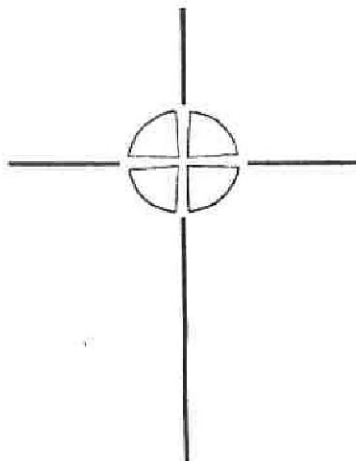




The **Methodist** Church
Exeter, Coast & Country
Methodist Circuit 24/03

Registered Charity Number 1137450

Registered on 12 August 2010



Trustees Annual Report
& Statutory Accounts
for the year ended
31st August 2020

Exeter, Coast and Country Methodist Circuit

(Referred to herein as either ECCC, The Charity or the Circuit)

Trustees Annual Report

Introduction

The following pages are designed to give the reader an overview of the purposes of the Charity, of how it conducts itself, of those who were involved in the Charity and draws attention to what has occurred during the past year. These pages are an introduction to and should be read in conjunction with the detailed financial reports contained later on in the document.

Aims & Organisation

The overriding objective of the ECCC is to act as a resource provider within the area from Crediton, West of Exeter, through Exeter to Axminster, East Devon and areas along the South coast of East Devon on behalf of the Methodist Church. The calling of ECCC is to respond to God's love in Jesus by sharing our lives through Christian discipleship in worship and caring.

Activities include organisation and resourcing of regular public acts of worship open to all involving:

- Proclaiming Christianity.
- Supporting pastoral work in the community.
- Sharing the love of God through Jesus Christ

The principle body responsible for the affairs of the Circuit is the Circuit Meeting of the Trustees. The business of the Circuit Meeting is supported by regular meetings of the Circuit Leadership Team. This team comprises all Ministers stationed in the Circuit and the Circuit Stewards who are lay representatives from across the Circuit.

Structure – Finance, Governance & Management

The Exeter Coast & Country Circuit is part of the Plymouth & Exeter Methodist District (the District) and is also accountable to the Methodist Conference. The following Methodist Churches are linked to and are an integral part of the Circuit, albeit having their own Church Council of Managing Trustees and producing their own accounts. Those with gross annual income of less than £100,000 are exempted from registration as separate charities under Statutory Instrument 2014 No 242

Axminster	Littlemead, Exmouth	Temple, Budleigh Salterton
Cheriton Fitzpaine	Lypstone	Tedburn St Mary
Colyton	Ottery St Mary	Honiton
Seaton	Topsham	
Crockenwell	Sidmouth	Tower Street, Exmouth
Dalwood	Sidwell Street, Exeter	Whiddon Down
Exminster	Silverton	Wonford, Exeter

Crediton, The Mint and St Thomas, Exeter have declared gross annual income of over £100,000 and are separately registered with the Charity Commission, registered numbers 1178365, 1128388 and 1135010 respectively.

These churches all contribute financially to the Circuit via an annual "Guided Offer" system towards its operating costs.

Responsibilities of the Trustees

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). Trustees are appointed under provisions of Standing Order 510 (/511) of the Constitutional Practice and Discipline (CPD of the Methodist Church). In general, these are already experienced Trustees of local churches. Support is available from sectional Circuit Stewards if required. A range of guidance produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church, should be read and understood by all new Circuit Meeting members as induction to their role as Trustees of the Charity. Trustees are particularly responsible for the general control and management of administration of the charity, ensure compliance with charity law and regulations, prepare/approve the Trustees Annual Report, act with integrity and take special care when investing charity funds or borrowing.

Circuit Management

Day to day management of the Circuit is undertaken by the Circuit Leadership Team that continues to be the working hub of the Circuit and which delegates certain responsibilities to sub groups each having the clear and concise terms of reference shown below. These sub groups include Committees for Employment, Finance, Property, Mission & Ministry, Stewards and Invitation and Manse Maintenance and there is also a Circuit Safeguarding Officer and a Personal Assistant located in the Circuit Office to support the Circuit Superintendent Minister.

Committee/Groups Terms of Reference

All the following Groups are sub-Committees of the Circuit Leadership Team and report to it at regular intervals and otherwise as required.

EMPLOYMENT GROUP

The main functions of this Group are to:-

- Undertake overall responsibility on behalf of the Circuit for all matters relating to the employment by the Circuit of Lay Workers and unpaid volunteers. This responsibility includes the advertising of vacancies, selecting the most suitable candidate, agreeing

Contracts of Employment, detailed job descriptions, pay scales and the payment of expenses to volunteers.

- Confirm who is to be the Line Manager for the Lay Workers, monitor the relationship between those parties and act as arbitrator in the event of disputes.
- Be point of contact for local churches with regard issues relating to the employment of Lay Workers and unpaid volunteers.
- Submit recommendations regarding lay employment to the Circuit Meeting for all matters believed to require their approval. Also obtain District approval where necessary. (n.b. All lay appointments must be approved by the District Lay Employment Secretary and this includes a review of all contract terms, pay (see section 10.1) and conditions in line with Methodist Church Connexional employment stipulations see <https://www.methodist.org.uk/for-ministers-and-office-holders/employees-and-volunteers/lay-employment-advisory-information/>).

