

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2019**

**THE HANTS-SURREY BORDER
METHODIST CIRCUIT**

CHARITY REGISTRATION No: 1137593

Independent Examiners Ltd
Sovereign Centre
Poplars
Yapton Lane
Walberton
West Sussex
BN18 0AS

THE HANTS-SURREY BORDER METHODIST CIRCUIT

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THE HANTS-SURREY BORDER METHODIST CIRCUIT

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER 1137593

START OF FINANCIAL YEAR 1st September 2018

END OF FINANCIAL YEAR 31st August 2019

TRUSTEES AT 31ST AUGUST 2019

Ashby, Aileen	Jiagge, Robert
Barrow, Pam (to 5/12/18)	Johnson, Caroline (to 13/6/18)
Blake, Chris	Johnston, Colin (from 17/9/19)
Brewerton, Lindsey	Jones, Liz
Bridson, Rolfe	Kember, David
Buckett, Melvyn	Kingston, Paul
Burgess, Kym	Lambert, Neil
Butler, Patrick	Lander, Carol
Chuter, Anne	Lawson, Gisela
Clark, Julie	Maw, Jackie
Compton, Denis	Micklefield, Andrew
Costello, Alan	Moll, David (from 18/3/19)
Crane, Philip	Moore, Ian
Curley, Nina	Moore, Jayne
Curtis, Steve	Noakes, Allison
Dewey, Steve	O'Sullivan, Kathy
Evans, Ken (to 12/3/19)	Pook, Ann
Fitch, Linda (from 13/6/19)	Press, Sally
Galnes, Carole	Rawling, Mark
Gawthrop, Collin	Richards, Heather
Gawthrop, Frances	Sanderson, Alex
George, Liz	Sargeant, Ian
Goldring, Alan	Seabrook, Linda
Gray, Neil	Sexton, Brian
Greig, Rita	Simpkins, Philip
Griffin, Beale	Simpson, Muriel
Hayes, Betty	Slatter, Billy
Heffernan, David (to 5/12/18)	Smith, Richard
Hicks, Conrad (to 13/6/19)	Smith, Sue
Hoff, Gina	Ter Kulle, Gillian
Hopkins, Michael	Titterton, Graham
Horsley, Graham (to 13/6/19)	Wheeler, John
Hunter, Christopher	Wilsbey, Peter
Huntley, John (to 5/12/18)	Wright, DI (to 13/6/19)

THE HANTS-SURREY BORDER METHODIST CIRCUIT

LEGAL AND ADMINISTRATIVE INFORMATION (Continued)

LEGAL STATUS	Unincorporated Charity
GOVERNING INSTRUMENT	Deed of Union (1932) and Methodist Church Act (1976) Adopted 26th August 2010
OBJECTS	<p>The purposes of the Methodist Church are and shall be deemed to have been since the date of union the advancement of - (a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church; (b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church; (c) any charitable purpose for the time being of any society or institution 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.</p>
REGISTERED ADDRESS	<p>C/o 84 Peabody Road Farnborough Hampshire GU14 6DY</p>
PRINCIPAL BANKERS	<p>HSBC Bank Plc. Lansdowne House 74 High Street Alton Hants GU34 1EZ</p> <p>Central Finance Board of the Methodist Church 9 Bonhill Street London EC2A 4PE</p> <p>The Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ</p>
INDEPENDENT EXAMINER	<p>C.B Maizi FMAAT FCIE Independent Examiners Ltd Sovereign Centre Poplars Yapton Lane Walberton West Sussex BN18 0AS</p>

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of The Hants-Surrey Border Methodist Circuit on the accounts for the year ended 31st August 2019 set out on pages 10 to 22.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 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, and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

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

C.B Maizi FMAAT FCIE
Independent Examiners Ltd
Sovereign Centre
Yapton Lane
Walberton
West Sussex
BN18 0AS



Date: 24th March 2020

THE HANTS-SURREY BORDER METHODIST CIRCUIT

TRUSTEES REPORT FOR THE YEAR ENDED 31ST AUGUST 2019

Structure, governance and management:

Trustees selection method:

1. Certain Officers and elected representatives of local churches.
2. Ministers appointed to the Circuit by the Methodist Conference.
3. Officers appointed to certain jobs by the Circuit Meeting.

