

## **Circuit Annual Report 1<sup>st</sup> September 2021 - 31<sup>st</sup> August 2022**

### **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 members' homes 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 has now been sold.

### **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 have one ordained minister stationed in the Circuit 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 relaxation of government restrictions and recommendations which applied from March 2020 our Chapels have re-opened and resumed normal pre-covid activities. South Molton Methodist Church continues to use Zoom technology to enable members and others to share in worship services on a weekly basis via the internet.

### **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 sale of Bishops Nympton Methodist Chapel.

## **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.

### **Fund balances**

As at 31 August 2022 the net current assets of the Circuit were £334k, this includes approximately £209k which is restricted of which approximately £103k is ring-fenced, £83k 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 £125k gives the Circuit approximately six months reserves for general expenditure and a property reserve to allow for work needed on the circuit manses.

### **Plans for 2022/23**

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.

## **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, minister 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

Circuit Stewards                      Mr Martyn Short

                                         Mrs. Monica Fry

                                         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 members homes), 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

26/05/2023

## THE METHODIST CHURCH STANDARD FORM OF ACCOUNTS

South Molton and Ringsash Methodist	Circuit
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**FOR THE YEAR ENDED  
31 AUGUST 2022**

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
Mrs M. Fry

Treasurer:

Mr D. Peyton
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ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

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	£	£	£	£	£
a2	Assessment/Share		83,389			83,389	90,118
a3	Capital receipts			38,176		38,176	8,405
a4	Bank and CFB interest and Investment income		247	1,086		1,333	862
a5	Grants						1,626
a6	Other receipts		23,718			23,718	26,226
a7	<b>TOTAL RECEIPTS</b>		<b>107,354</b>	<b>39,262</b>		<b>146,616 (a8)</b>	<b>127,237</b>

SECTION B							
	PAYMENTS						
b2	Stipends, salaries, NIC, Pension and travel costs		38,691			38,691	38,129
b3	Manse Costs		48,820			48,820	19,598
b4	Administration etc		8,416	12,917		21,333	20,048
b5	District Assessment		19,842			19,842	22,579
b6	Grants & donations						
b7	Youth adjustment						1,200
b8	Other payments		6,348		13,300	19,648	30,496
b9	<b>TOTAL PAYMENTS</b>		<b>122,117</b>	<b>12,917</b>	<b>13,300</b>	<b>148,334 (b9)</b>	<b>132,050</b>

SECTION C							
	NET RECEIPTS/PAYMENTS FOR THE YEAR						
c1		(a7-b9)	(14,763)	26,345	(13,300)	(1,718)	(4,813)
c2	Total funds brought forward from last year		105,125	222,924	4,910	332,959 (c6)	337,772
c3	<b>Sub total</b>	<b>(c1+c2)</b>	<b>90,362</b>	<b>249,269</b>	<b>(8,390)</b>	<b>331,241</b>	<b>332,959</b>
c4	Transfers and adjustments		32,783	(47,783)	15,000	(c7)	
c5	<b>TOTAL FUNDS AT END OF YEAR</b>	<b>(c3+c4)</b>	<b>123,145</b>	<b>201,486</b>	<b>6,610</b>	<b>331,241 (c8)</b>	<b>332,959 (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 2022 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	0		0		734	734
e2 Choir	476	531			2,173	2,118
e3						
e4						
e5						
e6						
e7						
e8 Sub total of Internal Organisations funds	476	531	(55)		2,907 (e11)	2,852 (e12)
e9 Circuit accounts (totals brought forward from page 2 - totals column)	146,616 (a8)	148,334 (b9)	(1,718)	(c7)	332,959 (c6)	331,241 (c8)
e10 TOTAL CASH FUNDS HELD BY CIRCUIT	147,092	148,865	(1,773)		335,866 (x)	334,093 (y)
	<b>TOTAL RECEIPTS</b>	<b>TOTAL PAYMENTS</b>				

Continue on a separate sheet if necessary and bring the totals forward

**SECTION F**

**STATEMENT OF ASSETS AND LIABILITIES**

**CIRCUIT - CASH FUNDS HELD at 31 August 2022**

	OPENING BALANCES	CLOSING BALANCES
f1 Cash in hand		
f2 Bank Current Account	45,462	63,182
f3 Bank Deposit Account	5,616	7,368
f4 Central Finance Board	58,956	59,203
f5 Trustees for Methodist Church Purposes	222,925	201,488
f6 Other funds		
f7 SUB TOTAL	332,959 (c6)	331,241 (c8)
f8 Total funds held by Internal Organisations (the closing balance totals above) (e12)	2,907 (e11)	2,852 (e12)
f9 TOTAL CASH FUNDS HELD BY CIRCUIT	335,866 (x)	334,093 (y)

**SECTION G**

**OTHER ASSETS and LIABILITIES**

	At 1 September 2021	At 31 August 2022
g1 Investments (include Endowments)		
g2 Land and Buildings (see notes re Insurance value)	1,296,503	1,333,910
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)



## Declarations and Scrutiny

I confirm that these Receipt and Payment based accounts for the year to 31 August 2022 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 *David Peyton* Date 8/3/23

Name and address of treasurer DAVID PEYTON

70 LYDDICOMBE, 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 2022 were/will be\* presented to the Circuit meeting held on 8/3/23

Signature of the Chair of the meeting *S. Inalls*

Name of the Chair of the meeting S. INALLS Date 8/3/23

## 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 Methodist Circuit for the year ended 31 August 2022 set out on pages 1 to 3. 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.



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

### 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) ..... Westcotts (SW) LLP

Address ..... 47 Boutport Street, Barnstaple, Devon

..... Post Code ... EX31 1SQ ...

Date ... 16 March 2013

\* delete or circle as appropriate

Sep-22