

# TRUSTEES ANNUAL REPORT

## Objectives and activities

### Objectives

The objectives of the Plymouth & Exeter Methodist District are those as set out for the Methodist Church of Great Britain in the Deed of Union 1932 and the 1976 Methodist Church Act.

The aim of the Methodist Church is to proclaim and affirm its conviction of God's love in Christ, for us and for all the world, and to renew confidence in God's presence and action in the world and in the church.

The charitable objects of the Plymouth & Exeter District are the purposes of the Methodist Church and these are the advancement of:

- (a) the Christian faith in accordance with the doctrinal standards and the 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.

### Activities

The calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. We do this through:

**Worship:** to increase awareness of God's presence and to celebrate God's love

**Learning and caring:** to help people to grow and learn as Christians, through mutual support and care

**Service:** to be a good neighbour to people in need and to challenge injustice

**Evangelism:** to make more followers of Jesus Christ

### The Charities Act 2011 and 'public benefit'.

The Trustees of the Plymouth & Exeter District [in the meetings of the District Policy Committee] give attention to their responsibility to demonstrate 'public benefit', as defined by the Charities Act 2011. In undertaking this work, they follow the Commission's guidance, which sets out two key principles:

- the organisation must have an identifiable benefit.
- the benefit must be to the public or a section of the public.

The Trustees' particular contribution to the working out of the calling of the Methodist Church is to support and enable the churches and Circuits of the District to call, nurture, challenge and equip disciples to carry forward the work. This is achieved by supporting churches and Circuits across the District to:

- increase awareness of God's presence and celebrate God's love;
- help people to learn and grow as Christians, through mutual support and care;
- be a good neighbour to people in need and challenge injustice.

We consider that, for these reasons, the Plymouth & Exeter District meets the public benefit requirements.

In detail, the District contributes to the life of the churches and Circuits by:

### **Worship**

- ✓ maintaining oversight of the number and distribution of places of worship in the District
- ✓ working with other Christian denominations in strategic plans for nurturing a Christian presence for worship and service across our region
- ✓ the work of the District Chair and Lay Stationing Representative, recruiting and placing ministers to the ministerial vacancies in the District
- ✓ working together with the Methodist Regional Discipleship, Ministries and Learning Network (DMLN) to provide opportunities for those leading worship to develop their skills
- ✓ encouraging the development of patterns of worship which meet need, e.g. 'Messy Church' and worship which is accessible to those with particular needs

### **Learning and Caring**

- ✓ working with the DMLN and others, we encourage and facilitate learning for people in many diverse church roles, both paid and voluntary, seeking to find ways to support them.
- ✓ providing opportunities for reflection, the learning and development of ordained ministers and overseeing the development of those exploring a call to ministry
- ✓ keeping people safe by ensuring that the Safeguarding training developed by the Methodist Church is rolled out and built upon in every church and providing professional support and expertise on Safeguarding matters
- ✓ developing a partnership with the Cuttack Diocese of the Church of North India to promote better understanding of the world-wide church community
- ✓ promoting throughout the District national guidance on Health and Safety legislation and Employment Law.

### **Service**

- ✓ contributing to the understanding and practice of ministry, with particular concern for rural areas
- ✓ encouraging community engagement, e.g. Christians against Poverty; involvement in Street Pastors and Foodbanks, etc.

- ✓ promoting good stewardship and wider use of buildings, people, funds and other available resources
- ✓ helping to fund local community outreach initiatives
- ✓ supporting and encouraging awareness of the work of Action for Children, Methodist Homes, All We Can and other social action initiatives.
- ✓ Challenging injustice through involvement in national and international initiatives of the Methodist Church

## **Evangelism**

- ✓ funding and managing the work of the District Evangelism Enabler so that individual congregations can undertake initiatives which serve local communities and provide opportunity for individuals to become disciples of Christ.
- ✓ contributing to the funding, and managing the work of the VentureFX Pioneer (The Simply Project) to make contact with those who would otherwise have no contact with the church and to establish small groups of people that mutually support, encourage and develop one another.
- ✓ being a Christian presence alongside agricultural communities in our area through the work of our full time Agricultural Chaplain.

## **Achievements and performance**

### **Achievements**

During the Connexional year 2015-16 we have achieved our objectives in the following ways.

