

## **Circuit Annual Report 1<sup>st</sup> September 2020 - 31<sup>st</sup> August 2021**

### **Introduction**

Thank you for taking the time to read this report from the South Molton and Ringsash Methodist Circuit. We are a small Methodist Circuit comprising of 8 church societies meeting on Methodist premises, in a Village Hall and church buildings owned by other denominations. Working as a Church and in partnership with other denominations we attempt to give a distinctly Methodist 'flavour' to all that we do in spreading the good news of Jesus Christ.

Following the decision in 2020 of one of the Church Societies, Bishops Nympton to cease meeting and with the approval of the Circuit Meeting the Chapel is under offer.

Chulmleigh Methodist Church, having sold their Chapel some years ago and been worshipping in the Congregational Church have decided due to falling membership and an increasing age profile to close. This decision has been ratified by Circuit meeting, there is no property to dispose of.

### **Aims and organisation**

We work from a mission statement that says, 'From a foundation of prayer, we seek to share the truth of the Bible with our communities and young people in humility, through fellowship and by working together'.

#### **Our vision is:**

- To be inclusive and flexible, reaching beyond our boundaries.
- To develop spiritually and make use of God-given gifts wherever possible.
- To rely on God, simply helping people towards the Kingdom of Heaven, rather than being too concerned with increasing the numbers attending church for our own benefit.

**Our Purpose:** We intend to work towards this vision by focussing on ...

Keeping the Word and Work of God alive, by putting Him first; holding relevant premises and facilities which encourage flexible ways of serving Him, where possible as a single worshipping community rather than two or more per village; and helping our worshipping communities to deepen in prayerfulness, and to develop their creativity in worship.

We employ one ordained minister stationed in the Circuit, a part time Community Worker and a part-time Circuit Administrator. The Circuit Leadership Team oversees the work and leadership of the Circuit and is accountable to the Circuit Meeting which it advises.

#### **Covid restrictions:**

Due to government restrictions and recommendations which applied from March 2019 our Chapels have been required to close for worship and mission for much

of the church year. The Circuit has used Zoom technology to enable members and others to share in worship services on a weekly basis via the internet. This arrangement will continue until restrictions are eased and allow normal activities to resume.

### **Brief financial review of the year**

The year has seen the Circuit work within its stated budget.

### **Income trends**

Circuit income is primarily drawn from the assessment paid by the circuit churches.

Other income includes the rental of a manse and donations. Capital receipts relate to the uplift in value of the Always End Methodist Hall following planning approval for conversion to a dwelling by the new owners.

### **Expenditure trends**

Stipend expenditure has increased each financial year in line with conference approved

Increases and salaries are increased in line with inflation and/or minimum living wage increases

Approximately 20% of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

Other expenditure includes insurance and maintenance of Circuit held buildings which includes manses and redundant churches.

### **Fund balances**

As at 31 August 2021 the net current assets of the Circuit were £333k, this includes approximately £248k which is restricted of which approximately £100k is ring-fenced, £80k for the Community Worker Project in the south of the Circuit and £20k provision for a loan to support Chittlehampton Chapel building renovation work. The unrestricted balance of £85k gives the Circuit approximately six months cover for expenditure, it should be noted that there will be some call on these reserves for work needed on the Circuit manses.

### **Plans for 2021/22**

Circuit financial plans for the coming year have been prepared considering the following:

An increase in the assessment paid to the district and inflationary cost increases, this will lead to a small increase in the assessment paid by the circuit churches.

### **Basis of preparation and legal framework**

*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 (FRS) 102*

*Full Name of Charity: South Molton & Ringsash Methodist Circuit*

*Registration Charity Number: 168118*

*Date of registration: 7th July 2016*

### **Main communication address:**

The Circuit Administrator  
South Molton and Ringsash Methodist Circuit  
Circuit Office  
South Molton Methodist Church  
North Street,  
South Molton EX36 3AW

The members of the South Molton and Ringsash Methodist Circuit Meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

*Full membership is shown as Appendix A to this report.*

"Circuit Ministers and officers"

Circuit Minister	Rev	Stuart	Innalls
Community worker	Mrs. Rachael Taylor		

Circuit Stewards

Mr Martyn Short

Mr David Peyton (Finance)

Administrator:

Mrs Anita Vellacott

Independent examiner

Ian Huggett BSc FCA (ICAEW)  
47 Boutport Street  
Barnstaple, Devon  
EX31 1SQ

Investment Bankers

Central Finance Board of the Methodist Church

Trustees for Methodist Church purposes

### **Aims and organisation**

Charity objective is to act as a Resource provider within the area around South Molton for the Methodist Church:

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

a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church.

b) Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of The Methodist Church;

c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church.

d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church.

The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions.

## **Public Benefit**

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

## **Structure, Governance and Management**

The governing document for the circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting and the Circuit Property Team.

## **Trustee Training**

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' is given to all new Circuit meeting members as induction to their role as trustees.