FINANCE GROUP

The responsibilities of this Group are to:-

- Discharge, on behalf of the Trustees, the primary fiduciary responsibility of the Circuit.
- Consider the annual Circuit budget and how that budget should be shared by the various churches in the Circuit.
- Make recommendations to the Circuit Leadership Team and Circuit Meeting regarding the Budget and Assessments.
- Monitor Circuit reserves and financial resources to ensure that they are sufficient for its ongoing financial stability and to ensure that they do not exceed levels normally held by such organisations within the guidelines of the Charity Commission.
- Consider requests for financial support from the Development Fund (including the former Mission Fund) and the Ware Hawking Fund (an unconditional bequest under Model Trust rules meaning that capital & income can be used for any Methodist Church purposes. (n.b. an Exeter Circuit Meeting held in January 2003 agreed that Ware Hawking Fund capital should be invested and that all income should be available for grant support within the Circuit). Care is taken to ensure that all grants given in accordance with Circuit Meeting policy following strict guidelines and involving the Mission & Ministry and Property Groups where appropriate. m.b. During the year the Circuit Meeting decided that the Mission & Ministry Group is now the Group responsible for authorising all grant payments from this year onwards.
- Take action in urgent financial matters between meetings of the Circuit Leadership Team and of Circuit Meetings.
- Provide advice and assistance to Church Treasurers across the Circuit.
- Receive and review the Standard Form of Accounts received from each church in accordance with Methodist Church procedures.
- Review the Reserves Policy of each church in accordance with Methodist Church procedures.

The Finance Group continues to consider ways to cope with any deficit in the general budget and to provide financial support for local churches having approved development projects. The Circuit Meeting has previously agreed that any deficit could be covered by reserves until August 2018 and thereafter there should be a balanced budget.

MISSION AND MINISTRY GROUP

The responsibilities of this Group are to:-

- Review how we, as a Circuit, live out our calling and research what resources might be required to meet that challenge. This involves, amongst other things, consideration of grant applications as referred to under the Finance Group heading (see above).
- Encourage forward thinking within the Circuit and its constituent churches, and report and advise accordingly.

PROPERTY GROUP

After the Circuit was enlarged it was felt that it was important to have an overseeing group to advise individual churches with property matters. In essence the Group:-

- Ensures property matters are dealt with more effectively and issues are highlighted for the attention of the Circuit Meeting.
- Deals with local churches and maintains an overview of the work of the Manse Committee – see below).
- Negotiates the disposal of surplus properties for and on behalf of the Circuit.

MANSE COMMITTEE (reports to Property Group)

The Committee's revised representation, structure and processes were approved at the Circuit Meeting in September 2013 in order to simplify and improve the effectiveness of decision-making and budgetary control in the maintenance of the Circuit's nine manses. The Committee is a sub-group of the Property Group (having assumed that responsibility from the Finance Group during the year) and will, by exception, support discussion at the Circuit Leadership Team meetings where specific input is deemed to be needed.

This Committee is responsible for managing the maintenance and repair of each manse including the completion of all necessary inspections and assessments. Members of the Committee are the individual Property Stewards for the manses who provide support for incumbent Ministers in addressing their residential needs as well as exercising their responsibilities on behalf of the Circuit for the on-going care of the manses.

STEWARDS COMMITTEE

The Circuit Stewards are responsible, with the Superintendent and ministers, deacons and probationers appointed to the Circuit, for the spiritual and material wellbeing of the Circuit, and for upholding and acting upon the decisions of the Circuit Meeting (S.O. 531 (1)).

Circuit Stewards work as a team and share collective responsibility for leadership and specific duties to:-

- Exercise a general pastoral care for the presbyters, deacons, probationers and their families.

- Meet with ministers, deacons and probationers as a leadership team at least four times a year, before the Circuit Meeting.
- Keep themselves informed of the activities of each local church.
- Be aware of District and Connexional policies affecting the Circuit and its churches.
- Be sensitive to the needs of the Circuit and its officers and staff.
- Inform themselves of developing movements in Methodism and the church generally.
- Be alert to and take advice on the legal consequences of their office and its responsibilities, for example, issues around lay employment, finance and property.
- Develop a vision and plans for mission within the Circuit, ensuring appropriate consultation.

The Circuit Stewards are also responsible for bringing to the Invitation Committee (see below) and/or the Circuit Meeting, as appropriate, proposals for invitations to ministers to serve or for ministers or deacons to continue service in the Circuit (SO 534).

INVITATION COMMITTEE

This is a standing committee of the Circuit and must be appointed annually [under SO 541(1)] as it may be necessary to call a meeting at short notice, and it is not permissible to resort to co-opting arrangements at that point, as any such co-options could skew the Circuit Meeting's desire that the Invitation Committee be properly representative of the Circuit.