Additional governance issues:

The Hants-Surrey Border Circuit was formed on 1 September 2012 by part of the Aldershot, Farnborough & Camberley Circuit joining with the Farnham & Alton Circuit, which was then re-named to Hants-Surrey Border Circuit. The Farnham & Alton Circuit was registered as an Individual charity on 26th August 2010, with Charity No. 1137593. The new circuit continues to use this number but with a change of name.

The Circuit comprises eleven churches: Aldershot, Alton, Cove, The Spire (Farnham), Fleet, Frimley Green, Hale, Hartley Wintney, North Camp, Rowledge and Elvetham Heath (LEP), as well as the Ash Vale Chapel. Work continued through the year to further develop the Circuit in order to help it effectively fulfil its purpose as mentioned below under objectives and activities.

The Circuit Assessment is reviewed annually to cover the cost of meeting the objectives and activities listed below, and is shared between each of the churches on an equitable basis. Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its Ministers, six manses and Connexional requirements. The Circuit therefore needs to generate a reasonable surplus to meet these obligations and ensure that the 'reserves policies' relating to its various funds are maintained.

The Ash Vale Chapel continues as a "Fresh Expression" of church. This is regarded as a Circuit 'project', with a local management group being appointed by the Circuit Meeting to assume responsibility for routine maintenance of the property and day-to-day oversight of its activities. Within this framework, the Circuit continues to assume responsibility for the Ash Vale Chapel building, with expenditure on this being met from Assessment. In addition, the Circuit has sponsored the development of a Live Room and Recording Studio in part of the building, intended as a centre for the development of Christian music.

The Circuit is running a Pioneer Project at the Wellesley development in Aldershot, where some 3,850 new homes are planned. A new manse has been purchased on the development and a Pioneer minister has been appointed. This work is a shared partnership with the Guildford Anglican Diocese, with each party bearing 50% of the cost.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

TRUSTEES REPORT (Continued) FOR THE YEAR ENDED 31ST AUGUST 2019

Objectives and activities:

Summary of the objects of the charity as set out in its governing document:

The Circuit's Mission Policy is set out in a separate document. Essentially, it provides for:

- (a)** the ministerial oversight and pastoral care of the local churches in the Circuit,
- (b)** the support of the ministerial team, and
- (c)** the maintenance of the Circuit manses and the Ash Vale Chapel

Summary of the main activities undertaken for the public benefit in relation to these objects:

- a)** The Circuit is the place where new initiatives and changes in the pattern of church life originate. This is where the staffing capacity and resources for ministry are organised, where fresh expressions of church or new pioneer ministries are launched, and where decisions to close churches in the interest of re-shaping mission priorities are debated.
- b)** We act as an umbrella and resourcing body for the 10 local churches, 1 LEP and 2 mission outreach projects in the Circuit, so that they can effectively fulfil their mission statements to engage with all those who seek God and/or a spiritual dimension to their lives.
- c)** We organize, provide leadership of, and administer the Circuit Meeting as the governing body of the Circuit, and provide the link upwards to District and Conference. The public are welcome to attend.
- d)** We administer the stipends and expenses of ministers and salaries and expenses of lay workers in the Circuit, provide pastoral support and, where appropriate, provide their accommodation.
- e)** We promote the well-being of Circuit churches and open access to all who wish to participate in their activities, through oversight of individual church councils and their decision-making, and in consultation with their representatives in the Circuit Meeting (who are also trustees of the Circuit).
- f)** We prepare the quarterly Circuit preaching plan that assigns ministers and lay preachers to church services, to which all are welcome.
- g)** We encourage ecumenical work and activities with other Christian denominations and their congregations.
- h)** We periodically sponsor events within the Circuit that are open to all.

