

BLACK COUNTRY CIRCUIT

(Registered Charity No.1168391)

TRUSTEES' REPORT AND ACCOUNTS

Year ended 31 August 2019

Contents	Page
Trustees' Report	2 - 11
Independent Examiners' Report	12 - 13
Statement of Financial Activities	14 - 15
Balance Sheet	16
Notes to the Financial Statements	17 – 25

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

Basis of preparation and legal framework

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Full Name of Charity: **BLACK COUNTRY CIRCUIT**

Registration Charity Number: **1168391**

Date of registration **22 JULY 2016**

Main communication address:

Circuit Office, The Wesley Centre, Spring Head, Wednesbury, WS10 9AD

The members of the Black Country Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

Full membership is shown as Appendix A on page 7 of this report.

Circuit Ministers and Officers

Active Circuit Ministers:

Revd Philip Thomas

Revd Patricia Mukorombindo

Revd Trevor Pratt

Revd Denise Williams

Circuit Stewards:

Mr Donald Anderson, Mr David Ashfield, Mrs Carol Osborne, Mr Christopher Pearce, Mr Derek Percival, Mrs Shirley Shelton, Mr J Graham Smith, Mr Ian Thompson, Mrs Gillian Willdig and Miss Christine York.

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

Independent Examiner:

Neil Westwood FCA, 24 Dawlish Road, Woodsetton, Dudley, West Midlands, DY1 4LU.

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

Investment Bankers:

Central Finance Board of the Methodist Church

Trustees For Methodist Church Purposes

Aims and organisation

The purposes of the Methodist Church are, and shall be deemed to have been since the Date of Union, the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church
- b) Any charitable purpose for the time being of any Connexional, District, Circuit, local, or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church

The Circuit produces a quarterly preaching plan to ensure that regular acts of worship take place at each of the 17 Methodist Churches in its geographical area. The Black Country Circuit is constituted to offer acts of worship in its church communities and to further the mission of the Church in Tipton, West Bromwich & Wednesbury. With our primary internal function being that of Christian worship, we organise acts of worship in each of the 17 Circuit churches every Sunday (in most cases). Our internal structure is based on a Circuit Meeting which meets twice a year; a Local Preachers' meeting which meets around twice a year; Circuit Leadership Team meetings throughout the year, and Staff Meetings which meet monthly. We endeavour to make our meetings more than just talking shops; they are the place where important decisions are made and within them, we plan our strategies and fulfill our role as Charity Trustees.

Public Benefit

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

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

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

Related Parties

See Note 19 to the Accounts

Review of the year

Rev Denise Williams took over from Rev Philip Thomas as Superintendent Minister on 1 September 2018. We are pleased that Rev Thomas has stayed in the Circuit and is able to assist Rev Williams during this transitional period. Rev Mukorombindo will be leaving the Circuit at the end of the 2019-20 Connexional year and the Circuit will be entering the stationing process later this year to try to secure a replacement minister.

Mrs Elizabeth Farley, our new Circuit Mission Enabler, took up her appointment on 1 September 2018 with the aim of 'being an enabler of outreach and church growth' by equipping local churches for mission; promoting the priority of mission and evangelism and developing Circuit and local church mission strategies. This position is being funded by Connexion, District and our Circuit and is seen as an initial 3 year post. She is already proving to be an asset to the Circuit with her work in the community and churches.

Miss Diane Cripps became our part time Circuit Administrator in July 2019. She will relieve the ministers of many of the administratively burdensome tasks that they face and will provide support to a number of Circuit Officers.

Churches have faced ongoing issues with their buildings and declining congregations.

It was pleasing to note an increase in the number of local preachers on note or on trial.

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

Our work is informed by, inspired by and celebrated in our primary activity – worship. From our worship flows our three other main activities within local, national and global communities; learning & caring, service and evangelism. All of our churches seek to embrace the breadth of 'Our Calling' whilst also recognising the challenges and difficulties. We are rooted in seventeen different local communities but our vision is much wider as we seek to serve the wider church and world in our work.

Work in and with the local communities remains an important part of our mission.