The responsibilities of the Committee are:-

- To prepare a recommendation to the Circuit Meeting regarding any re-invitation of a presbyter or deacon.
- To issue an invitation to a presbyter if the Circuit Meeting has given the committee delegated powers to do so.
- To consider any application for curtailment of an appointment.

The Committee is not required to issue invitations to deacons, probationer deacons and probationer presbyters because those stationed to these appointments are directly stationed.

In order to carry out the above responsibilities the Committee needs to be a manageable size and to be balanced fairly. The core membership is the Circuit Stewards and others who are ex-officio members of "all official meetings (however described) connected with the Circuit" as described in SO 552.

WORLD CHURCH COMMITTEE

This Committee's responsibility is to encourage interest and awareness of the World-wide church throughout the Circuit.

OFFICIALS (during the whole or any part of the year)

Superintendent Minister:	Revd. Stephen Santry 7 Hayne Close, Exeter, EX4 8QU
Ministers:	Revd. Julian Albrow, 21 Dunsford Road, Exeter, EX4 1LG Revd. Paul A Collings BTh 20 Ferndale Road, Exeter, EX2 9BW Revd. Wayne Grewcock 1 Pebble Lane, Budleigh Salterton, EX9 6NN Revd. Brian Hadfield 10 Victoria Road, Sidmouth, EX10 8TZ Dcn Becky L Lovatt 1 Constantine Close, Seaton, EX12 2XU Revd. Ben Haslam 20 Whipton Lane, Exeter, EX1 3DS Revd. Ann M Varker 1 Chapel Downs Road, Crediton, EX17 2EB Revd. Sungil Han (AM) 29 Thursby Walk, Pinhoe, Exeter, EX4 8FD
Assistant to Circuit Superintendent:	Mrs Kerryann Gill Circuit Office, The Mint Methodist Church, Fore Street, Exeter, EX4 3AT
Circuit Steward (Finance):	Mr Kenneth Rothwell 36 Cottington Court, Sidmouth, Devon EX10 8HD
Bankers:	Lloyds TSB Bank plc St Thomas, Exeter.
Independent Examiner:	Mr I J McMurtry F.C.A. Thomas Westcott Timberly, South Street, Axminster, EX13 5AD
Custodian Trustee:	Trustees for Methodist Church Purposes Central Buildings, Oldham Street, Manchester M1 1JQ

TRUSTEES OF THE CIRCUIT (during the whole or any part of the year)

NAME

REVD JULIAN ALBROW
HEATHER ANGUIGE
MARJORIE ASHLEY
GERALD AUSTIN
DAVID BATTY
JANET BELL
DIANE BEST
DAVID BRADFORD
ANN BOND
SUE BOND
HELEN BROOKS
ROGER BROOKS
SHEILA CHAPMAN
JOHN CHRISTMAS
MARGARET COLE
IAN COLE
CAROLINE COLIN
REVD PAUL COLLINGS
MARIAN ENDACOTT
MASIE FEWINGS
MARGARET FOGARTY
HEATHER FRY
CHRIS FULLER
MARTIN FURMINGER
CHRIS GARDINER
REVD WAYNE GREWCOCK
STEPHEN HADDAD
REVD BRIAN HADFIELD
MARION HALL
REVD SUNGIL HAN
GILL HARVEY
REVD BEN HASLAM
CHRISTINE HEMMINGWAY
IRENE JARVIS
SUSAN JONES
STEPHEN LEA
DAVID LEE
JANET LEE
DEACON BECKY LOVATT
ELIZABETH LYNN
STUART MACDONALD
AVIS MACDONALD
JEAN MANN
ANN MATTHEWS
SARAH MARGETS
ALAN MCILVEEN
FREDA MCILVEEN

MELANIE MOCK
ROBIN MOGFORD
REVD BRENDA MOSEDALE
REVD STEPHEN MOSEDALE
PAM MURPHY
MARTIN MYHILL
MONIKA NORONHA
KHRISTINE NORTON
BRONWYN NOTT
DAVID NUNN
PAULINE OVEY
RODERICK OVEY
ROSEMARY PALMER
TERRY PALMER
SUE PARKER
VALERIE PEEK
GERALD PHILLIPS
BARBARA PILLIDGE
MIKE PILLIDGE
BARBARA PRATT
JANICE PRICE
MEG PRIVETT
JOAN POPPLE
JANET ROBINSON
REVD ALAN ROTHWELL
KEN ROTHWELL
REVD STEVE SANTRY
RACHEL SCOTT
LORRAINE SHEPPARD
MARGARET SIMMONS
ANN SKINNER
ROSEMARY SMITH
ALISON STRANG-FAULDS
DEACON GEOFF TAMBLIN
ELIZABETH TAYLOR
BRENDA TUCKER
JOHN TUCKER
TINA TURNER
JENIFER TILBURY
JOHN VANDERWOLF
REVD ANN VARKER
BRYAN VINCENT
PAUL VIOLET
DIANE WAKEMAN
DAVID WESTCOTT
JOAN WRAGG
STEPHEN WOLLACOTT

Review of the Year 2019/2020

General

ECCC held four Circuit Meetings during the year to deal with the official and necessary business of the Circuit including the appointment of lay people into various areas of responsibility.