Achievements and Performance

Through the local churches represented in the Circuit, and the resources allocated to them, the following achievements have been made:

- a)** Continued opportunities for public worship in many of the larger towns and villages in the Circuit.
- b)** The continued ability to offer occasional services (e.g. baptisms, weddings, funerals) to both church members and others, as required.
- c)** Continued pastoral care of a wide range of age groups, both within the church membership and the wider community.
- d)** Continued participation in various community-based projects.
- e)** Continued support for the work of local charities and community groups.
- f)** The continued management and maintenance of properties required to achieve the aims and objectives of the Circuit.
- g)** Starting a Pioneer Ministry in the new Wellesley development in Aldershot, in partnership with the local Anglican Diocese.

Acknowledgement of the work of volunteers

The trustees are grateful for the considerable amount of time and resources given to the Circuit by many volunteers, without whose input the Circuit could not achieve its aims and objectives.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

TRUSTEES REPORT (Continued) FOR THE YEAR ENDED 31ST AUGUST 2019

Financial Review

Income and Expenditure

	2018/19	2017/18
	£	£
Overall, the Net Movement in Funds for the year was:	21,538	4,442

This includes investment in new/replacement manses that are better able to meet the changing requirements of the Circuit, as well as further drawing on reserves to tackle a backlog of refurbishment work on manses.

Reserves Policy:

	2018/19	2017/18
	£	£
General Fund expenditure during the financial year	302,838	307,212
	31-Aug-19	31-Aug-18
	£	£
General Fund and Unrestricted General Reserve	202,936	164,503

This represents around 8 months expenditure – more than the 6 months required by the Circuit's Reserves Policy.

Other unrestricted (designated) funds are generally performing satisfactorily. Where these funds appear to be in deficit at year end, this is only a temporary situation which will be corrected once new funds are allocated from Assessments and other sources at the beginning of the next financial year.

Excluding property, the balance of the unrestricted funds stands at £411,305 (2017/18: £389,987).

The end of year balance on the Circuit Model Trust Fund stands at £50,735, of which the following amounts have been earmarked:

£26,611 as a contribution to upgrading the manse for the Church on the Heath (COTH) LEP.
£15,948 to support the Wellesley pioneer mission project.

In addition, the annual District Advance Fund levy for the coming year is estimated to be £1,269, leaving some £6,907 uncommitted.

The Reserve Projects fund contains the net proceeds from the sale of our Frimley Green manse. The balance, amounting to £32,732, is reserved for use in supporting the Wellesley pioneer mission project.

The balance of the restricted trust funds held by the Circuit is £34,127 (2017/18: £33,907).

Fixed Assets:

The Circuit's fixed assets are in the form of buildings, 6 manses and the Ash Vale Chapel. In the previous financial year, in accordance with the SORP (FRS102) the Circuit opted to take the 31 August 2015 property values as deemed cost going forward. This deemed cost is £2,290,181. (Note that the Wellesley manse is valued at 50% of its full cost price, to reflect the sharing arrangement with the Guildford Diocese).

We are still waiting to conclude a sharing agreement relating to the Circuits' share of the new manse used by the Elvetham Heath LEP.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

TRUSTEES REPORT (Continued) FOR THE YEAR ENDED 31ST AUGUST 2019

Trustees' Responsibilities

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year which presents a true and fair view of the state of affairs of the Charity and of the surplus of the Charity for that period. In preparing those financial statements the trustees are required to:

- i) Select suitable accounting policies and apply them consistently
- ii) Make judgements and estimates that are reasonable and prudent
- iii) Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on, 5th March 2020

Signed on their behalf by Trustee, Rev. G. Hoff

Print Name:

