

The Methodist Circuit of Gloucestershire

Registered Charity No. 1136205

Annual Report for the Year end 31 August 2016

CHARITABLE OBJECTIVES AND PRINCIPAL ACTIVITIES

The charitable objectives are the advancement of religion. The Circuit seeks to live out the calling of the Methodist Church, which is summarised thus:

“The calling of the Methodist Church is to respond to the Gospel of God’s love in Christ and to live out its discipleship and mission. Inspired by Our Calling, we aim:

- To increase awareness of God’s presence and to celebrate God’s love;
- To help people grow and learn as Christians through mutual support and care;
- To be a good neighbour to people in need and to challenge injustice;
- To make more followers of Jesus Christ.”

The Circuit encourages and supports the churches within it in the provision of regular public acts of worship open to members and non-members alike; the provision of space for prayer and contemplation; the teaching of Christianity through sermons, courses and small groups; pastoral work; the provision of opportunities for worship, teaching, fellowship and social inter-action for all ages and both genders; the support of other charities in the UK and overseas with both prayer and finance.

The aims, objectives, policies and activities of the Circuit are under regular review, with particular attention being given to the church/community interface.

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HISTORY, ACHIEVEMENT AND PERFORMANCE

The Circuit was formed on 1 September 2008 with the amalgamation of the former Cirencester, Forest of Dean, Gloucester, Stroud & Dursley, and Tewkesbury & Cheltenham Methodist circuits, comprising (at the outset of the 2015-16 financial year) 46 churches. The Circuit is responsible for raising the stipends and attendant costs of 13.41 ministers (plus 1 full time URC minister), and for the provision of housing for 13.

During the year, the Methodist church at Ellwood decided to cease worship and to close, receiving the necessary permissions from the Circuit and (shortly after the end of the 2015-16 financial year) from the Bristol District Synod of the Methodist Church. We thank God for all the work that has gone on in that church over the years, but had to reluctantly recognise that, for a variety of reasons, it was now appropriate for the church to close. Discussions are currently in hand over the future use/sale of the property.

In the year, the Circuit employed:-

- Two part-time administrators, one primarily on Finance matters, the other on General Administration. Both work from the Circuit office in Northgate Hall, St John's Lane, Gloucester.
- A full-time Children and Families workers based in Cirencester (to Feb '16).
- Part-time Children and Families Outreach workers based in Tewkesbury, Eastington, Lonsdale Road (Gloucester) and, from Oct'15, Churchdown.
- A part-time Lay Chaplain at Hartpury College.
- Two (three for part of the year) leaders of single session Children's groups at Cirencester and Tetbury.

The Circuit's churches include 12 ecumenical partnerships of various kinds, linking us with the Baptist Church, Church of England, the Congregational Federation and the United Reformed Church. Two other churches, Christchurch, Abbeydale (Gloucester) Local Ecumenical Partnership and Christ Church, Nailsworth Local Ecumenical Partnership, whose membership includes a significant proportion of Methodists, employ and house their own ministers.

The Circuit as a whole and through each of its churches has sought faithfully to worship and serve God, being often expressed through care, fellowship and service through and beyond each of its churches. The Circuit has sought to connect up, encourage and resource its various churches and members in a variety of ways, including through deployment of ministers and staff, communication and the provision of various aspects of administrative support, the provision Safeguarding, pastoral and missional training, and through the holding of special services and events. The Circuit has sought to encourage giving, not just to the Circuit for its charitable purposes, but more widely to various other local and wider charitable causes.

Since its inception, the Circuit has been conscious of 're-shaping for mission' and has sought through its structure, policies and styles, to be faithful to this. In 2015-16 a Vision and Strategy for Mission group was appointed by the Circuit in order together to revisit and renew our vision for God's mission, and consequently to determine more effectively our strategy as a Circuit and as churches, including regarding the deployment of our people, property and financial resources. As part of this, the Circuit Assembly on 13th March 2016 approved a consultation with the 46 churches in the Circuit, The Circuit Vision & Strategy for Mission group led this review with nearly all the churches engaging in this. The responses are currently being analysed and responded to, being a process that will continue into subsequent years, with the major observations and recommendations being presented to the Circuit during the 2016/17 year.