We continue to try to improve communication across the Circuit and encourage greater use of our Circuit website. <http://exeterccmethodist.org.uk>

Finance – Income & Expenditure, Balances and Plans

Reporting requirements

The Charity's annual report and accounts for the year ended 31 August 2020 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS102) 2015. They are initially reviewed by the Finance Group and the Circuit Leadership Team and are subject to an external independent examination before being submitted to the Circuit Meeting for formal approval. They are then lodged with the District and placed on the Charity Commission website along with this Trustees Annual Report.

Income & Expenditure

Income for the year into all Circuit funds totalled £622,767 compared with £521,209 for the previous year.

This year included £131,686 from the disposal of Alphington Church premises.

Income from assessments paid by Circuit churches was £438,227 compared with £477,524 in the previous year.

Expenditure for the year totalled £560,990 compared with £544,078 for the previous year

This year included £38,192 towards the Connexional Property Fund, based on the property disposal referred to above. Also £51,164 worth of grants were paid out this year compared with £77,601 in the previous year.

Otherwise by far the greater part of Circuit expenditure relates to the stipend and the housing costs of ministerial staff plus the contribution which the Circuit makes to the Plymouth and Exeter Methodist District and Connexional expenditure.

Fund Balances

As at 31 August 2020 the net current assets of the Circuit were £907,685 compared with £849,128 as at 31 August 2019.

Funds held by the Circuit which are in excess of our normal working capital requirements and for development initiatives, are deposited with the Central Board of Finance for the Methodist Church in London where they are held in interest-bearing deposit accounts. The Circuit Model Trust Fund and Ware Hawking Trust Fund are lodged with the Trustees for Methodist Church Purposes, at their headquarters in Manchester, primarily in interest-bearing deposit accounts.

The Development Fund (balance £117,880 as at 31 August 2020, £134,619 as at the previous year end) continues to support projects approved by the Circuit Trustees at Circuit Meetings in accordance with our aims and objectives. Some of the Development Fund is committed to the ongoing support of projects such as the Ecumenical Minister in Cranbrook, a Youth Worker in Crediton and Silverton, Exeter Food Action, Exeter City Centre Chaplaincy, an administrative assistant in Exeter, a pastoral assistant in Exmouth and both a Korean Ministry and a Facilitator at the Mint.

The Circuit Model Trust Fund (balance £412,078 as at 31 August 2020, £349,076 as at the previous year end) originates from and is added to with the net proceeds from the sale of surplus properties managed by the Circuit and its constituent churches. Applications for the withdrawal of funds therefrom are sought via a formal Property Consents Process with the support of the District. The Circuit is committed to the Crediton redevelopment project and to possible mission developments in Exmouth, Axminster and Alphington (at least for a period of 3 years from the respective disposal dates of their Church premises).

Financial Forward Planning

The Trustees intend to continue with, and to nurture, existing plans and policies in furtherance of the Circuit's aims. The Circuit Treasurer produces annual budgets for the unrestricted General Fund for approval by the Finance Group, the Circuit Leadership Team and the Circuit Meeting of Trustees. These budgets are carefully monitored and variance reports are produced and submitted through the above-named bodies. The budgets for ministerial stipends consider the number of Ministers planned and are adjusted by allowances for the effect of the current Consumer Price Index and Weekly Earnings forecasts as suggested by the Office for National Statistics during November of each year and advised to Circuits by the Central Finance Board of the Methodist Church. The budgets also include District Assessment amounts based on information provided by the District Treasurer.

Staffing

The Circuit is staffed by eight Ministers (seven Presbyters and a Deacon) one of whom is the Superintendent Minister. There is also a non-stipendiary Minister and a part time Minister based at the Mint church. In addition there are many unremunerated lay workers, the principle ones being described as Circuit Stewards.

Significant staffing issues affecting the Circuit in this year and in the foreseeable future are:-

- All lay appointments must be approved by the District Lay Employment Secretary and this includes a review of all contract terms, pay (see section 10.1) and conditions in line with Methodist Church Connexional employment stipulations see <https://www.methodist.org.uk/for-ministers-and-office-holders/employees-and-volunteers/lay-employment-advisory-information/>

Property

Maintenance, alterations and improvements to local churches are overseen by the Property Group relying on professional quinquennial inspections. The Committee considers/approves development projects that are required to adhere to the Methodist Church Property Consents Process.

Notable property-related events during the year include:-

Maintenance, alterations and improvements to Circuit manses are overseen by the Circuit Manse Maintenance Committee relying on professional quinquennial inspections and regular discourse between Ministerial residents and local Church Manse Stewards. During August 2019 a manse were redecorated and refurbished in preparation for the being leased out.

Two of our manses are not currently occupied by Ministers and as a consequence are let out to tenants via Letting Agents pending a decision on their future use. As such they have been separately identified in the accounts as investment properties in accordance with accounting practice and their values have been re-stated at current market values.

It is considered that our manses are now maintained to a good standard in keeping with the needs of the Ministerial residents.

