

RYEDALE METHODIST CIRCUIT 29/34

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

RYEDALE METHODIST CIRCUIT

ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

ADMINISTRATIVE INFORMATION

Circuit Number: 29/34

Circuit Staff:

Ordained:

Superintendent Minister: Rev Peter Sheasby
7 Pinfold Garth, Malton, North Yorkshire, YO17 7XQ

Ministers: Rev Ken Gowland
Deacon Fiona de Boltz
Rev Anthony de Boltz
Rev Jane Pickering (from 1st September 2019)

Lay:

Pastoral Lay Employee: Mrs Linda Stannard
Missional Lay Employee: Mrs Karen Pattison
Administration Assistant: Mrs Ann Thomas

Trustees: All members of the Circuit Meeting. A full list is available on request.

Circuit Stewards: Ms Kate Gibbs (from 12th September 2019)
Mrs Julia Branson
Mr Paul Emberley
Mr Robert Rayner

Circuit Treasurer: Mr Philip Roy Evans FCCA

Independent Examiner: Mr Michael Richmond FCCA
Champleys Chartered Certified Accountants
Champleys Mews, Market Place
Pickering
North Yorkshire
YO18 7AE

STRUCTURE GOVERNANCE AND MANAGEMENT

The Governing Document	Deed Of Union (1932) and Methodist Church Act (1976)
Constituted	Act of Parliament
Selection of Trustees	Appointed by local churches and existing trustees Ministers are automatically trustees
Structure	Part of the York and Hull District of the Methodist Church Accountable to the Methodist Conference
Risks	Considered by the Leadership Team Take professional advice when required Adopted Safeguarding Policy

OBJECTIVES AND ACTIVITIES

The Vision of Ryedale Methodist Circuit is to build fellowships of committed followers of Jesus Christ, who will share the Gospel, grow in faith and demonstrate this through loving service in both the local community and the wider world.

This vision will be worked out by:

- Increasing awareness of God's presence and declaring His love in our daily lives;
- Offering safe places for worship where everyone is made to feel welcome and accepted;
- Providing opportunities for spiritual growth and learning;
- Providing time and space for church and community activities;
- Showing care and support for all;
- Sharing tasks of ministry among both lay and ordained people;
- Working for justice and peace for all people, and
- Regularly reviewing opportunities for mission, ministry and worship both within the Methodist Circuit and with others of faith.

Objectives:

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.

STRUCTURE AND DECISION MAKING

The Circuit staff work as a team sharing responsibilities across the Circuit.

Day-to-day management decisions are taken by the Circuit Leadership Team (CLT). The CLT is composed of the Circuit Stewards and ordained staff.

The Circuit Meeting is the principal decision-making body responsible for the affairs of the Circuit and the development of circuit policy. It also acts as the focal point of the working fellowship of the churches in the Circuit, overseeing their pastoral, training and evangelistic work. It meets twice yearly, in the autumn and spring.

CLT meets between Circuit Meetings to:

1. discuss the life and work of the Circuit
2. formulate recommendations for the Circuit Meeting
3. carry out work on behalf of the Circuit Meeting, where appropriate.
4. to ensure the Circuit effectively uses its financial resources through:
 - (i) agreeing proposals for the annual circuit budget in advance of the Circuit Meeting
 - (ii) monitoring financial procedures.

The CLT is responsible for the maintenance and upkeep of the manses and has the authority to approve emergency works to manses on behalf of the Circuit Meeting.

All property schemes within the Circuit are examined by the CLT who recommend an appropriate response to the Circuit Meeting. The CLT may seek clarification or modification of an application before making its recommendation to the Circuit Meeting.

In addition to seeking approval, a church may seek financial support from the Circuit. For small property schemes (up to £5000) the CLT may recommend that the Circuit Meeting grant from the Circuit Model Trust Fund up to 15% of the budgeted cost of the scheme (subject to funds being available) depending on how well the scheme fits the approval criteria.

RISK MANAGEMENT

The Trustees have examined the major strategic and operational risks facing the Circuit and have established the necessary systems to manage or mitigate these risks.