Through the consultation, every church has been asked to think about and be encouraged to acknowledge and celebrate what they are doing, to challenge them to find what they can do either additionally or differently, and to identify any way in which the Circuit might be able to assist or resource them. A number of churches with specific opportunities or challenges have been supported in various ways (including sometimes through financial grants – see further below) with development or property projects; with easing church assessments for ministry and other costs (see further below); and/or with consideration regarding outreach, sustainability, closure, or joining with others. Many of the Circuit's churches are engaged in a variety of forms of community outreach, including food banks, youth clubs, parents' and toddlers' clubs, community lunches and coffee mornings etc..

As part of the Circuit's ongoing evolution so as to be as effective as possible, the revisions to the organisation and support structure of the Executive and other areas and life of the Circuit, agreed in the preceding years, has begun to be implemented, resulting in increased activity and more effective oversight. A prime purpose has been to increase participation in the running of the Circuit and to encourage collaborative ways of

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working, both to ensure that necessary governance and administration is undertaken efficiently, and, again, to enable the Circuit more fully to discern and implement a vision and strategy for its mission.

The Circuit offers grants to its churches from the Circuit Model Trust Fund (MTF), although it is reviewing the exact terms of its grant policy, both in terms of financial sustainability and mission priorities. (The previous policy that is being reviewed was:

- a grant of 20% (to a maximum of £25,000) for projects that are missional rather than purely maintenance); and
- a grant of up to 50% (for a maximum of 3 years) for the appointment of additional staff requested by churches for carefully defined and specified purposes.)

During the year, grants were made to mission projects:

- Churchdown – Support for a Children’s & Families worker. £5,000 p.a. for 3 years (Oct 2015- Sep 18)
- Innsworth - £827– this was from a fund previously set aside by the Circuit.

Through the MTF and other funds, a total of £12,128 was also made available for Assessment support.

The Circuit is richly diverse sociologically and theologically, with churches serving city centre, inner city, suburban, town, village and hamlet locations. Styles of worship vary considerably, a growing number of churches are experimenting with different worship styles, times and settings, and there is evidence of churches learning from one another.

Ministerial staffing remained at 13.41 (being 12 full time ministers, one three-quarter time minister, and two one-third time minister), plus 1 full time URC minister. Consultative procedures to replace 2 ministers, retiring in 2017, were commenced. In all such procedures, the Circuit, by its officers and relevant appointed groups, seek to take into account the needs, concerns, opportunities and aspirations of each church, and the needs of all the churches as a whole.

Other staff changes in 2015/16:

- The Children and Families Worker appointment at Cirencester, extended until February 2016, was concluded.
- A new part-time lay worker (part funded from the Circuit Model Trust Fund (MTF), but for which a grant has also been awarded from the Methodist District) for Churchdown, started in October 2015.
- Sue Moth, who had been the Circuit Administrator since its inception in 2009, but more latterly as The Finance Administrator, resigned in September 2015. A replacement, Michelle Warren, was appointed to take over the role from 1st March 2016. The Circuit Treasurer covered the day to day operation of the finance office between the two appointments.

Mission Policy

The Circuit’s Mission Policy is set out in a separate document and was approved by the Circuit Assembly in October 2009 (and will be reviewed as part of the Vision & Strategy for Mission consultation referred to above).

Essentially it provides, currently, for:-

- a. The ministerial oversight of the local churches in the Circuit (this includes 12 churches in a variety of Ecumenical Partnerships);
- b. The support of a ministry team of Presbyteral Ministers, Deacon, supernumerary ministers, lay family workers, a lay Chaplain to Hartpur College, and 2 part-time Circuit administrators;
- c. The maintenance of the manses;
- d. The financial ability to underwrite current and future specific Circuit projects thereby ensuring that they are able to be created and then maintained.