Risk Management

Major Risks to which the charity is exposed.

The Circuit is required to consider any major risks to which it is exposed and the systems designed to mitigate those risks. The major risks have been identified and recorded by the Circuit Finance and Property Committee with professional advice taken as required.

RISK	MITIGATED BY
Misappropriation of funds	Strict observance of Standing Order 012 (1) which states that:- <i>"Methodist money shall not be held in private accounts but in official bank accounts requiring the signatures of, or electronic authorisation by, two persons for withdrawals"</i>
Investment Risks	The vast majority of Circuit funds are held as balances with Lloyds Bank, in the CFB Deposit Fund and the Trustees Interest Fund at TMCP. The Ware Hawking Trust Fund is invested on our behalf by TMCP in a range of investment trusts etc.
Viability of Churches	The viability of churches in the Circuit is monitored through the Standard Forms of Accounts, Trustees Annual Reports and Reserves Policy declarations submitted annually. The Mission & Ministry Group also maintain an oversight of churches general health through continual discourse.

The Circuit is aware that, the current level of staffing is unaffordable in the longer term and will be the subject of ongoing review at Circuit Meetings.

Property Risk

A planned programme of professional quinquennial inspections is carried out at the request of and under the supervision of the Property Group (for churches) and the Manse Maintenance Committee (for manses) who ensure that appropriate action is taken where necessary.

All properties are insured by Methodist Insurance plc, local churches out of their own funds and manses from Circuit funds.

During this year a large number of asbestos surveys have been carried out on Churches in order to comply with advice given by the Methodist Church of Great Britain.

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

Reserves Policy

General Fund - The Reserves Policy for the Circuit is to hold a minimum sum equivalent to six months' average expenditure in the General Fund. This excludes the value of fixed assets and monies held in designated funds. This should be sufficient to meet any unforeseen item of major expenditure on manses and /or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

The General Fund of the Circuit included tangible fixed assets of £1,758,133, being the residential properties provided for the use of incumbent ordained ministers from which to carry out their day to day duties. The remaining current assets include sufficient funds, equivalent to six months of annual expenditure (currently assessed at £nnn,nnn) being required), to protect against any unforeseen circumstances and is detailed in our Reserves Policy. The remaining balances are in place to provide grant support for approved initiatives at local churches and for external bodies whose aims and objectives are in accord with our own.

The generation of income from financially-pressed member churches remains an on-going issue for the Trustees. With the agreement of the Trustees, in each of the past four years, Circuit Reserves have bolstered modest operating deficits and it is anticipated that this provision will need to continue for the next few years at least. Reserves have been bolstered by recent property sales rather than increases in giving and this source is both self-limiting and finite. The Circuit has ultimate financial responsibility for each and all of its member churches and must retain the means of emergency support if necessary. Nonetheless, it remains the resolve of the trustees to

use financial excesses in furtherance of the Circuit's Mission as is evidenced by continued support of Development Projects and those exploring different means of 'church'.

Restricted Funds – There are no restricted funds at the present time but there is a balance of £nnn,nnn on our Model Trust Fund and of £nn,nnn in the Ware Hawking Trust fund both held by TMCP. It was agreed during the year that the capital sum of the Ware Hawking Trust fund would be made available for general use within the Circuit and that it would be merged with other funds at a suitable future date.

The full Reserves Policy document has been completed and approved by the Circuit Meeting and has been submitted to the Plymouth & Exeter District as required.

Public Benefit

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

Safeguarding

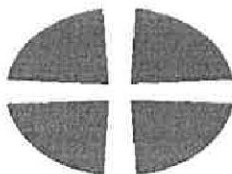
Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore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

Methodist Connexional practice outlines commitment to the following principles:

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

The Exeter Coast & Country Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches and has in place a Circuit Safeguarding Officer with specific responsibility for:-

The provision of support, advice and training for lay and ordained people designed to 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.



**THE METHODIST CHURCH
ANNUAL REPORT AND ACCOUNTS
(ACCRUALS BASIS)
FOR THE YEAR ENDED 31 AUGUST 2020**

Exeter Coast & Country Circuit

Registered Charity - Registration number 1137450

Plymouth & Exeter District

District No / Circuit No 24/03

Ministers

At any time during
the year.

Rev S.Santry
Rev J Albrow
Rev P A Collings
Rev W.Grewcock
Rev B J Hadfield
Rev B.Haslam
Deacon R.Lovatt
Rev A M Varker
Rev S Han (AM)

Circuit Stewards

At any time during
the year.