## **Related Parties**

The Circuit is part of the Plymouth and Exeter District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the circuit: Ashreigney Methodist Church (meeting in Ashreigney village Hall), Brayford Methodist Church, Burrington Methodist Church, Chittlehampton Methodist Church, Kings Nympton Methodist Church, North Molton Methodist Church and South Molton Methodist Church. In addition, there is an informal arrangement whereby ministry is shared in St Paul's Parish Church in Filleigh where there are Methodist members.

## **Risk Management**

The major risks have been identified and recorded by the Circuit Leadership Team with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

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.

## **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 South Molton and Ringsash Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy, government legislation, guidance, and safe practice in the circuit and in the churches.

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

### **Reserves Policy**

The Reserves Policy for the Circuit is to hold a sum equivalent to 4-6 months average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses and 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.

DA Peyton

03/05/2022

## THE METHODIST CHURCH STANDARD FORM OF ACCOUNTS

South Molton and Ringsash Methodist	Circuit
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**FOR THE YEAR ENDED  
31 AUGUST 2021**

Plymouth and Exeter	District	Circuit no	24/22
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**Registered Charity - Charity Registration number**

1168118
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If not a registered charity **Her Majesty's Revenue and Customs Gift Aid number**

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(The HMRC number is equivalent to a registered charity number in terms of evidence of charitable status and may be used to give to donors or grant funders wishing to see evidence of the organisation's charitable status. Methodist charities in England and Wales that are not registered charities are excepted from registration under Statutory Instrument 2014 No.242 )

Ministers:

Rev S. Innalls

Circuit Stewards:

Mr M. Short
Mr D. Peyton

Treasurer:

Mr D. Peyton
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ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

South Molton and Ringsash  
Methodist

Circuit

SECTION A			Un - restricted Funds	Circuit Model Trust Fund	Restricted Funds	Totals this year	Totals last year
	RECEIPTS	Note	£	£	£	£	£
a1	Assessment/Share		90,118			90,118	94,857
a2	Capital receipts			8,405		8,405	122,743
a3	Bank and CFB interest and Investment income		35	827		862	2,172
a4	Grants				1,626	1,626	1,763
a5	Other receipts		26,226			26,226	20,302
a6	<b>TOTAL RECEIPTS</b>		<b>116,379</b>	<b>9,232</b>	<b>1,626</b>	<b>127,237 (a8)</b>	<b>241,837</b>

SECTION B							
	PAYMENTS						
b1	Stipends, salaries, NIC, Pension and travel costs		38,129			38,129	37,235
b2	Manse Costs		19,598			19,598	19,612
b3	Administration etc		6,959	13,089		20,048	40,404
b4	District Assessment		22,579			22,579	28,130
b5	Grants & donations						1,500
b6	Youth adj		1,200			1,200	4,509
b7	Other payments		15,103		15,393	30,496	26,023
b8	<b>TOTAL PAYMENTS</b>		<b>103,568</b>	<b>13,089</b>	<b>15,393</b>	<b>132,050 (b9)</b>	<b>157,413</b>

SECTION C							
	NET RECEIPTS/PAYMENTS FOR THE YEAR	(a7-b9)	12,811	(3,857)	(13,767)	(4,813)	84,424
c1	Total funds brought forward from last year		57,314	261,781	18,677	337,772 (c6)	253,348
c2	<b>Sub total</b>	<b>(c1+c2)</b>	<b>70,125</b>	<b>257,924</b>	<b>4,910</b>	<b>332,959</b>	<b>337,772</b>
c3	Transfers and adjustments		35,000	(35,000)			
c4	<b>TOTAL FUNDS AT END OF YEAR</b>	<b>(c3+c4)</b>	<b>105,125</b>	<b>222,924</b>	<b>4,910</b>	<b>332,959 (c8)</b>	<b>337,772 (c6)</b>

SECTION D					
	FOR INFORMATION ONLY: MONEY RECEIVED AND PASSED ON TO EXTERNAL ORGANISATIONS (these amounts should not be included in total receipts/payments above)				
d1	Balance brought forward from last year				
d2	Offerings/Gifts - received for external organisations				
d3	Offerings/Gifts - passed to external organisations				
d4	<b>BALANCE STILL TO BE PAID (d1 + d2 - d3)</b>				



SUMMARY OF CIRCUIT ACCOUNTS AND INTERNAL ORGANISATION REPORTING TO THE CIRCUIT MEETING

SECTION E Please follow the Guidance Notes to complete this page

Summary of the Circuit accounts for the year ended 31 August 2021 and 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. This section must be completed to arrive at the gross receipts and payments totals of the Circuit. If gross income exceeds the Accruals threshold of £250,000, then the Accruals method of accounting AND A DIFFERENT FORM must be used to report the accounts (see Methodist website). Please refer to the guidance notes regarding transfers between the Circuit and connected Circuit Organisations.

