

THE METHODIST CHURCH – HIGH WYCOMBE CIRCUIT
CHARITY COMMISSION TRUSTEES ANNUAL REPORT 2020

Section B – Structure, Governance and Management

The Circuit is one of 21 Circuits in the Northampton District. The Circuit is ultimately accountable to the Methodist Conference.

Risk management is considered as part of its overall duties by the Circuit Leadership Team which takes appropriate professional advice whenever it feels that this is necessary.

The Circuit has for many years adopted a safeguarding policy in respect of children and has encouraged and indeed ensured that all Churches within the Circuit have also adopted a suitable policy. In 2012 it adopted and has since annually updated a revised policy covering both Children and Vulnerable Adults. Suitable training is arranged to support those holding office.

Section C – Objectives and Activities

The objects are set out in The Methodist Church Act 1976 (Clause 4), a synopsis of which is “advancement of religion and any charitable purpose of the Methodist Church or Church organisation (see Methodist Church Act 1976).” The Circuit provides advice, support and resources to the 9 Churches that form the Circuit and through them undertakes a range of religious activities for the benefit of the general public/mankind.

Methodist Circuits are not defined as external grant making bodies. Surplus funds, both short term and longer term are invested with the Trustees for Methodist Church Purposes as required by Standing Orders.

The majority of the work of the Circuit, other than that undertaken by ordained ministers and paid lay workers, is undertaken by voluntary lay persons.

Section D – Achievements and Performance

The Circuit has continued to support a wide range of activities undertaken by the Churches within the Circuit. This has involved substantial investment in resources both in areas of proven growth and where there is potential for development. This has taken the form of significant contributions for building improvements and also assistance with the funding of lay workers.

The Circuit has continued its commitment to fund a diaconal appointment up to at least September 2023. The appointee is developing outreach work both by encouraging and training lay people, and by working alongside ecumenical partners. In addition he is actively involved in supporting the work of local Work Place Chaplains.

Section E – Financial Review

The Circuit aims to maintain in general fund at least three months routine expenditure to cover timing delays in receipt of funds. There are a number of designated funds which support defined activities.

The other main fund is the Circuit Model Trust Money (formerly known as the Circuit Advance Fund) which is derived from the sale of redundant properties within the Circuit and its use is limited to those purposes defined in Standing Orders.

The Circuit raises funds through the Circuit assessment which is contributions from all the Churches within the Circuit to meet the agreed budget for the year.

The majority of the Circuit's expenditure is related to the employment of staff and their associated accommodation etc. expenses plus a contribution to the costs of both the District and the Connexion collected through the District Assessment.

Section F –

The Circuit continues to seek an effective strategy for its future development and direction. In 2020 a process was initiated to encourage all churches to review their '20:20 Vision' developed some six years earlier. This 'Re-imagining' exercise is being aligned with the Connexional 'God for All' initiative as well as taking into account recent changes in worship practice brought about by the current Covid restrictions. The work identified through these exercises will be developed as a priority and taken forward over the coming years both by the churches and the Circuit Leadership Team.

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The Methodist Church - High Wycombe Circuit

Statement of Financial Activities

for the Year ended 31st August 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds 2019 £
INCOMING RESOURCES					
Circuit Assessments		186,651		186,651	203,420
Manse Rental Income	7	37,140		37,140	40,713
Grants Received	2	50,666		50,666	0
Bank and Trust Interest		950		950	708
Special Collections			8,470.35	8,470	969
Sundry Income & transfers from Naphill MC		1,246		1,246	3,225
Total incoming resources		276,653	8,470.35	285,123	249,035
RESOURCES EXPENDED					
Stipends, National Insurance & Pensions		139,447		139,447	125,395
Lay Workers & Supernumerary	6	5,220		5,220	5,129
District Assessment		51,863		51,863	44,018
Manse repairs and maintenance	9	69,838		69,838	55,962
Travel		2,047		2,047	5,847
Administration		1,630		1,630	869
Quinquennial inspections		0		0	3,720
Telephones and internet		3,079		3,079	1,930
Training		893		893	400
Pulpit supply and plans		251		251	1,688
Grants and Donations	8	13,228		13,228	4,000
Collection paid over			8,470.35	8,470	969
Removal costs		0		0	5,066
Other expenditure		8,992		8,992	100
Depreciation		0		0	0
Total resources expended		296,487	8,470.35	304,958	255,092
NET INCOMING RESOURCES		(19,834)	0.00	(19,834)	(6,057)
INCREASE / (DECREASE) IN VALUE OF FUNDS					
Manse revaluation	5	107,992		107,992	56,888
Model Trust Fund	3	238,042		238,042	(7,189)
Other Trust Funds	4	179		179	20,822
NET MOVEMENT IN FUNDS		326,378	0	326,378	64,464
FUNDS BROUGHT FORWARD		3,273,254	8,907	3,282,161	3,217,696
FUNDS CARRIED FORWARD		3,599,632	8,907	3,608,539	3,282,161