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PROPERTY REVIEW

As previously stated, the Circuit maintains 13 manses for the Presbyters and Deacon.

No major refurbishments were necessary during the year on any of the Manses.

£17,209 was spent in the year maintaining the Manses, Circuit Office and various Graveyards which are maintained by the Circuit.

All the Circuit manses and churches remain subject to periodic inspection by the Circuit's property officer and, as and when appropriate, professional advisers. This is to ensure that properties are kept in safe and good order. During the year a new team of Manse Stewards has been appointed for 2016-17 to ensure Manses are being kept in good order.

During the year, grants were made to the following churches to complete redevelopment projects:

- Woolaston - £3,271

Following the closure of Cashes Green and North Cerney Churches in 14/15, the following net proceeds were received and added to the balance in the Circuit MTF account.

- Cashes Green £75,174
- North Cerney £27,225 (Note: Initial net receipt was £127,225, but as North Cerney had become a class of Bethesda (Cheltenham), the Circuit Assembly approved a grant of £100,000 from the sale to Bethesda to support their major refurbishment project (for which the relevant Connexional Officer in the Methodist Church gave the necessary agreement).

FINANCIAL REVIEW

This document includes all funds held by the Circuit Assembly as charity trustees.

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

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

Financial Aims

Our aim is twofold:

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

Financial Plans

- a. The Circuit Assessment (monies levied on each church in the Circuit) is reviewed annually and covers the costs of 1a-c of the Mission Policy, together with other general administration expenses. It is calculated on a combination of
 - i. The unrestricted and non-designated income (excluding lettings income) of a church;
 - ii. The number of members in each church.
 - iii. The average attendance at services, averaged over the year.The current proportional split is (i) 60%, (ii) 20%, (iii) 20%.
- b. We make provision for our property maintenance programme by
 - Designating a minimum £1,000 per annum per manse (plus £2,000 for two other Circuit dwellings) for routine maintenance.
 - Making provision for longer term maintenance by Budgeting for a further £800 p.a. per manse (plus £1,600 for two other Circuit dwellings).
 - Budgeting for detailed Quinquennial inspections on all Circuit owned properties. The Circuit also covers the cost of Quinquennials on all Methodist owned churches.

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A Circuit Finance Support group, representative of large and small, urban and rural, churches assist the Circuit Treasurer in monitoring and reviewing the changes in the Assessment calculation process, as well as the regular financial monitoring.

Support, through use of the MTF (and other funds) to Churches suffering a larger than expected Assessment increase has been offered through an Assessment Relief Grant. Financial support for churches will be continued where appropriate.

Financial Summary for	2015/16	<i>2014/15 in italics</i>
Incoming Resources		
• Assessments	£716,759	£680,876
• Property\Investment	£ 22,752	£ 18,456
• Other Income	£ 73,029	£ 48,397
• Proceeds of Sale from Circuit Property	£202,334	£ 14,482
• TOTAL	£1,014,874	£762,211

Under Standing Orders, the Circuit must meet its financial obligations in relation to the support of its ministers and other staff and the maintenance of the manses. The total costs for the year were:

Resources Expended		
• Staffing	£532,029	£534,032
• Manse Maintenance	£ 13,812	£ 18,909
• Property\Church Grants	£ 21,647	£ 74,441
• District Assessment Costs	£148,251	£141,645
• DAF Levy	£ 16,452	£ 34,642
• Other Governance Costs	£140,925	£121,253
• TOTAL	£873,116	£924,922

Net Movement in Funds		
• TOTAL Surplus\Deficit	£141,758	(£162,711)

The deficit (14/15) was funded by the approved use of the Circuit Model Trust Fund (MTF).

FUNDS:

The Circuit Model Trust Fund (MTF) – The receipts are principally derived from monies received from the sale of chapels, manses and other property, less legal fees and a compulsory levy to the Connexional Property Fund (Sale value up to £100,000, the levy is 20%; over £100,000, levy = 40%).