Rev. G. Hoff

THE HANTS-SURREY BORDER METHODIST CIRCUIT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2019

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2018/19 £	TOTAL 2017/18 £
INCOMING RESOURCES						
Incoming Resources from Generated Funds						
Donations & Legacies	3a	331,845	60,848	-	392,693	405,608
Charitable Activities	3b	6,698	12,297	-	18,995	4,864
Activities for Generating Funds	3c	-	28,988	-	28,988	28,840
Investment Income	3d	1,187	916	288	2,391	1,650
Other Incoming Resources	3e	5,842	85	-	5,927	2,642
TOTAL INCOMING RESOURCES		345,572	103,134	288	448,994	443,604
RESOURCES EXPENDED						
Cost of Generating Funds						
Costs of Charitable Activities	4a	298,487	122,901	-	421,388	436,852
Governance Costs	4b	2,859	3,141	68	6,068	2,310
TOTAL RESOURCES EXPENDED		301,346	126,042	68	427,456	439,162
NET INCOMING/(OUTGOING)		44,226	(22,908)	220	21,538	4,442
Total Funds Brought Forward		121,478	2,558,690	33,907	2,714,075	2,709,633
Transfers Between Funds		3,814	(3,814)	-	-	-
TOTAL FUNDS CARRIED FORWARD		169,518	2,531,968	34,127	2,735,613	2,714,075

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 12 to 22 form part of these financial statements.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

BALANCE SHEET AS AT 31ST AUGUST 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 31-Aug-19 £	Total 31-Aug-18 £
Fixed Assets					
Tangible Assets	2	2,290,181	-	2,290,181	2,290,181
Current Assets					
Debtors & Prepayments	9	69	-	69	1,987
Cash at Bank and In Hand	8	414,201	34,127	448,328	434,488
Total Current Assets		414,270	34,127	448,397	436,475
Creditors: due within one year	10	2,965	-	2,965	12,581
NET CURRENT ASSETS		411,305	34,127	445,432	423,894
TOTAL ASSETS less current liabilities		411,305	34,127	445,432	423,894
Long Term Liabilities	11	-	-	-	-
NET ASSETS		2,701,486	34,127	2,735,613	2,714,075
Funds of the Charity					
General Funds		169,518	-	169,518	121,478
Designated Funds	5	2,531,968	-	2,531,968	2,558,690
Restricted Funds	6	-	34,127	34,127	33,907
		2,701,486	34,127	2,735,613	2,714,075

Approved by the Trustees on,

5th March 2020

Signed on their behalf by Trustee,

Gina Hoff (Reverend)

Print Name:

Gina Hoff

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2019

1. ACCOUNTING POLICIES

Basis of Preparation & Assessment of Going Concern

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP - FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services have been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment Income

This is included in the accounts when receivable.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

1. ACCOUNTING POLICIES (Continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

Grants with Performance Conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources, eg allocating property costs by floor areas, or per capital, staff costs by the time spent and other costs by their usage.

Fixed Assets

Tangible fixed assets for use by the charity, these are capitalised if they can be used for more than one year and cost at least £1,500. They are valued at cost or, if gifted, at the value to the charity on receipt.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

Change of Accounting Policies and Rules and Methods of Valuation.

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a reducing balance over their estimated useful lives. The rates applied per annum are as follows:

Fixtures, Fittings Equipment	25%
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No depreciation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

2. TANGIBLE FIXED ASSETS

		Manse Land £	Manse Property £	Chapel Land £	Chapel Property	Total 2018/19 £
Cost	01-Sep-18	513,233	1,026,466	250,161	500,321	2,290,181
Additions		-	-	-	-	-
Cost at	31-Aug-19	<u>513,233</u>	<u>1,026,466</u>	<u>250,161</u>	<u>500,321</u>	<u>2,290,181</u>
Depreciation	01-Sep-18	-	-	-	-	-
Charge		-	-	-	-	-
Depreciation at	31-Aug-19	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value	31-Aug-19	<u>513,233</u>	<u>1,026,466</u>	<u>250,161</u>	<u>500,321</u>	<u>2,290,181</u>
Net Book Value	31-Aug-18	<u>513,233</u>	<u>1,026,466</u>	<u>250,161</u>	<u>500,321</u>	<u>2,290,181</u>