Four of our Circuit Stewards 'sat down' on 31 August: Carol Osborne, Graham Smith Gillian Willdig and Christine York. All gave great service to the Circuit and helped in the smooth transition over the last few years with the amalgamation of the three circuits that now form The Black Country Circuit. The names of two prospective new Circuit Stewards will be put to the Circuit Meeting in September 2019 for approval.

When considering achievements and performance it is right to pay tribute to the many people throughout the circuit who in their daily lives respond to the call of Jesus "follow me" by offering pastoral care and / or practical help and to the team of Local Preachers who enable services to take place Sunday by Sunday. We operate an open door policy and welcome all to our church communities and wider work irrespective of race, gender, ethnicity, sexuality or any kind of disability, and take seriously the challenge to love God, self and neighbour.

Financial Review

Circuit income is drawn primarily from the assessments paid by the circuit churches and, during the year, net assessments were £202,089 (2017 £199,187). Some individual churches paid more or less than previously, in line with the policy to better reflect the ability of churches to pay. Rental income was received during the year from the letting of two former manses.

Salary costs were, as expected, higher than last year., primarily due to the employment of our lay workers. However, the Circuit applied for, and received, grants from District and Connexion towards the cost of our Circuit Mission Enabler whilst making a contribution to her costs from our own resources. The Circuit will be funding our new administrator purely from our own resources.

Property costs were very similar with most expenditure being carried out on the investment properties; all manses are kept in a good state of repair. The Circuit continues to pay for the property and electrical quinquennial inspections for all churches.

At 31 August 2019, unrestricted reserves, excluding Land and Buildings, stood at £287,932 (2018 £293,439). The Circuit is entering a period of uncertainty around income and expenditure levels, with a small number of churches struggling, together with changes in staffing over the next few years, the costs of which are difficult

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

to predict. The strength of our reserves will enable the Circuit to face the uncertain times with a degree of confidence but, in any event, the Circuit Leadership Team will continue to closely monitor the size and use of the resources available to the Circuit.

Plans for 2019/20

Circuit financial plans for the coming year have been prepared on the basis that there remains 4 full time ordained staff with anticipated cost of living stipend increases but with an increased, subsidised cost, of our new Circuit Mission Enabler and our administrator. A 1% increase in the overall underlying assessment paid by the churches is expected to be required.

Reserves Policy General

It is the Trustees' policy to maintain a balance of unrestricted and undesignated funds equivalent to around six months average unrestricted expenditure, to cover unexpected requirements which may occur from time to time. Due to the uncertain future of some of our churches our reserves are currently above six months expenditure to support our future expenditure plans without having to impose substantial increases in annual assessments. Our reserves will diminish over the next few years as we subsidise the position of our Circuit Mission Enabler and Circuit Administrator.

Risk Management

The major risks associated with the Circuit have been identified by the Circuit Leadership Team. A regular review process is in place and is recorded.

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

- we will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- we will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- we will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- we will seek to challenge any abuse of power, especially by anyone in a position of trust.
- we will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- in all these principles we will follow legislation, guidance and recognised good practice.

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

The Black Country Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Ian Belcher, our Circuit Safeguarding Officer, has held a number of training sessions during the year and, whilst there are still some volunteers who need to attend a training session, the Circuit appears to be ahead of many other Circuits in this regard.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these statements, the trustees are required to:

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed,

subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

DECLARATION

The Charity's Trustees declare that they have approved the Trustees' Report above. Signed on behalf of the Charity's Trustees

Signatures



Revd Denise Williams



DAVID ASHFIELD.

Position Chair

Trustee

Date 16 September 2019

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

Circuit Meeting Membership

Ministers

Revd Philip Thomas

Revd Patricia Mukorombindo

Revd Trevor Pratt

Revd Denise Williams

Layworkers

Mrs Elizabeth Farley

Miss Diane Cripps

Local Preachers and Worship Leader Representatives

Mr Trevor Allan, Mrs Pat Greenhalgh, Mrs Jean Mason, Mr Alan Moore, Mrs Marilyn Pratt, Mr David Woodman.