The MTF is unrestricted in its nature, being available for all Methodist Trust purposes. The Model Trust Fund is used by the Circuit for a variety of mission, ministry and property projects. A compulsory annual levy (based on the year-end balance of the Fund) transfers funds to the Bristol District to be made available by the District by way of grants in respect of new initiatives in mission and ministry. This levy taken on 1/9/2015 was £16,452. On the basis of the fund balance at 31/8/16, the levy to be taken on 1/9/16 will be £19,991.

MTF Balance at 31/8/2016:	£383,143	£336,030
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MTF Receipts:

During the year, the two major receipts into the fund were the result of church property sales (as noted above), after deduction of CAPF levy.

- Cashes Green £75,174
- North Cerney £27,225 (Net of Grant to Bethesda Refurbishment project)

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RESERVES POLICY

The Charity Commission advise that it is appropriate for the trustees to set a policy for the management of this fund. The Circuit's Reserve Policy was reviewed and revised in 2014/15 on the new basis of calculation is stated below.

RESERVES POLICY.

The minimum Reserves to be retained by the Circuit will be

- the sum of all known commitments

Plus

- 30% of the annual Revenue Expenditure, excluding the District Assessment.

For 2015/16, the Revenue Budget less District costs is £760,739 less £145,174 = £615,565.
The minimum Reserve (30%) required was therefore be £184,670

For 2016/17, the Revenue Budget less District costs is £762,378 less £145,648 = £616,730.
The minimum Reserve (30%) required will therefore be £185,019

For 2016/17, the Reserves figure required is:

Minimum Reserves (for 2016/17)	£185,019
Known Commitments (2016-2019)	<u>£133,693</u>
Total Reserves required	£318,712

Unrestricted TMCP funds at 31/8/2016 (per note 14) £390,863

The Reserves Policy is therefore being met.

FUTURE GRANT COMMITMENTS

We have a policy (which is subject to annual review) that churches may apply for a grant of up to 20% (to a maximum of £25,000) for property enhancements that can be regarded as missional rather than purely maintenance. This policy is currently under review.

Available funds:

The Unrestricted TMCP funds at 31/8/2016 were	£390,863
Less Commitments & Reserves at 31/8/2015	<u>(£318,712)</u>
Available funds for projects, therefore	£ 72,141

STAFFING COMMITMENTS

We supported the Lay Workers who work in the following areas of the Circuit:-

- A full-time families worker post at Cirencester (to February 2016);
- Part-time Families Workers at Tewkesbury, Eastington, Lonsdale Road, Churchdown;
- Part-time Lay Chaplain at Hartpury College

The Circuit is grateful to the Bristol District for Grants which has supported the projects at Cirencester, Lonsdale Road (Gloucester), Hartpury, Eastington, and towards the costs of the Deacon.

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GENERAL FINANCIAL SUPPORT.

The Circuit Assembly has continued to support the objective that by the end of the 18/19 year, it is planned that the Assessment Income will match the Revenue Expenditure less miscellaneous income. The Revenue Expenditure does not include the costs (mainly salaries) for the outreach projects which are already part of our committed use of funds from the MTF.

As stated previously, the MTF is used for a variety of projects. Known commitments at 31/8/2016 against the MTF are shown in the table below:

Main MTF Fund movements: Commitments & Receipts	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Total</u>
District DAF Levy - Sep	19,991	15,725	11,926		47,642
Budget Support	11,650	7,000	0		18,650
Hartpury Chaplaincy (DAF 2015-18)	7,673	8,906			16,579
Eastington Families Worker (DAF 2015-17 now 19)	6,291	6,775	6,910	-	19,976
Lonsdale Families Worker (DAF 2015-17, now 19)	5,606	7,248	7,393		20,247
Churchdown Families Worker	5,000	5,000			10,000
Sale of Church Property					-
Cam Property - 40359	600				600
Adjustment to Balance (Int\Charges)					-
Total Commitment on Funds	56,811	50,654	26,229	-	133,693
Balance of MTF @ start of year	383,143	326,333	275,679	249,450	383,143
Balance of MTF @ end of year	326,333	275,679	249,450	249,450	249,450