INTERNAL ORGANISATIONS	Receipts	Payments	Net Receipts/ Payments	Adjustments	Opening balances	Closing balances
e1 Youth	11,067	19,855	(8,788)		9,522	734
e2 Choir	-	-	-		2,555	2,555
e3						
e4						
e5						
e6						
e7						
e8 Sub total of Internal Organisations funds	11,067	19,855	(8,788)		12,077 (e11)	3,289 (e12)
e9 Circuit accounts (totals brought forward from page 2 - totals column)	127,237 (a8)	132,050 (b9)	(4,813)	(c7)	337,772 (c6)	332,959 (c8)
e10 TOTAL CASH FUNDS HELD BY CIRCUIT	138,304	151,905	(13,601)		349,849 (x)	336,248 (y)
Continue on a separate sheet if necessary and bring the totals forward	TOTAL RECEIPTS	TOTAL PAYMENTS				

SECTION F  
STATEMENT OF ASSETS AND LIABILITIES

CIRCUIT - CASH FUNDS HELD at 31 August 2021

	OPENING BALANCES	CLOSING BALANCES
f1 Cash in hand		
f2 Bank Current Account	39,715	45,462
f3 Bank Deposit Account	19,354	5,616
f4 Central Finance Board	16,922	58,956
f5 Trustees for Methodist Church Purposes	261,781	222,925
f6 Other funds		
f7 SUB TOTAL	337,772 (c6)	332,959 (c8)
f8 Total funds held by Internal Organisations (the closing balance totals above) (e12)	12,077 (e11)	3,289 (e12)
f9 TOTAL CASH FUNDS HELD BY CIRCUIT	349,849 (x)	336,248 (y)

SECTION G  
OTHER ASSETS and LIABILITIES

	At 1 September 2020	At 31 August 2021
g1 Investments (include Endowments)		
g2 Land and Buildings (see notes re Insurance value)	1,296,503	1,296,503
g3 Other Assets		
g4 Loan(s) - show amount outstanding at year end		
g5 Other Liabilities		

f4 Include only Funds held at the Central Finance Board

f5 Include only CFB Funds held at Trustees for Methodist Church Purposes

g1 Include any other investments (not the cash element of TMCP trust accounts this is inserted in line f5)



Name of Circuit ... South Molton and Ringsash Methodist... No... 1168118

## Declarations and Scrutiny

I confirm that these Receipt and Payment based accounts for the year to 31 August 2021 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 ..... *D. Peyton* ..... Date *09/03/2022*  
Name and address of treasurer *DAVID PEYTON* *70 LYDDILLEAVE*  
*BICKINGTON BARNSTAPLE* ..... Post Code *EX31 2JZ*

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were/will ~~be~~  
presented to the Circuit meeting held on *09/03/2022*

☒ Signature of the Chair of the meeting ..... *S. Phelan* .....  
Name of the Chair of the meeting *Rev. Stuart Innalls* ..... Date *09/03/2022*

## Independent Examiner's Report to the Trustees of the South Molton and Ringsash Methodist Circuit

Charity Number 1168118

### Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the *SOUTH MOLTON AND RINGSASH*  
Circuit for the year ended 31 August 2021 set out on pages *1* to *5*. As the Circuit's trustees, you are  
responsible for the preparation of the accounts in accordance with the requirements of the Charities  
Act 2011 ('the Act').

I report in respect of my examination of the Circuit's accounts carried out under section 145 of the Act  
and, in carrying out my examination, I have followed all the applicable Directions given by the Charity  
Commission under section 145(5)(b) of the Act.

\* delete or circle as appropriate



### 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 (~~other than that disclosed below~~) 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~~/have not\* 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 independent examiner 

Name of independent examiner IAN HUGGETT

Relevant professional qualification of independent examiner FCA

Name of firm (where appropriate) THOMAS WESTCOTT

Address 47 BOUTPORT STREET  
BARNSTAPLE

Post Code EX31 1QA

Date 14 MARCH 2022

\* delete or circle as appropriate

## Declarations and Scrutiny

I confirm that these Receipt and Payment based accounts for the year to 31 August 2021 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 *D. Peyton* Date 09/03/2022  
Name and address of treasurer DAVID PEYTON 70 LYDDILLAVE  
BICKINGTON BARNSTABLE Post Code EX31 2JZ

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 were/will ~~be~~  
presented to the Circuit meeting held on 09/03/2022

☒ Signature of the Chair of the meeting *S. Phelan*  
Name of the Chair of the meeting Rev. Stuart Innalls Date 09/03/2022

## Independent Examiner's Report to the Trustees of the

### South Molton and Ringsash Methodist Circuit

Charity Number 1168118

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Signature of independent examiner 

Name of independent examiner IAN HUGGETT

Relevant professional qualification of independent examiner FCA

Name of firm (where appropriate) THOMAS WESTCOTT

Address 47 BOUTPORT STREET

BARNSTAPLE Post Code EX31 1SA

Date 14 MARCH 2022

\* delete or circle as appropriate