Circuit Stewards

Mr Donald Anderson, Mr David Ashfield, Mrs Carol Osborne, Mr Christopher Pearce, Mr Derek Percival, Mrs Shirley Shelton, Mr J Graham Smith, Mr Ian Thompson, Mrs Gillian Willdig and Miss Christine York.

Circuit Meeting Secretary

Mrs Karen Belcher

Circuit Treasurer

Mr John Miller

Circuit Officers

Mrs Brenda Moore

Circuit Safeguarding Co-ordinator

Mr Ian Belcher

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

Circuit Representatives to Synod

Mr David Ashfield, Mrs Rosemary Jones, Mr Derek Percival

Circuit Church Representatives

Beeches Road

Mr Eric Moore, Mr Tony Williams, Mr Ian Belcher,

Charlemont

Ms Karen Bennett, Miss L Haywood, Ms Joy Jerrison, Mr Simon Jerrison

Hallam Street

Ms Josie Attwood, Ms Pat Hodgetts, Miss M Wakeman

Hill Top

Mrs Olive Ellis, Mrs J Howes, Ms Margaret Tromans

Lea Brook

Mr Joe Norton, Mr John Williams

Methodist Centre

Mr Robert Cooper, Mr Alan Gorton, Mr Claude Laight

Moorlands

Don Anderson

New Road

Chris Allen, Mrs Lorraine Morris

Park

Mrs Gaynor Idles

Roseville

Mrs Judith Hawkins, Mr Kenneth Hawkins, Mrs Sylvia Morran

Black Country Circuit

Report of the Trustees

For the year ended 31 August 2019

Ryders Green

Ms Joan Butler, Mr Alex Cooksey, Mr T Dawson

St Andrews

Mr Donald Anderson, Mrs June Davies, Miss Margaret Morgan

Tipton Green

Mrs Marjorie Ashfield, Mr Peter Davies, Mrs Rosemary Jones, Mrs Margaret Moore, Miss Susan Sandbrook

Toll End

Miss Kim Pollard

Wesley

Mr Ian Collett, Mrs Beryl Price, Mrs Helen Allen, Ms Anita Warner (until December 2017), Mr Mac Wills

Wednesbury (Central & Woods)

Mrs Susan Harris, Mr Norman Jones, Ian Thomson, Miss Valerie Partridge

Black Country Circuit

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.

..... *J Miller* Date..... *16/9/2019*.....

John Miller
7 Southwood Close
Kingswinford
West Midlands
DY6 8JL

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2019 were, presented to the Circuit meeting on 16 September 2019

Signature of the Chair of the meeting *DM Williams*

Name of the Chair of the meeting Rev Denise Williams..... Date ...*16/9/2019*.....

Independent Examiners Report to the

Trustees of the Black Country Circuit

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Black Country Circuit for the year ended 31 August 2019 set out on pages 14 to 27. 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 District's/Circuit's/Church's* accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

The Circuit's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives 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.

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 not obtained independent verification of all investments with the Trustees for Methodist Church Puposes 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.



Neil Westwood FCA

Chartered Accountant

Dated 13 July 2020

24 Dawlish Road,
Woodsetton,
Dudley,
West Midlands,
DY1 4LU

Black Country Circuit

Statement of Financial Activities

For the year ended 31 August 2019

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	2	1,342	1,319				2,661
3 Income from investment properties	5	13,778					13,778
4 Assessments on Churches	3	202,089					202,089
5 Capital Receipts							0
6 Grants received	4	37,000					37,000
7 Other charitable income		417					417
8 Total income		254,626	1,319	-	-	-	255,945
Expenditure							
9 Grants and donations	6	1,932					1,932
10 Salaries and associated costs	7	181,357					181,357
11 Property maintenance	9	27,020					27,020
12 Connexional assessment & model tru	8		2,821				2,821
13 District Assessment & Levy	8	43,447					43,447
14 Depreciation							0
15 Office expenses	11	1,906					1,906
16 Other outgoings	12	3,311					3,311
17 Total charitable expenditure		258,973	2,821	0	0	0	261,794
18 Gains/(losses) on monetary investments			342				342
19 Gains/(losses) on investment properties							
20 Net income/(expenditure)		-4,347	-1,160	0	0	0	-5,507
21 Transfers between funds		10,000	10,000				0
22 Other gains/(losses)							
23 Net movement in funds		5,653	-11,160	0	0	0	-5,507
24 Total funds brought forward		1,461,108	102,331				1,563,439
25 Total funds carried forward		1,466,761	91,171	-	-	-	1,557,932