Mrs M Mock, Mr D Bradford Mrs M Privett
Mrs B Pillidge, Mrs M Cole Mrs C Hemmingway
Mrs M Endacott, Mrs S Jones

Circuit Treasurer

Mr K.A.Rothwell

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

	Notes to the accounts	Unrestricted funds	CMTF (Unrestricted)	Restricted Funds	Endowment Funds	Total 2019-20	Total 2018-19
		£	£	£	£	£	£
Income and Endowments from:							
Donations and legacies	4					-	-
Charitable activities						-	-
Assessments or share		438,227				438,227	477,524
Other (inc Property Disposal proceeds)	5		131,686			131,686	-
Other trading activities	6					-	-
- Lettings		22,438				22,438	11,284
- Miscellaneous						-	-
Investments	7	4,696	2,722			7,418	6,608
Other - inc grants received		23,000				23,000	25,793
Total		488,361	134,407	-	-	622,768	521,209
Expenditure on:							
Stipends, salaries, NIC & Pension costs	10	265,254				265,254	287,487
District Assessment		110,695				110,695	106,268
Connexional Property Fund Levy			38,192			38,192	0
Telephone & travel		17,760				17,760	29,324
Insurance, utilities, etc		26,623				26,623	27,079
Maintenance on manses		34,978				34,978	24,740
Expenditure on other Circuit property		1,686				1,686	6,297
Other Expenditure		9,617	598			10,215	13,065
Grants and Donations	11	21,914	20,000			41,914	77,601
Less grants accounted for in previous years		0	-			-	(49,550)
Contributions to District Advance Fund		0	13,671			13,671	21,769
Total		488,528	72,462	-	-	560,990	544,079
Net income/(expenditure)		(167)	61,946	-	-	61,779	(22,870)
Transfers between funds		(603)	603			-	-
Transfers re designated grants		-	-			-	-
		(770)	62,549	-	0	61,779	(22,870)
Other recognised gains / (losses):							
Gains/(Losses) on revaluation of fixed assets		384,768				384,768	-
Gains/(Losses) on investment assets		955	453		-	1,408	2,128
Closing balance paid to Anglican Church				-		-	-
Net movement in funds		384,953	63,002	0	0	447,955	(20,742)
Correction to funds brought forward		220				220	-
Total funds brought forward		2,246,385	349,076		0	2,595,461	2,616,203
Total funds carried forward		2,631,558	412,078	0	0	3,043,636	2,595,461

All Funds

Unrestricted	Circuit Model Trust Fund (Unrestricted)	Restricted	Endowment Funds	Totals this year	Totals last year
£	£	£	£	£	£

Notes

Land & Buildings	12	2,142,901				2,142,901	1,758,133
Equipment	12						
Total fixed assets		2,142,901				2,142,901	1,758,133

Debtors and Prepayments	14	22,493			22,493	22,743
Loans			1,121		1,121	50,000
Trustees for Methodist Church Purposes deposits		76,188	410,957		487,145	374,309
Central Finance Board Deposits		389,962			389,962	505,669
Cash at Bank and in hand	15	22,428			22,428	26,378
Total current assets		511,070	412,078		923,148	979,098

Creditors and Accruals (due in under 1 yr)	16	(15,463)				(15,463)	(129,971)
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Net current assets (liabilities)	495,607	412,078	907,685	849,127
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Total assets less current liabilities	2,638,508	412,078			3,050,586	2,607,261
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Loans and creditors due after 1 year	16	(6,950)				(6,950)	(11,800)
Provisions for liabilities and charges							

Net assets	2,631,558	412,078		3,043,636	2,595,461
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Unrestricted funds		2,631,558			2,631,558	2,246,385
Circuit Model Trust Fund (Unrestricted)			412,078		412,078	349,076
Restricted funds					-	-
Endowment funds					-	-
Total Funds		2,631,558	412,078		3,043,636	2,595,461

Summary of the Internal Organisations reporting to the Circuit Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose.

		Opening balance	Receipts	Payments	Net Receipts/ Payments	Adjustments	Closing balances
Internal Organisations							
Total							

Cash flow statement

	2020	2019
Cash flows from operating activities <i>Appendix 1</i>	(145,927)	(136,680)
Cash flows from investing activities		
Interest income	4,513	5,106
Dividend income	2,905	1,502
Proceeds from the sale of property	131,686	0
Total cash flows from investing activities	139,104	6,608
Cash flows from financing activities	0	0
Total cash flows from financing activities	0	0
Change in cash and cash equivalents	(6,823)	(130,072)
Cash and cash equivalents at start of the year	906,358	1,036,430
Cash and cash equivalents at the end of the year	899,535	906,358

Cash and cash equivalents comprise of cash at bank and in hand plus highly liquid current asset investments held.

<i>Appendix 1</i>		
Net movement in funds for the year	447,955	(20,742)
<i>Adjusted for:</i>		
(Increase)/ Decrease in debtors	49,128	(49,326)
Increase/ (Decrease) in creditors	(119,359)	(60,004)
Interest and dividend income	(7,418)	(6,608)
Revaluation of investment property	(384,768)	
Proceeds from the sale of property	(131,686)	0
Correction to bought forward reserves	220	0
Total cash generated from operating activities	(145,927)	(136,680)

Exeter Coast & Country Circuit

Notes to the Accounts

1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2015 version of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (effective from 1 January 2015) – the Charities SORP (FRS102).

2 Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There are also the following Endowment funds as listed. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

3 Accounting policies

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, on the accruals basis to show a true and fair view of the Circuit's financial position and activities. The presentational currency is sterling. The statement of financial activities has been prepared on the activity basis. The charity only has one overriding charitable activity, the organisation and resourcing of regular public acts or worship. This means costs have not had to be apportioned between activities.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue as a going concern.