The property was previously included in the financial statements at building insurance value. On the 1st September 2015 (being the date of transition to FRS102), the Trustees opted to state the property at deemed historical cost representing each property's gross carrying value as at 1st September 2015 being that property's insurance reinstatement value, as notified by Methodist Insurance Plc at the renewal date. The value of the land element of the property is deemed to be one third of the total carrying value. If acquired after 1st September 2015, the cost of acquisition is taken. No depreciation is provided because the Trustees consider the current residual fair value of the properties in their present condition is not less than its deemed cost and in the absence of any evidence of impairment, any depreciation provision for the buildings component of the properties would be considered immaterial.

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st August 2019: None

31st August 2018: None

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

3. INCOMING RESOURCES

Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2018/19 £	TOTAL 2017/18 £
a) Donations & Legacies					
Circuit Assessments	320,280	1,987	-	322,267	318,576
Gifts & Donations	451	38,654	-	39,105	45,749
Grants Received	11,114	20,207	-	31,321	41,283
	331,845	60,848	-	392,693	405,608
b) Charitable Activities					
Contractual Income	6,698	12,297	-	18,995	4,864
	6,698	12,297	-	18,995	4,864
c) Activities for Generating Funds					
Rental Income	-	28,988	-	28,988	28,840
	-	28,988	-	28,988	28,840
d) Investment Income					
Interest Received	1,187	916	288	2,391	1,650
	1,187	916	288	2,391	1,650
e) Other Incoming Resources					
Refunds & Compensation	5,842	85	-	5,927	2,642
	5,842	85	-	5,927	2,642

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

4. RESOURCES EXPENDED

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2018/19 £	TOTAL 2017/18 £
a) Costs of Charitable Activities						
Activities & Projects		-	17,621	-	17,621	4,994
Bank Charges		15	-	-	15	40
Gifts & Grants		18	2,267	-	2,285	173
Insurance Costs		5,551	-	-	5,551	5,300
Mission & Service Fund		59,772	-	-	59,772	56,563
Office Costs		659	-	-	659	1,291
Printing, Postage & Stationery		1,097	559	-	1,656	1,351
Quinquennial Expenses		720	-	-	720	600
Refurbishment & Repairs		-	47,530	-	47,530	52,519
Rent & Rates		9,845	4,321	-	14,166	11,507
Repairs & Maintenance		123	7,729	-	7,852	11,292
South East District		11,176	1,293	-	12,469	11,555
Staff Costs	12	192,320	26,543	-	218,863	228,231
Sundry Expenses		998	391	-	1,389	7,618
Telephone Costs		1,934	2,394	-	4,328	4,286
Training Costs		152	447	-	599	2,272
Travel & Subsistence		10,133	-	-	10,133	10,863
TVC Costs		-	8,460	-	8,460	10,512
Utility Costs		1,599	3,060	-	4,659	13,809
Visiting Speakers		900	-	-	900	275
Water Rates		1,475	286	-	1,761	1,801
		298,487	122,901	-	421,388	436,852

b) Governance Costs

Independent Examiners Fees	10	1,680	-	-	1,680	810
Legal & Professional Fees		1,179	3,141	68	4,388	1,500
		2,859	3,141	68	6,068	2,310