Black Country Circuit

Statement of Financial Activities

For the year ended 31 August 2019

Statement of Financial Activities (SOFA) for the year ended 31 August 2018							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2017-18
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments		772	1,210				1,982
3 Income from investment properties		14,138					14,138
4 Assessments on Churches		199,187					199,187
5 Capital Receipts							0
6 Grants received		10,000					10,000
7 Other charitable income		218					
8 Total income		224,315	1,210	-	-	-	225,525
Expenditure							
9 Grants and donations		2,000					2,000
10 Salaries and associated costs		158,599					158,599
11 Property maintenance		27,118					27,118
12 Connexional assessment & model trust levy			194				194
13 District Assessment & Levy		42,284	2,422				44,706
14 Depreciation							0
15 Office expenses		1,198					1,198
16 Other outgoings		3,365					3,365
17 Total charitable expenditure		234,564	2,616	0	0	0	237,180
18 Gains/(losses) on monetary investments			1,012				1,012
19 Gains/(losses) on investment properties							
20 Net income/(expenditure)		-10,249	-394	0	0	0	-10,643
21 Transfers between funds			5,829		-	5,829	0
22 Other gains/(losses)							
23 Net movement in funds		-10,249	5,435	0	0	-5,829	-10,643
24 Total funds brought forward		1,471,357	96,896			5,829	1,574,082
25 Total funds carried forward		1,461,108	102,331	-	-	-	1,563,439

Black Country Circuit

Balance Sheet

As at 31 August 2019

	Notes to the	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2018/19	Totals 2017/18
	Accounts	£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment	12	855,000					855,000	855,000
Investment properties	12	415,000					415,000	415,000
Investments	14		91,171				91,171	102,331
Total fixed assets		1,270,000	91,171	0	0	0	1,361,171	1,372,331
Current Assets								
Debtors	16	437					437	79
Loans by the Circuit							0	0
Investments with TMCP							0	0
Central Finance Board Deposits	13	193,742					193,742	192,933
Cash at Bank and in hand	13	44,297					44,297	41,421
Total current assets		238,476	0	0	0	0	238,476	234,433
Current liabilities								
Creditors (due in under 1 year)	15	41,715					41,715	43,325
Grants payable within 2018-19							0	
Total current liabilities		41,715	0	0	0	0	41,715	43,325
Net current assets/liabilities		196,761	0	0	0	0	196,761	191,108
Total assets less current liabilities		1,466,761	91,171	0	0	0	1,557,932	1,563,439
Long term liabilities (due after more than one year)								
Grants payable after 2018-19							0	
Loans to the Circuit							0	
							0	
Net assets		1,466,761	91,171	0	0	0	1,557,932	1,563,439
Funds of the Circuit								
General Fund (Unrestricted)		1,466,761					1,466,761	1,461,108
Circuit Model Trust Fund (Unrestricted)			91,171				91,171	102,331
Designated Funds (Unrestricted)				0			0	
Total Unrestricted Funds							1,557,932	1,563,439
Restricted Funds					0		0	
Endowment Funds						0	0	
Total Funds		1,466,761	91,171	0	0	0	1,557,932	1,563,439

Signed



J Miller
Circuit Treasurer

Date 16/9/2019

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

1. Accounting policies

i Accounting Standard

The financial statements have been prepared under the Charities Act 2011 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 Standards applicable in the UK and Republic of Ireland (FRS102) (effective from 1 January 2015) – (Charities SORP (FRS102)).

ii Public Benefit Entity

The Black Country Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy 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 the Trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

iv Content

The financial information 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 Going concern