The Methodist Church - High Wycombe Circuit

Balance Sheet at 31st August 2020

	Notes	2020 £	2019 £
Tangible Fixed Assets		3,026,690	2,918,698
Current Assets:			
Trustees for Methodist Church Purposes		444,480	206,259
Central Finance Board		144,619	165,916
HSBC		26,503	16,423
CAF Bank Cash		15,349	6,501
CAF Bank Gold		20,056	20,024
Stipends paid in advance		11,487	11,494
Manse rental fees paid in advance		0	0
Sundry debtors		0	0
Manse Refurbishments paid in advance		0	12,210
		<u>3,689,183</u>	<u>3,357,525</u>
Less Current Liabilities:			
Circuit assessments prepaid		48,153	44,231
Manse Rental Income		0	0
Manse repair and maintenance reserve	9	50,000	50,000
Accrued manse maintenance expenses		0	0
Accrued General Expenses		0	500
Accrued Quinquennial costs		0	0
Accrued special collection		2,305	447
Sundry liabilities		0	0
		<u>100,458</u>	<u>95,178</u>
		<u><u>3,588,725</u></u>	<u><u>3,262,347</u></u>
FINANCED BY:			
Unrestricted Funds:			
General Fund		67,556	87,390
Manse Refurbishment Fund		50,000	50,000
Manse Fund	5	3,026,690	2,918,698
Model Trust Fund	3	<u>414,384</u>	<u>176,342</u>
		3,558,629	3,232,430
Other Funds			
Trust 17252 Chilton Memorial Trust Fund	4	2,829	2,829
Trust 12975 (Sale of Land) Fund	4	6,183	6,142
Trust 20825 Alma Stevens bequest	4	<u>21,084</u>	<u>20,945</u>
		30,096	29,917
TOTAL FUNDS		<u><u>3,588,725</u></u>	<u><u>3,262,347</u></u>

The Methodist Church - High Wycombe Circuit

Notes to the Accounts for the year ended 31st August 2020

1. Accounting policies

a) Basis of accounting

The Accounts have been prepared under the Historic Cost Convention except where assets have been stated at valuation. This is in accordance with applicable accounting standards and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSE) (effective 1 January 2015).

b) Valuation of Manses

The six manses owned by the Circuit were originally valued on the basis of the market values of comparable properties situated in their respective areas, and adjusted by taking account of the change in a house price index during the year.

c) Designation of Funds according to Charity Law

The General Fund is an unrestricted fund.

The Manse Fund is an unrestricted designated fund.

The Chilton Memorial Trust Fund is a Permanent Endowment.

The Model Trust Fund, Trust (Sale of Land) Fund, and the Alma Stevens bequest are unrestricted funds.

2. Grants Received

£30,000 was taken from the Model Trust Fund to cover the cost of employing the Deacon. A grant of £20,666 was made by Connexion to cover part of the refurbishment work on 222 Rutland Avenue.

3. Model Trust Fund (formerly the Circuit Advance Fund)

Movements on the Model Trust Fund during the year were as follows:

	2020	2019
	£	£
Balance brought forward	176,342	202,737
Interest received (net of TMCP charges)	2,619	1,243
Net proceeds of sale of properties	271,740	0
Less amounts drawn to support mission and outreach:		
Diaconal appointment	-30,000	-20,000
Circuit - Any Other Purpose	0	0
Less District Levy	-6,317	-7,637
Balance Carried Forward	<u>414,384</u>	<u>176,342</u>

4. Other Trust Funds.

These comprise monies which were originally donated, collected or allocated for a specific, purpose.

Movements during the year were as follows:

	2020	2019
a) Chilton Memorial Trust 17252 (permanent endowment)		
Balance brought forward	2,829	2,829
Interest credited (net of TMCP charge)	19	18
Interest paid to Circuit	-19	-18
Balance carried forward	<u>2,829</u>	<u>2,829</u>
b) Trust 12975 (sale of land)		
Balance brought forward	6,142	6,102
Interest credited (net of TMCP charge)	41	40
Balance carried forward	<u>6,183</u>	<u>6,142</u>

Trust 12975 resulted from the sale of land by the former Bourne End Methodist Church. Following the closure of the Church, the Trust was transferred to the Circuit and the capital is available to the circuit as laid down in standing orders.

c) Trust 20825 Alma Stevens bequest

Balance brought forward/Capital Transferred	20,945	20,798
Interest credited (net of TMCP charge)	138	148
Interest paid to Circuit	0	0
	<u>21,084</u>	<u>20,945</u>

Trust 20825 was a bequest to Naphill Methodist Church. Following the closure of the church in July 2018 the Trust was transferred to the Circuit and is now available to the Circuit as laid down in standing orders.