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 they will receive the resources; and the monetary value can be measured with sufficient reliability.

Resources Expended

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

Grants payable

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. 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.

VAT

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

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 £1,000.

The freehold property is shown in the accounts at 2015 deemed values. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its current value. Any depreciation would not be material. The property has been reviewed for impairment.

Investment Properties

Two properties have been reclassified to investment property during the year to reflect their current use within the Circuit. Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss (statement of financial activities).

Investments

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Grants receivable

Grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received. Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Judgements and estimations

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

Exeter Coast & Country Circuit

4. Donations and legacies	Unrestricted £000	Circuit Model Trust Fund	Restricted & Endowed £000	2020 £000	2019 £000
Donations				-	
Legacies				-	
Total	-	-	-	-	-

5. Charitable activities - other	Unrestricted £000	Circuit Model Trust Fund	Restricted & Endowed £000	2020 £000	2019 £000
Disposal of Axminster Church		181,686		131,686	-
Charitable activities - Other 2					
Charitable activities - Other 3					
Total	-	181,686	-	131,686	-

6. Other trading activities	Unrestricted £000	Circuit Model Trust Fund	Restricted & Endowed £000	2020 £000	2019 £000
Lettings	22,438			22,438	11,284
Miscellaneous 1				-	-
Miscellaneous 2				-	-
Disposal of Tower Street premises		-		-	-
Total	22,438	-	-	22,438	11,284

7. Investment income	Unrestricted £000	Circuit Model Trust Fund	Restricted & Endowed £000	2020 £000	2019 £000
Central Finance Board	4,695	-	-	4,695	3,345
Rental income	-	-	-	-	-
Other	-	2,722		2,722	3,263
Total	4,696	2,722	-	7,418	6,608

Exeter Coast & Country Circuit

8. Payment to Trustees

This year Last year

No trustee has been paid any remuneration during the year other than as stated in the related party transaction note (note 20).

Number of trustees who were paid expenses

22

22

Nature of the expenses

Expense payments primarily relate to reimbursement for travel and computing costs

Total amount paid

£

17,661

24,391

9. Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts

£

1,302

1,236

Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor

£

10. Paid employees (excluding Ministers)

Staff Costs paid during the year were:

Gross wages, salaries and benefits in kind

£

22,228

14,259

Employer's National Insurance costs

£

564

480

Pension costs

£

111

Total staff costs

£

22,792

14,850

Average number of staff employed during the year were:

2

1

No employee received employee benefits of more than £60,000 during the year.

11. Grants payable

Grants paid during the year can be broken down as follows:

2020

2019

Grants paid in the year to institutions

Crediton Church

15,000

30,000

Aggregate of non material grants paid in the year

26,400

43,545

Grants paid in the year to individuals

Aggregate of grants paid in the year to individuals

9,764

4,056

Grants committed and accrued for in the year

4,800

Release of accrued grants

-14,050

-49,550

Total grants payable per accounts

41,914

28,051

Exeter Coast & Country Circuit

12 Tangible Fixed Assets

Cost or valuation

	Residential Land £	Other Land £	Manses £	Other buildings £	Other fixed assets including motor vehicles £	Fixtures, fittings and equipment £	Payments on account and assets under construction £	Total £
Balance brought forward			1,758,133					1,758,133
Additions								
Revaluations (+/-)			384,768					384,768
Disposals (-)								
Transfers * (+/-)								
Balance carried forward			2,142,901					2,142,901

Accumulated depreciation

			None					
			None					
Balance brought forward								
Depreciation charge for year (-)								
Revaluations (+/-)								
Disposals (-)								
Transfers (+/-)								
Balance carried forward								
Net book value								
Brought forward	-	-	1,758,133	-	-	-	-	1,758,133
Carried forward	-	-	2,142,901	-	-	-	-	2,142,901

Included in the above manses figure is investment property totalling £795,000. The investment property (two individual properties) is held at fair value and valuation changes are reflected in the statement of financial activities. The properties were valued by surveyors in the previous financial year and the trustees do not believe that the valuations as at 31 August 2020 are materially different. The historical cost of these properties totals £410,232. The properties were reclassified from property, plant and equipment to investment properties during the year to reflect their current use within the Circuit.

Exeter Coast & Country Circuit

13 Investments

The funds that support the Circuit Model Trust Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

Analysis of investment movements

		This year	Prev year
Investments listed on a recognised Stock Exchange			
Investments held in common investment funds,			
Securities not listed on a recognised Stock Exchange			
Other investments			
	Total		

Change in investment values

Carrying (market) value at beginning of year			
Add: additions to investments at cost			
Less: disposals at carrying value			
Net gain/(loss) on revaluation			
Carrying (market) value at end of year			

Exeter Coast & Country Circuit

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Debtors, Creditors and Bank Balances as at 31 August 2020