Based on the monetary assets and human resources available at 31 August 2018, the Trustees believe that the Circuit is a going concern.

vi 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.

vii Income recognition

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and the trustees are reasonably certain that they will receive the resources; and the monetary value can be measured with sufficient reliability.

viii 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.

ix Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

x VAT

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

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

xi Tangible fixed assets for use by the Circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at 2015 values following a revaluation of the properties by an independent valuer. No depreciation is provided on the buildings because the trustees consider the current residual value of the property in its present condition to be not less than its current value, and in the absence of any evidence of impairment, any depreciation provision would not be material

2. Income from Monetary Investments

	Unre- stricted £	CMTF £	2019 £		Unrestricted £	CMTF £	2018 £
CFB	1342		1342		772		772
TMCP		1319	1319			1210	1210
Other							
Total	1342	1319	2661		772	1210	1982

3. Assessments on Churches

The Circuit comprises of 17 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. During 2017 the Circuit adopted a new method of raising its assessments in order to ensure that each church's contribution is assessed on a fairer basis than that used in the past. The method takes account, to some degree, of membership, attendance, income and reserves but the increases are then reconsidered to ensure that no one church bears the brunt of a large increase (or decrease) in their assessment. Churches who are able to pay a little more than required help to offset the burden on struggling churches.

4. Grants receivable

	Unre- stricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
District Ad- vance Fund	20,000		20,000		10,000		10,000
Connexion	17,000		17,000		0		0
Total	37,000		37,000		10,000		10,000

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

5. Property Rentals

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
2 Wood- man Close	6933		6933		7293		7293
1A New Street	6,845		6,845		6,845		6,845
Total	13,778		13,778		14,138		14,138

Income from letting each of the properties (which are manses that are currently surplus to Circuit requirements) is shown net of repair costs and letting agents fees.

6. Grants and donations

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
Fund for the support of presbyters and deacons	720		720		750		750
Methodist Church Fund for Property	212		212		250		250
Wednesbury	1,000		1,000		1,000		1,000
Total	1,932		1,932		2,000		2,000

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

7. Salaries and associated costs

Presbyters	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	...2018 £
Stipends and allowances	98,769		98,769		104,269		104,269
National Insurance	9,022		9,022		9,604		9,604
Pension Costs	26,066		26,066		27,514		27,514
Sub total	133,857		133,857		141,387		141,387
Telephone and Travel	14,386		14,386		14,811		14,811
Miscellaneous	1,630		1,630		2,401		2,401
Total	149,873		149,873		158,599		158,599

Lay Workers	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
Salaries and allowances	27,120		27,120		0		0
National Insurance	2,468		2,468		0		0
Pension Costs	1,300		1,300		0		0
Sub total	30,888		30,888		0		0
Telephone and Travel	581		581		0		0
Miscellaneous	15		15		0		0
Total	31,484		31,484				
Grand Total	181,357		181,357		158,599		158,599

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

Stipends were paid to 4 full time Presbyters. Salaries were paid to one full time and one part time lay worker.

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial. All staff are paid at or above the living wage.

Pensions

Most ordained Presbyters are members of the Methodist Ministers' Pension Scheme, which is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand, any lay employees of the Circuit would be contractual employees and would have the option of joining a pension scheme which the Circuit would arrange with The Pension Trust.

Costs of Superintendent, Presbyters and Trustees

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

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

Payments to Trustees

Apart from the 4 Presbyters no member of the Circuit Meeting was in receipt of any payment for work undertaken on behalf of the Circuit, although certain travelling and administration costs were reimbursed in particular cases.