In particular:

- insurance cover is in place
- the finances of the Circuit are kept under review
- the Circuit has adopted the Methodist Church Safeguarding Policy and ensured it is rolled out to the churches; appointed a Circuit Safeguarding Co-ordinator; appropriate Disclosure and Barring Service (DBS) checks are made and there are regular audits of Safeguarding practices across the Circuit and all its churches.

Public Benefit

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

Ryedale Methodist Circuit carries out a range of activities in pursuance of its mission. The Trustees consider that these activities, summarised below, provide benefit to those who are members of the Circuit through the local Methodist churches and the wider community.

ACHIEVEMENTS AND PERFORMANCE

Religious Activities

Acts of worship and pastoral care

The Circuit produces a quarterly preaching plan to ensure regular acts of worship take place at each of the Methodist churches and Local Ecumenical Partnerships under its remit. These are open to all people, without charge. The Ministers have pastoral care for these churches.

Baptisms, Weddings and Funerals

The Circuit staff conducted baptisms, weddings and funerals at each of the churches in the Circuit. These services are available at the discretion of the person with pastoral charge. No charge is made for baptisms. A modest set fee is usually charged for weddings and funerals.

Work with Children, Youth, and Families in the local Community

The Circuit supports the work done in the local churches to

- create and strengthen relationships and help people along their life's journey
- ensure people feel welcome and get a positive experience of Church life
- encourage people to start and continue a journey into faith.

We aim to make these services available to everyone.

People and property

Presbyters, Deacons and Local Preachers

The Circuit spiritually and financially supported the above named Presbyters and Deacon throughout the year (or for the period shown); a number of active Local Preachers and several Supernumerary Ministers took services and preached in the Circuit's churches during the year.

Lay Employees

The Circuit funded:

- 2 part time Lay Employees
- A part-time Administrator

Property management

The Circuit maintained three manses, each of which were occupied by ministers during the year. Three further former manses were commercially let. During the year two redundant churches were sold .

Volunteers

A substantial part of the Circuit's ministry is accomplished by volunteers. All the Circuit Stewards and the other members of the Circuit Meeting, except for the Ministers and paid lay employees, are volunteers. All the local preachers are volunteers.

FINANCIAL REVIEW

The Accounts for the year ending 31st August 2020 and the Statement of Assets and Liabilities as at 31st August 2020 are contained in Appendix 1. These show net income of £138,000 in the year, with total cash funds of £706,000 at the end of the year.

This positive net income figure was mainly attributable to the sale of two redundant churches and a reduction in full time staff and ministers and was achieved after paying £12,000 in repairs to manse and £3,000 relating to the inspection of other buildings and churches. The rental of a spare manse resulting from the reduction in full time ministerial staff achieved additional rental income of £7,000.

The sale of two redundant church buildings raised £159,000 net of sales costs, of which £128,000 was retained in the Circuit (within the Circuit Model Trust Fund (CMTF)) and the remaining £31,000 was donated to the wider Methodist Connexion (per the standard approach on such sales). There was also a donation of £21,000 from the CMTF to the Yorkshire North and East District of the Methodist Church (per the standard approach where CMTF balances are held).

For unrestricted funds the net position was an inflow of just over £138,000 but the exceptional income from sales of closed churches of £128,000 net of levies accounted for most of this income. The operating profit excluding CMTF movements amounted to around £28,000.

The principal funding sources for the year to 31st August 2020 are the Assessments/Shares received from the churches within the Circuit. The principal expenditure is the salary costs of the ministers and lay employees of the Circuit. Further, one-off funds have been generated from the sale of redundant church buildings.

The Reserves policy is contained in Appendix 2.

The Trustees have established a policy whereby the unrestricted funds held in the General Reserve (excluding amounts allocated to the Manse fund and the Property Inspection fund) should be sufficient to cover six months of general running costs. At 31st August 2020, the level of reserves was above this objective, with £219,000 of funds available (including net current assets) and annual expected expenditure of £258,000. This is equivalent to 10 months but is considered prudent because net assets include an unsecured loan of £80,000 and current staffing levels are considered low and may be increased in the future. If the loan is excluded the reserves are equivalent to 6 months costs.