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

5. DESIGNATED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Sep-18 £	Income £	Expenditure £	Transfers £	Balance 31-Aug-19 £
General Reserve	43,025	244	-	-	43,269
Manse Property Res. Value	1,539,699	-	-	-	1,539,699
Manse Property Repair Res.	10,890	31	8,721	9,998	12,198
Church Property Res.	750,482	-	-	-	750,482
Benevolent Fund	205	-	-	-	205
L3D	-	-	-	-	-
The Chapel	39,634	19,778	43,522	-	15,890
The Wellspring	3,448	21,688	17,621	-	7,515
Broomleaf	9,773	28,778	20,367	-	18,184
North Camp Lay Worker Fund	30,051	11,378	11,769	(20,000)	9,660
AUE Community Worker	3,888	10,000	14,774	14,946	14,060
AUE Local	-	6,892	-	-	6,892
AUE Shared Manse	8,875	2,578	4,500	-	6,953
Mission Support	25,402	326	2,234	-	23,494
Special Gifts	-	800	1,042	242	-
HSBC Model Trust Fund (ex- F&A)	51,702	429	1,396	-	50,735
Reserve Projects Acc.	41,616	212	96	(9,000)	32,732
	2,558,690	103,134	126,042	(3,814)	2,531,968

PREVIOUS FINANCIAL YEAR

	Balance 01-Sep-17 £	Income £	Expenditure £	Transfers £	Balance 31-Aug-18 £
General Reserve	42,931	150	56	-	43,025
Manse Property Res. Value	1,539,699	-	-	-	1,539,699
Manse Property Repair Res.	7,315	19	21,444	25,000	10,890
Church Property Res.	750,482	-	-	-	750,482
Benevolent Fund	175	30	-	-	205
L3D	20,280	29	-	(20,309)	-
The Chapel	18,672	45,036	48,842	24,768	39,634
The Wellspring	-	9,747	6,299	-	3,448
Broomleaf	17,569	29,010	22,804	(14,002)	9,773
North Camp Lay Worker Fund	17,305	17,869	10,223	5,100	30,051
AUE Community Worker	1,849	-	16,123	18,162	3,888
AUE Local	(838)	-	-	838	-
AUE Shared Manse	11,385	1,715	4,225	-	8,875
Mission Support	10,950	540	90	14,002	25,402
Special Gifts	-	-	84	84	-
HSBC Model Trust Fund (ex- F&A)	58,206	288	1,692	(5,100)	51,702
Reserve Projects Acc.	60,303	313	-	(19,000)	41,616
	2,556,283	104,746	131,882	29,543	2,558,690

The Designated funds are represented by the Charity's cash reserves and fixed assets Investments and are to be expended as detailed above.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

5. DESIGNATED FUNDS (Continued)

General reserves comprise: the accumulated and set aside general funds as a specific reserve.

Manse property reserves comprise two parts being: The asset value of the manses (Note 2) and the funds set aside to refurbish & maintain them.

Church property reserves comprises: The value of The Chapel on the balance sheet.

The Benevolent fund: Money received to be used for benevolent purposes.

L3D: Funds received and paid in the operation of the Living In the Three Dimensions project.

The Chapel: Income, expenditure and balances connected with The Chapel, Ash Vale project.

The Wellspring: Income, expenditure and balances connected with The Wellspring, Wellesley project.

North Camp Lay Worker Fund: Funds received and paid in connection with NCMC community worker.

Broomleaf Fund – funds received and paid in connection with the letting of the Broomleaf Road manse and other expenses of stationing Rev. Conrad Hicks in the Circuit, which are shared with the Thames Valley Circuit. End of year balances are transferred to the Mission Support Fund, which is available for use by local churches to support specific outreach projects.

AUE Manse Fund – funds received and paid in connection with the purchase and operation of a new manse on the Aldershot Urban Extension, which are to be shared with other denominations through a formal sharing

AUE Community Worker Fund – funds received and paid in connection with the employment of a community worker for the AUE project, again shared with other denominations through a formal sharing agreement.

AUE Local Fund - local income generated and expenditure incurred by the Wellesley Pioneer Project.

