 Debtors & Prepayments

It is expected that all sums shown as debtors at 1 September 2019 will be received during the following year.

Similarly it is expected that payments in advance at 1 September 2019 will be expensed in 2019-2020

	General	Designated	Total	2018
Debtors				
Tenant (rent arrears)	3,398		3,398	0
Prepayments				
Stipends, Pension NI	9,416		9,416	8,382
Other prepayments	53	600	653	925
Totals	12,867	600	13,467	9,307

BS3 Central Finance Board (CFB) and Bank balances

Monetary balances held at the Central Finance Board of the Methodist Church and at CAFBank Ltd are all available on demand and without loss of interest. The split of these balances across General and Designated Funds is arbitrary but wherever possible balances are not shown as negative

	General	Designated	Total	2018
Central Finance Board	53,489	23,300	76,789	83,435
CAFBank Ltd	14,172	2,137	16,309	17,291
Cash in Hand		190	190	30
Hamptons Int*		1,193	1,193	800
Totals	67,661	26,820	94,481	101,556

*Hamptons International are our letting agents for the Investment Property

BS4 Creditors, Accruals and Income in advance

It is expected that all sums accrued at 31 August 2018 will be paid during the year to 31 August 2019

	General	2018
Creditors	0	975
Assessments in advance	27,238	26,638
Unpaid travel	700	
Totals	27,938	27,613

BS5 Description of Funds

Unrestricted Funds

	Balance at 31 Aug 2019	2018
General Fund	2,577,590	2,579,510

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 98% of this fund is held as freehold property being manses for the ministers and investment property and, from time to time, redundant chapels in the Circuit. No grants or donations were made from the General Fund during the year.

The Circuit Meeting is aware that grant applications must demonstrate public benefit and this is true for this fund.

	Balance at 31 Aug 2019	2018
Circuit Model Trust Fund	112,419	133,789

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit. Its main source of income is formulaically determined contributions from the sale of manses and church buildings in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the Trustees for Methodist Church Purposes to utilise these funds. Methodist Standing Orders 930, 931 and 917(2) are applicable.

Designated Funds

	Balance at 31 Aug 2019	2018
Manse Fund	10,503	12,734
Mission Fund	14,865	16,193
Youth Fund	2,052	1,479
Total	27,420	30,406

Manse- Receives an annual transfer from the General Fund and against this is charged routine maintenance, repairs, council tax, water charges and, as the need arises, refurbishment.

Mission – Established with rental income from investment properties and, by decision of the Circuit Trustees, has a cap of £20,000. It is available to provide seed funding for new mission and outreach initiatives within the Circuit.

Youth – Receives an annual transfer from the General Fund. The purpose is to encourage activities for children and young people including attendance at District and Connexional youth events.

There are no restricted or endowment funds.

BS6 Related Parties

Related parties include the Methodist Connexion, The Southampton District and Churches within the Circuit, CFB and TMCP. All financial transactions with these related parties are reported in these accounts.

BS7 Agency Collections and Payments

The Circuit acts as agent in either collection or facilitation of the monies tabulated below. The sums sent to the Circuit by churches were remitted direct to the organisations or funds shown and do not appear elsewhere in these accounts.

Fund or Organisation	Amount facilitated £
Methodist Church Fund for property	100
Methodist Church Mission in Britain Fund	1,250
Methodist Church World Mission Fund	2,136
Methodist Homes	1,427

BS8 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year end.

BS9 Independent Examiner

The Independent Examiner examined the Circuit Accounts without charge and provided no additional services to the Circuit during the year.

Name of Circuit :Salisbury

No:26/12.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 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 12.11.2019

Name and address of treasurer: Ian Hardy, Bower Haven, Mount Pleasant, Stoford, Salisbury

Post Code SP1 0PP

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2019 were/will be* presented to the Circuit meeting held on

Signature of the Chair of the meeting 

Name of the Chair of the meeting Bryan Coates Date 5/3/2020

Independent Examiner's Report to the Trustees of the

Salisbury Methodist Circuit

Charity Number 1134362

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the ...SalisburyCircuit for the year ended 31 August 2019 set out on pages 7 to 16 As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

* delete or circle as appropriate

Independent Examiner's Statement

[The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (insert name of applicable listed body)]. Delete [] if not applicable.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination Delete if not applicable ie all R&P accounts
- the trustees' annual report is not consistent with the accounts Delete if not applicable ie all R&P accounts.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

I ~~have~~/have not* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner 

Name of independent examiner HILARY THORNE

Relevant professional qualification of independent examiner MAAT

Name of firm (where appropriate)

Address 61 LINDFORD ROAD, BISHOPDOWN, SALISBURY

..... Post Code SP1 3WX

Date 3/01/2020

* delete or circle as appropriate

Appendix A

Salisbury Methodist Circuit Meeting Membership

Ministers:	Rev David Hookins (chair) Rev Steve Hawkes Rev Anna Bishop Rev Paul Rees
Supernumerary Ministers:	Rev Cecil King Rev Christopher Jones Rev Margaret Jones Rev J Michael Franklin
Circuit Stewards:	Mr Mark Bell (until 20 September 2018) Mr Ian Hardy (Treasurer) Mr Robert Taylor Mr Nigel Thorne Mrs Jacqueline Weddell (Secretary) Mrs Fiona Sherman (from 18 June 2019)
Circuit Local Preachers & Worship Leaders representatives:	Mrs Valerie Liversidge Mr Bernard Robert Mr Malcolm Spencer
Circuit Appointed:	Mrs Grace E Chick (Methodist Women in Britain) Mr Nicholas Rutt (Circuit website manager)
Circuit Church Representatives:	
Amesbury:	Ms Kelera Sovanivalu Ms Susan King (until 31 December 2019)
Bemerton:	Mrs Janet Hardy Mrs Sue Holmes (until 31 August 2019) Mrs Moira Burton Mrs Barbara Spencer (from 1 September 2019)
Bourne Valley:	Mrs Joy Davey Mr Brian Homer
Downton:	Mr Denis Grocott (until 31 August 2019))
Fordingbridge:	Mrs Christine Jones Miss Isabel Brown
Pitton:	Mrs Sarah Sankey
Salisbury:	Mr David Booth Dr Peter Clarke (until 31 August 2019) Mr Paul Emerson(until 31 August 2019) Mrs Carolyn Clark Mr Jim Gillings (from 1 September 2019) Mrs Catherine O’Sullivan (from 1 September 2019) Mrs Fiona Waddingham (from 1 September 2019) Mrs Beverley Turner (from 1 September 2019)
Sandleheath:	Mr Melvyn Clark Mr Graham Nicholas Mrs Sue Ledger (from 1 September 2019)

Shrewton:

Mrs Sue Allway
Mrs Lilian M Foynes

Winterslow:

Mr Duncan Moody
Mr Ivan Moody

Woodfalls:

Mrs Ruth Tonkin (until 31 August 2019)
Mr Nigel Tonkin (until 31 August 2019)
Mr Graham Tanner (from 1 September 2019)
Mrs Anita Tanner (from 1 September 2019)