The Trustees have also established a policy whereby the Circuit Model Trust Fund should be maintained at a level sufficient to fund an anticipated level of property projects plus the budgeted transfers to general funds over a five year horizon, after allowing for inflows from property sales. At 31st August 2020, the balance of the CMTF is £494,000. The CMTF is currently in a position which exceeds the requirements of the policy.

This reserves policy will be reviewed regularly.

Overall, the Trustees consider the financial position to be satisfactory.

Approved and signed on behalf of the Circuit by:



Reverend Peter Sheasby
Superintendent Minister

Dated: 25/01/21

APPENDIX 1: ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted Funds	Circuit Model Trust Fund	Other Funds	Total this year	Total last year
RECEIPTS					
Assessment/share	192,827	-	-	192,287	194,503
Capital receipts	-	159,862	-	159,862	418,673
Interest and investment income	839	3,799	332	4,970	3,271
Grants	-	-	-	-	-
Other receipts	49,904	-	-	49,904	50,638
Total receipts	243,030	163,661	332	407,023	667,085
PAYMENTS					
Stipends, salaries, NIC, pension and travel costs	136,898	-	-	136,898	170,116
Manse costs	12,018	-	-	12,018	18,466
Administration etc	2,879	792	63	3,734	4,758
District assessment	42,940	-	-	42,940	41,268
Grants Loans and donations	971	52,754	-	53,725	289,636
	-	-	-	-	-
Other payments	19,151	-	-	19,151	28,198
Total payments	214,857	53,546	63	268,466	552,442
Net receipts and payments	28,173	110,225	269	138,557	114,643
Total funds brought forward from last year	152,577	395,180	19,730	567,487	452,844
Transfers and adjustments	10,590	(10,454)	(136)	-	-
Total funds at end of year	191,340	494,841	19,863	706,044	567,487

Notes:

- Other payments include £1,314 for independent examiner's fees and £1,376 professional fees incurred in relation to a possible sale of land.

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 AUGUST 2020

	Opening balances	Closing balances
CASH FUNDS HELD		
Bank current account	23,922	55,166
Central Finance Board deposit account	131,341	139,063
Trustees for Methodist Church Purposes	412,154	511,815
Other funds	-	
Total cash funds held by circuit	567,487	706,044
OTHER ASSETS AND LIABILITIES		
Investments	10,928	10,757
Land and buildings	2,045,610	1,544,163
Other assets	17,242	12,712
Loans	80,000	80,000
Other liabilities	46,577	45,022

APPENDIX 2: RESERVES POLICY

Our Reserves Policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the Circuit.

Other funds are also included for the sake of clarity and openness and to show that the Circuit has a policy for the management of all of its money not simply those which are defined as reserves.

Aims

- To secure and sustain the Circuit's viability and future.
- To reassure the general public that the Circuit, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

Three Step Process

In line with Connexional guidance, we undertake a three step process in setting reserves policy:

- i. set out our mission aims
- ii. decide what financial plans will be necessary to achieve those aims
- iii. determine the appropriate level of reserves required to meet our financial plans.

(1) Mission Policy

The Circuit's Mission Policy is set out in a separate document developed during the merger process.

Essentially, it provides for:

- (a) The ministerial oversight and pastoral care of the more than twenty local churches in the Circuit.
- (b) The support of a ministry team of three presbyteral Ministers (currently 2), one Deacon, several supernumerary ministers and three lay employees (two plus an Administrator currently).
- (c) The maintenance of the four Circuit manses, two former manses which are currently let out commercially, and any closed chapels which are in the process of being sold.