The MTF (Model Trust Fund) fund derives from sales of chapels and manses and its use is restricted by Conference. The restriction is an internal regulation, although the fund can be used for a variety of purposes. Some money held in the MTF has been earmarked by the trustees for anticipated property costs & mission projects, in the next 2 to 3 years.

The Reserves Projects fund holds the proceeds of the sale of the former Queensway manse pending its use in the purchase of the AUE manse, with any residual balances being reserved for use in meeting operational expenses of the Wellesley project.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

6. RESTRICTED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Sep-18 £	Income £	Expenditure £	Transfers £	Balance 31-Aug-19 £
Alma Adley Legacy	33,907	288	68	-	34,127
	33,907	288	68	-	34,127

PREVIOUS FINANCIAL YEAR

	Balance 01-Sep-17 £	Income £	Expenditure £	Transfers £	Balance 31-Aug-18 £
Alma Adley Legacy	33,770	205	68	-	33,907
	33,770	205	68	-	33,907

Alma Adley fund derives from a legacy received by Aldershot Farnborough & Camberley Methodist Circuit and part was transferred to the Hants-Surrey Border Circuit and associated Interest applied.

The Restricted funds are represented by the Charity's cash reserves and are to be expended as specified above.

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 31-Aug-19 £	Total 31-Aug-18 £
Fixed Assets	2,290,181	-	2,290,181	2,290,181
Net Current Assets	411,305	34,127	445,432	423,894
	2,701,486	34,127	2,735,613	2,714,075

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

8. CASH AT BANK AND IN HAND

	Unrestricted Funds £	Restricted Funds £	Total 31-Aug-19 £	Total 31-Aug-18 £
Cash at Bank & in Hand	414,201	34,127	448,328	434,488
	414,201	34,127	448,328	434,488

9. DEBTORS AND PREPAYMENTS

	Unrestricted Funds £	Restricted Funds £	Total 31-Aug-19 £	Total 31-Aug-18 £
Sundry Debtors	69	-	69	1,987
	69	-	69	1,987

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Funds £	Restricted Funds £	Total 31-Aug-19 £	Total 31-Aug-18 £
Independent Examiners Fee	1,680	-	1,680	810
PAYE & N.I	1,285	-	1,285	3,948
Sundry Creditors	-	-	-	7,823
	2,965	-	2,965	12,581

11. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

The Charity held no long term liabilities during this or the previous financial year.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

12. STAFF COSTS AND NUMBERS

	TOTAL 2018/19 £	TOTAL 2017/18 £
Gross Wages & Salaries	218,863	179,934
Employer's National Insurance Costs	16,016	13,554
Pension Contributions	32,026	34,744
	<u>266,905</u>	<u>228,232</u>

Average number of employees who were engaged in each of the following activities:

	TOTAL 2018/19	TOTAL 2017/18
Charitable Activities	5	5
	<u>5</u>	<u>5</u>

A pension scheme is offered to eligible employees and employer contributions were paid during 2018/19 on behalf of 7 employees.

The Charity operates a PAYE scheme to pay all employed members of staff and no employees received emoluments in excess of £60,000. (2017/18:None).

13. PAYMENTS TO TRUSTEES AND OTHER RELATED PARTIES

	2018/19	2017/18
Number of trustees who were paid expenses only	1	6
Number of trustees who were paid expenses & stipends:	6	7
	2018/19	2017/18
	£	£
Total expenses only paid	36	2,082
Total stipends and expenses paid	10,448	13,086

All relate to reimbursement of expenses incurred on behalf of the Circuit. No trustees were paid for acting as a trustee.

No other payments were made to trustees or any persons connected with them during this financial period. No other material transaction took place between the organisation and a trustee or any person connected with them.

THE HANTS-SURREY BORDER METHODIST CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2019

14. RISK ASSESSMENT

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

15. RESERVES POLICY

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The trustees will endeavour not to set aside funds unnecessarily.

16. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.