The Methodist Church - High Wycombe Circuit

Notes to the Accounts for the year ended 31st August 2020

5. Tangible Fixed Assets - Manses	2020	2019
Balance brought forward	2,918,698	2,901,290
Increase/Decrease in valuation	107,992	17,408
Balance carried forward	3,026,689	2,918,698

The value of the manses owned by the circuit has been revalued using the Nationwide House price index for August as in previous years. The year on year change was +3.7%

6. Lay workers and supernumeraries

The Circuit has not employed any layworkers during the year.

7. Manse Rental Income

Two manses were occupied for the whole of the year.

8. Grants and Donations

A grant of £2,250 was made in support of the Flackwell Heath Young Families Worker, and £3,200 in support of the Marlow Youth Worker. As in previous years, a donation of £2,000 was made to support the work of Wycombe Homeless Connection.

9. Manse Repairs and the Manse Reserve

There has been further significant expenditure on the manse at 222 Rutland Avenue, but much of this was covered by a Connexional grant. Some unexpected refurbishment was also required at 4 Fleet Close. Such expenditure is provided for by the manse reserve but we have not taken money from the reserve on this occasion as manse rental income exceeded the budgeted amount. The Manse Reserve Fund has been maintained at £50,000.

Independent Examiner's Unqualified Report to the Trustees of The Methodist Church - High Wycombe Circuit

Respective responsibilities of Trustees and Examiner

As the charity trustees, you are responsible for the preparation of the accounts; you consider that the audit requirements of Section 43(2) of the Charities Act 1993 (the Act) do not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 43(7)(b) of the Act, whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

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 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 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.

Signed



Date

29/12/2020

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2019-20 £
Income							
1 Donations and legacies							0
2 Income from monetary investments		950	2,852			24	3,826
3 Income from investment properties							0
4 Assessments on Churches		186,651					186,651
5 Capital Receipts			271,740				271,740
6 Grants received		50,666					50,666
7 Other charitable income		38,386		8,470			
8 Total income		276,653	274,592	8,470	-	24	559,739
Expenditure							
9 Grants and donations		13,228	30,000				43,228
10 Salaries and associated costs		149,792					149,792
11 Property maintenance		69,838					69,838
12 Connexional assessment & model trust levy							0
13 District Assessment & Levy		51,863	6,317				58,180
14 Depreciation							0
15 Office expenses		1,630					1,630
16 Other outgoings		10,136	54	8,470		24	18,685
17 Total charitable expenditure		296,487	36,371	8,470	0	24	341,353
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							0
20 Net income/(expenditure)		-19,834	238,220	0	0	0	218,386
21 Transfers between funds							0
22 Other gains/(losses)							0
23 Net movement in funds		-19,834	238,220	0	0	0	218,386
24 Total funds brought forward		87,390	203,430	50,000		2,829	343,649
25 Total funds carried forward		67,556	441,650	50,000	-	2,829	562,035

Balance Sheet as at 31 August 2020

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Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2019/20	Totals 2018/19
	£	£	£	£	£	£	£

Fixed Assets

Circuit Manses & Equipment	3,026,690					3,026,690	
Investment properties						0	
Investments						0	
Total fixed assets	3,026,690	0	0	0	0	3,026,690	0

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Current Assets

Debtors						0	
Loans by the Circuit						0	
Investments with TMCP		441,650			2,829	444,480	
Central Finance Board Deposits	94,619		50,000			144,619	
Cash at Bank and in hand	61,908					61,908	
Total current assets	156,527	441,650	50,000	0	2,829	651,006	0

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Current liabilities

Creditors (due in under 1 year)						0	
Grants payable within 2018-19						0	
Total current liabilities	0	0	0	0	0	0	0
Net current assets/liabilities	156,527	441,650	50,000	0	2,829	651,006	0

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Total assets less current liabilities	3,183,216	441,650	50,000	0	2,829	3,677,696	0
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Long term liabilities (due after more than one year)							
Grants payable after 2018-19						0	
Loans to the Circuit						0	
Net assets	3,183,216	441,650	50,000	0	2,829	3,677,696	0

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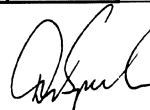
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Funds of the Circuit

General Fund (Unrestricted)	3,183,216					3,183,216	
Circuit Model Trust Fund (Unrestricted)		441,650				441,650	
Designated Funds (Unrestricted)			50,000			50,000	
Total Unrestricted Funds						3,674,867	0
Restricted Funds				0		0	
Endowment Funds					2,829	2,829	
Total Funds	3,183,216	441,650	50,000	0	0	3,677,696	0

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Signed



Circuit Treasurer