	General and Designated Funds (Unrestricted) £	Circuit Model Trust Fund (Unrestricted) £	Other Funds (Restricted) £	Endowment Funds £	Totals this year £	Totals last year £
14. Debtors and Prepayments						
Assessments in arrears	125				125	
District Advance Fund Levy					-	-
Insurance prepayment					-	-
Stipends paid in advance	22,176				22,176	20,815
Grants /Loans	-	1,121			1,121	50,000
Other prepayments	192				192	1,928
Total debtors & prepayments	22,493	1,121	-	-	23,614	72,743
15. Bank balances						
CFB - Stewards Reserve Account	238,287				238,287	325,084
TMCP - FCWC	2,820				2,820	2,820
TMCP - Circuit Model Trust Fund		410,957			410,957	299,076
CFB - Development Fund	138,230				138,230	168,769
Manse Maintenance Fund	8,493				8,493	20,752
CFB - Mission Fund					-	-
TMCP - Cheriton Cross House	2,000				2,000	2,000
TMCP - Lovell	5,439				5,439	5,439
CFB - Ware Hawking	13,445				13,445	11,816
TMCP - Ware Hawking	65,928				65,928	64,973
Lloyds Current Account/Cash	13,699				13,699	5,591
Cash in Hand	236				236	36
Total bank balances	488,577	410,957			899,535	906,358
16. Creditors and Accruals						
Assessments received in advance	-				-	109,335
Examination fee	1,302				1,302	1,250
Preaching fees	122				122	489
Telephone & travel	-				-	2,152
Letting Income	-				-	-
Payroll liabilities etc	-				-	704
Manse Maintenance Accrual	468				468	1,821
Other items (inc EuKids Charity)	171				171	171
Council Tax	-				-	-
Grants creditors					-	-
Cranbrook	3,750				3,750	-
Deacon	-				-	-
University Chaplaincy					-	-
Grants committed within 1 year	9,650				9,650	14,050
Grants committed after 1 year	6,950				6,950	11,800
Total creditors & accruals	22,414	-	-	-	22,414	141,771

18. Detailed analysis of individual fund movements

Unrestricted Funds - 2020

Unrestricted Fund Name	Opening Balance	Income	Expenditure	Unrealised gains	Transfers	Adjustments	Closing Balance	Purpose of the fund
General	2,246,385	488,361	488,528	385,723	-603	220	2,631,558	
Circuit Model Trust Fund	349,076	134,407	72,462	453	603		412,078	
Totals	2,595,461	622,768	560,990	386,176		220	3,043,636	

Unrestricted Funds - 2019

Unrestricted Fund Name	Opening Balance	Income	Expenditure	Unrealised gains	Transfers	Adjustments	Closing Balance	Purpose of the fund
General	2,213,259	517,946	516,427	1,608	30,000		2,246,385	
Circuit Model Trust Fund	402,945	3,263	27,652	520	-30,000		349,076	
Totals	2,616,204	521,209	544,079	2,128			2,595,461	

The reasons for the transfers between funds were as follows:

19. Analysis of net assets between funds

	Unrestricted	Circuit Model Trust Fund	2020 total	Unrestricted	Circuit Model Trust Fund	2019 total
Fixed Assets	2,142,901		2,142,901	1,758,133		1,758,133
Current Assets	511,070	412,078	923,148	630,023	349,076	979,099
Current Liabilities	-15,463		-15,463	-129,971		-129,971
Non-current Liabilities	-6,950		-6,950	-11,800		-11,800
	2,631,558	412,078	3,043,636	2,258,185	349,076	2,595,461

20. Related party transactions

During the year £nil was paid to Revd P Collings for strategy consultancy work (2019: £156.70) and £3,900 was paid to K Rothwell as reimbursement for being circuit treasurer (2019: £3,900).

Exeter Coast & Country Circuit Circuit

DECLARATIONS

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2020 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting.

Signature of Treasurer

Date

Name of Treasurer

Address

Presentation to the Circuit Meeting for approval.

I confirm that the annual report and accounts for the year ended 31 Aug 2020 were presented to the Circuit Meeting at its meeting on

and were approved.

Signature of the Chair of the meeting

Name of the Chair of the meeting

Date

Independent Examiner's Report to the Trustees of the

Circuit

This Report is on the Circuit Accounts for the year ended 31st August

2020

Respective responsibilities of Trustees and Examiner

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2019 present a true and fair view of the Circuit's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary 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.

Independent examiner's report to the trustees of Exeter Coast & Country Methodist

I report to the trustees on my examination of the accounts of the Exeter Coast & Country Methodist Circuit for the year ended 31 August 2020.

Respective responsibilities of trustees and examiner

As the charity trustees of the Circuit you are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act"). The charity's trustees consider that an audit is not required under section 144 of the Act and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accounts in England & Wales.

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:

- (-) which gives me reasonable cause to believe that in, any material aspect, the requirements:
 - (1) to keep accounting records in accordance with section 130 of the Act; and
 - (2) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
- (1) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name of independent examiner

Ian McMurtry

Signature of independent examiner

Relevant Professional qualification of independent examiner

FCA

Name of firm (where appropriate)

Thomas Westcott

Address

Timberly, South Street, Axminster, Devon, EX13 5AD

Date