STRUCTURE, GOVERNANCE & MANAGEMENT

The Methodist Circuit of Gloucestershire is part of the Methodist Church in Britain, which is constituted under the Methodist Church Act 1976 and a Deed of Union, and is governed by The Constitutional Practice and Discipline of The Methodist Church. The Circuit, which came into being on 1st Sept 2008, was registered as a charity with number 1136205 on 4th June 2010.

APPOINTMENT OF TRUSTEES

All ministers, presbyteral and diaconal, stationed in the Circuit by the Conference are members of the Circuit Meeting otherwise known as the Circuit Assembly, and therefore trustees (subject to those ministers who do not hold pastoral responsibility within the Circuit notifying the Superintendent of their wish to be members of the Assembly and trustees for the relevant year).

Lay workers who are members of the Methodist Church and who are employed in the Circuit may also be appointed by the Circuit Assembly to be members of it and trustees for the relevant year.

The following are ex-officio members of the Circuit Assembly: Circuit Portfolio holders who are the Circuit stewards (Finance, Learning & Caring, Mission, Personnel, Property, Public Issues), or other appointed Circuit Officers (for example the Local Preachers' Secretary, the Safeguarding Officer, the Archivists) – all of these are subject to appointment and annual re-appointment by the Circuit Assembly.

Additionally, each church is entitled annually to appoint two representatives to the Assembly (usually a church steward and the church treasurer) , and the Local Preachers' Meeting is entitled annually to nominate up to ten of its members (including the Secretary and the Convener of the Local Preacher Training group, who are ex-officio members of the Assembly).

The Assembly has power to appoint other members, and welcomes the attendance of those who are not members of the meeting, who however may on occasion be asked temporarily to vacate the meeting when a particular item is being discussed, and who may not vote on any issue.

The total membership of the Assembly that served during the 2015-16 year was 124.

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TRUSTEE RECRUITMENT, INDUCTION & TRAINING

As outlined above, the appointment of the majority of the members of the Assembly is outside the control of the meeting. In appointing Circuit portfolio holders and other officers, the meeting seeks to fit the particular gifts and skills of an appointee to the needs of the vacancy that is being filled, and to achieve the best balance of gifts and skills among office-holders to further the work of the Circuit and its churches.

ORGANISATION

The Circuit Assembly met on three occasions in 2015-16. The Circuit Executive, appointed by the Circuit Assembly, comprises the Superintendent Minister, the Deputy Superintendent, 2 other ministers elected by the Staff Meeting, and (in terms of the structure applying during 2015-16) up to 6 portfolio holders (who function as the 'Circuit stewards'). It met on five occasions in 2015-16. It acts on behalf of the Circuit Assembly when circumstances so dictate, and brings its decisions to the Assembly for scrutiny and its recommendations for approval. The Assembly retains overall responsibility for the Circuit's mission strategy; the invitation of ministers; the admission of people to the office of local preacher and decisions on formal explorations of calls to ministry and candidates for the ordained ministry.

The Methodist Church stations a presbyter to be the Superintendent Minister of the Circuit, who is to provide leadership and cohesion within the Circuit, and whose duties are set out in the Standing Orders of the Church.

RISK MANAGEMENT

The Circuit continues to develop robust procedures for safeguarding children, young people and vulnerable adults; each church has its safeguarding officer. The Circuit Safeguarding Officer organises an active and on-going training programme for all those whose church office demands such training is undertaken; ensures that appropriate policies, checks and declarations are in place or obtained at Circuit level; liaises with external Safeguarding authorities as necessary and advises local churches as required.

The Circuit endeavours actively to maintain, promote and review various policies which help to manage risk, including concerning financial process and the holding of reserves; the management of property and health and safety; and the employment of personnel and lone working.