(2) Financial Plans

Each year, the required levels of expenditure and income are reviewed and a Circuit budget is produced. This covers:

- the total level of expenditure required by the Circuit to meet the costs of 1(a), (b) and (c) above
- expected income from the let properties
- requirement for contributions to the Circuit from individual chapels
- appropriate level of transfer from Circuit Model Trust Fund (budgeted at £10,000 as a general amount for 2020/21 plus an exceptional transfer of up to £20,000 to cover the purchase of Communication equipment for churches to facilitate on line services and exceptional transfers each quarter to cover unpaid quarterly assessments by churches short of funds)

We make provision for our property maintenance programme by designating an amount per annum for each manse to maintain the properties, and an amount per annum to fund a program of periodic property inspections

(3) Reserves Policy

The Circuit General Fund

Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. The total budgeted expenditure for the next financial year (including planned contributions to the Manse Fund and the Property Inspection Fund) is c.£259,000.

Our Reserves Policy is to hold at least six month's expenditure in hand. At 31/08/20, the balance was c.£219,000 (that is c. £170,000 balance with net assets, including an £80,000 loan, of c. £49,000) so represented about ten months expenditure.

The Manse Fund

This is a designated fund which exists to cover expenditure required to maintain the Circuit manses in good condition and to fulfil requirements of quinquennial inspections.

Our policy is to support this fund from the General Fund by means of an annual amount per annum, set so as to balance expenditure over a five year cycle. As such, there is no specific target level of reserves at any point in time, but an objective of covering requirements without undue volatility in the annual transfer.

At 31/08/20, the balance was just over £16,000. The budgeted annual level of funding for the following year was £7,500 (i.e. £2,500 per manse) but, following a period where self distancing meant repairs were kept to a minimum, additional reserves are available to cover unexpected repairs.

The Property Inspection Fund

This is a designated fund which exists to cover the cost of quinquennial and other (e.g. electrical) inspections for both individual churches and circuit properties.

Our policy is to support this fund from the General Fund by means of an annual amount per annum for each manse, set so as to balance expenditure over a five year cycle. As such, there is no specific target level of reserves at any point in time, but an objective of covering requirements without undue volatility in the annual transfer.

At 31/08/20, the fund balance was just over £4000; the budgeted annual level of funding for the following year was £5,600.

Circuit Model Trust Fund

This fund derives from sales of chapels and manses. Historically, the use of this fund has been restricted to specific purposes by the Conference, but more recently Circuits have been given the ability to use their CMTF as they see fit.

Our policy is to use the fund to provide support to the General Fund to further the work of the Circuit (budgeted at £10,000 in 2020/21) and to provide specific support for property related expenditure in individual chapels, through ad-hoc contributions to significant projects and through an initiative to provide 15% of small property schemes.

The call upon CMTF reserves will be further increased during 2020/21 for the purchase of communication equipment to facilitate on line services in the future, as deemed necessary, and to compensate for assessments not paid by churches where financial difficulties are experienced by specific churches.

Our Reserves Policy is to hold sufficient in the CMTF to cover projected expenditure, over a 5 year horizon, after allowing for anticipated proceeds from property sales – this expenditure comprising:

- Continuing support for the General Fund (budgeted at £10,000 for 2020/21)
- Specific allowance for significant projects already committed to or anticipated
- Contributions of £20,000 per annum to future significant projects
- A running cost of £5,000 per annum from the "15% scheme"

As outlined above, there will be a specific requirement for funds of £20,000 for communication equipment in 2020/21 and an unknown level of need to cover unpaid assessments.

This would suggest a requirement of £195,000 plus the cost of specific projects and the amount of unpaid assessments, less proceeds from sales of closed chapels (net of levies and fees).

The actual balance in CMTF at 31/08/20 was £494,000.

Restricted Funds

These funds comprise trusts managed by Trustees for Methodist Church Purposes (TMCP), where the income is available for general use but the capital cannot generally be accessed. Restrictions for these funds are in line with the wishes of the benefactors. These funds amounted to just over £19,000 as at 31/08/20.

There were also holdings of just under £3,000, part of which was held within a segregated bank account for specific purposes and part had previously been held in a segregated savings account and was being treated as restricted until any requirements relating to its provenance could be confirmed.