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

8. District Assessment and levy

In common with other circuits in the District, the Circuit pays an annual assessment to the Wolverhampton & Shrewsbury District of the Methodist Church, which is based on the number of Methodist Presbyters and Lay Workers within each circuit. The Levy is calculated on a sliding scale percentage of the balance of the Circuit's CMT at 31 August in the previous accounting year.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
District Assessment	43,447		43,447		42,284		42,284
District Levy		2,821	2,821			2,616	2,616
Total	43,447	2,821	46,268		42,284	2,616	44,900

9. Property costs

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

		2019 £	2018 £
Insurance, Council tax & utilities		13,710	12,987
General maintenance on manses and other Circuit properties		13,710	14,131
Total		27,020	27,118

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

10. Other outgoings

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
Visiting preachers	785		785		2,183		2,183
Benevolent Fund	388		388		476		476
Apprenticeship levy and pay-roll fee	1,236		1,236		409		409
Gifts	66		66				
Miscellaneous	836		836		297		297
Total	3,311		3,311		3,365		3,365

11. Office Expenses

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
Website	191		191		215		215
Printing postage and stationery	1373		1373		983		983
Computer costs	282		282				
Furniture	60		60				
Total	1,906		1,906		1,198		1,198

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

12. Tangible fixed assets

	Manses £	Investment properties £	Other fixed assets inc. motto vehicles	Fixtures, fittings and equipment	Total £
Balances brought forward	855,000	415,000	0	0	1,270,000
Depreciation	0	0	0	0	0
Balances carried forward	855,000	415,000	0	0	1,270,000

Net book value

Brought forward	855,000	415,000	0	0	1,270,000
Carried Forward	855,000	415,000	0	0	1,270,000

Investment properties consist of two former manses currently let on 6 monthly renewable short term leases.

13. Central Finance Board (CFB) and Bank Balances

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
CFB	193,742		193,742		192,933		192,933
HSBC Bank	44,297		44,297		41,421		41,421
Cash					0		0
Total	238,039		238,039		234,354		234,354

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

14. Trustees for Methodist Church Purposes (TMCP)

	Circuit Model Trust Fund £	Endow- ments£	2019 £		Circuit Model Trust Fund £	Endow- ments£	2018 £
MTF	91,171		91,171		102,331		102,331
Total	91,171		91,171		102,331		102,331

The funds that support the Circuit Model Trust Fund are held by TMCP in the Trustees Interest Fund on which interest is credited each month. TMCP is the legal owner and custodian trustee of all Methodist model trust property including legacies, endowments and accumulated funds.

15. Creditors, Accruals and Income in advance

It is expected that all sums accrued at 31 August 2019 will be paid in the year to 31 August 2020.

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
Income in advance							
Assessments in advance	40,418		40,418		39,855		39,855
Creditors and accruals							
Assessments overpaid					1,069		1,069
Ministers and other expenses	1,152		1,152		1,447		1,447
Property costs	40		40		136		136
Office	105		105		396		396
Other					422		422
Total	41,715		41,715		43,325		43,325

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

16. Debtors

	Unrestricted General Fund £	Circuit Model Trust Fund £	2019 £		Unrestricted General Fund £	Circuit Model Trust Fund £	2018 £
Assessments overdue					79		79
Ministers and other ex- penses	411		411				
Property costs	26		26				
Total	437		437		79		79

17. Capital Commitments and Contingent Liabilities

As at 31 August 2019 the Circuit had no capital commitments. No contingent liabilities were identified at 31 August 2019.

18. Summary of Unrestricted Fund movements

	Opening Balance £	Income £	Gains on in- vestments £	Expendi- ture £	Transfers £	Closing balance £	Purpose of the fund
General	1,461,108	254,626		(258,973)	10,000	1,466,761	General purposes
Circuit Model Trust Fund	102,331	1,319	342	(2,821)	(10,000)	91,171	General purposes
Total	1,563,439	255,945	342	(261,794)		1,557,932	

Black Country Circuit

Notes to the Accounts

For the year ended 31 August 2019

19. Related Parties

Related Parties include The Methodist Connexion, the Wolverhampton & Shrewsbury District, Churches within the Circuit (listed below), CFB and TMCP.

Beaches Road
Charlemont
Hallam Street
Hill Top
Lea Brook
Methodist Centre
Moorlands
New Road
Park
Roseville
Ryders Green
St Andrews
Tipton Green
Toll End
Wesley
Wednesbury Central
Woods

20. Leasing commitments

At 31 August 2019 the Circuit had no leasing commitments.