APPENDIX 3: List of Trustees @31st August 2020

Role	Name
Superintendent	Revd Peter Sheasby
Circuit Minister	Revd Ken Gowland
Circuit Minister	Revd Tanya Short
Circuit Minister	Deacon Fiona de Boltz
Supernumerary	Revd Peter Clark
Supernumerary	Revd Jane Pickering
Supernumerary	Revd Brian Shackleton
Supernumerary	Revd Michael Williams
Minister Resident in Circuit	Revd Mark Haynes
Minister Resident in Circuit	Revd Dr Penelope Worth
Authorised to Serve	Benjamin Nicholson
Lay Employee	Louise Hayes
Lay Employee	Karen Pattison
Lay Employee	Linda Stannard
Circuit Steward	Julia Branson
Circuit Steward	Virginia Collinson
Circuit Steward	Paul Emberley
Circuit Steward	Robert Rayner
Circuit Steward (Treasurer)	Phil Evans
CM Secretary	Ann Thomas
Quinquennial Report Representative	Mike Leng
LP Secretary	Rachel Prest
Allerston Steward	Howard Parr
Allerston Treasurer	Mary Kemp
Appleton Representative	Jean Lishman

Applerton Representative	Malcolm Leckenby
Ebberston Representative	Helen Leng
Ebberston Steward	Mike Peck
Hartoft Representative	Brenda Towle
Hartoft Steward	Christine Jackson
Helmsley Representative	Andrew Leckenby
Helmsley Representative	Chrissie Gowland
Helmsley Steward	Les Helm
Helmsley Treasurer	Christine Wright
Hovingham Steward	Sue Goodwill
Kirkdale Steward	Beatrice Bartlett
Kirkdale Treasurer	Brian Bartlett
KMS Representative	Kath Hall
KMS Representative	Audrey Windress
KMS Steward	Janet Brown
KMS Treasurer	Mike Gray
Leavening Steward	Steve Langton
Leavening Treasurer	Nancy Spencer
Malton Representative	Nigel Hardwick
Malton Steward	Richard Lukey
Malton Treasurer	Roger Hadfield
Norton Bethel Representative	Jonathon Piercy
Norton Bethel Steward	Veronica Piercy
Norton Bethel Treasurer	Margaret Graham
Norton Trinity Representative	Audrey Henderson
Norton Trinity Representative	John Hubery
Norton Trinity Steward	Sue Holmes

Norton Trinity Treasurer	Suzanne West
Pickering Representative	Vacancy
Pickering Representative	Pam Sellers
Pickering Steward	Nigel Pattison
Pickering Treasurer	Martin Redgard
Rievaulx Representative	Nicholas Dunn
Rievaulx Steward	Edward Garbutt
Rievaulx Treasurer	Sheila Foster
Scagglethorpe Steward	Paul Douthwaite
Scagglethorpe Treasurer	Nancy Wilson
Scagglethorpe Representative	Janet Smith
Slingsby Steward	David Scaling
Slingsby Representative	Stephen Prest
Slingsby Steward	Audrey Foster
Slingsby Treasurer	Liz Marshall
Thornton Dale Representative	Mary Hoggarth
Thornton Dale Steward	Mervyn Hand
Thornton Dale Treasurer	John Woodmansey
Supernumerary	Revd Tony de Boltz
Synod Rep	Kate Gibbs

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE RYEDALE METHODIST CIRCUIT FOR YEAR ENDED 31 AUGUST 2020

I report on the accounts of Ryedale Methodist Circuit (Charity No: 1152920) for the year ended 31st March 2020, which are set out on pages 2 to 12.

Respective Responsibilities of Trustees and Examiner

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'). 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 the Independent Examiner's Report

My examination was carried out in accordance with the 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 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 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

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

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 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 the Independent Examiner



Michael Richmond FCCA BA (Hons) MAAT
Champleys Chartered Certified Accountants
Champleys Mews, Market Place, Pickering YO18 7AE

27th November 2020