### **In Worship**

- ✓ reviewing the circumstances and opportunities where churches are threatened with closure to ensure best use of the resources available.
- ✓ through the work of the District Evangelism Enabler we have responded to requests for help in reviewing and developing how individual congregations serve their local communities through worship and action.
- ✓ joining with other denominations in the planning and growing of new Christian communities in major housing developments at Cranbrook and Sherford. Joining discussions in anticipation of major population growth associated with the development of the Hinkley C power station in Somerset.
- ✓ receiving reports from the two Ecumenical Officers and identifying local priorities.
- ✓ together with the DMLN, rolling out the new Local Preacher training course.
- ✓ where church buildings, either through very high maintenance costs or through a need for substantial investment costs cannot be sustained, encouraging and supporting worship in other public buildings or as house groups.

### In Learning and Caring

- ✓ working in partnership with DMLN to deliver a range of training opportunities.
- ✓ joining with the Cornwall District to ensure a more effective process for testing the vocations of those seeking ordination.
- ✓ ensuring the Ministerial Development Review arrangements are working well and providing an annual Ministerial Retreat.
- ✓ supporting probationer ministers in their first appointments and reflecting with them on their development.
- ✓ following review, establishing a fresh District Safeguarding Team led by an Independent Chair with professional experience of Safeguarding.
- ✓ contributing as a pilot area for the revised Safeguarding Training developed by the Connexional Safeguarding Team
- ✓ taking action to implement the recommendations of the *Past Cases Review* undertaken by The Methodist Church.
- ✓ providing advice and guidance to those church communities faced with issues arising from Safeguarding.
- ✓ re-establishing contacts with the Cuttack Diocese of the Church of North India.
- ✓ reviewing the terms and conditions of employed lay staff.

### In Service

- ✓ reviewing, supporting and sustaining the work of the Rural Chaplaincy.
- ✓ through the District Grants Committee voting grants to:
  - enable the appointment of youth workers, children and family workers, an outreach worker, a university chaplain, a rural support worker and a Methodist Deacon.
  - property refurbishment
- ✓ Through the District Synod receiving reports about the work of a range of associated charities [ All We Can; Action for Children; Methodist Women in Britain] and identifying how the support to these charities can be maintained.

### In Evangelism

- ✓ launching a major review of the Simply Project [ the VentureFX Project]
- ✓ establishing a Management Group for the work of the District Evangelism Enabler [DEE]
- ✓ through the work of the DEE, responding to local requests to take stock of local churches activities and effectiveness
- ✓ providing skills in evangelism to local congregations through the delivery of the Mission Shaped Intro course.
- ✓ exploring opportunities for collaboration in Pioneer Ministry ventures
- ✓ through a review of the funding and operation of the Agricultural Chaplaincy, to establish a clearer District contribution to this work.

## **Performance**

During the year 2015-16 we have made progress in both reviewing and measuring the achievement of our Objectives. A revised District Strategy with interim targets and annual review arrangements was adopted. A major review of the Simply Project was launched; arrangements for the work of the Agricultural Chaplaincy clarified and improved. The chair of the District Grants Committee was given a seat on the District Policy Committee and final authorisation of grants vested in the DPC to encourage aligning grants decisions with District Objectives. A review of communications in the District was undertaken and an Implementation Team appointed to take forward the recommendations that were made.

Thus, determined steps were taken to clarify and action the District Policy Committee's (DPC) exercise of accountability as Trustees, on behalf of the District Synod.

## **Financial review**

The Trustees are pleased to report that during the year to 31st August 2016 the District received income totalling £293,225, (2015: £291,636), a small increase over the previous year. This was used to fund grants and expenditure of £315,284, (2015: £253,350), the shortfall being drawn from funds already set aside for this purpose and Reserves.

Over 50% of the District funding has again come from Circuit Model Trust Funds and the Connexional Advance and Property Fund. These amounts are received annually into our District Model Trust Fund. Although this is an unrestricted fund, the Plymouth & Exeter District have currently chosen to hold these funds solely for the purpose of making grants to projects to further the aims of the Methodist Church and not to use them for District administration and other more general purposes. This year we were pleased to be able to make grants from this Designated fund totalling £127,250 (2015: £60,745) to church and Circuit and a further £43,686 (2015: £55,378) to District projects.

Funding from Circuits has increased significantly this year. This follows the conscious decision made in earlier years to ensure, as we look to the future, that the District is adequately resourced. This has resulted in a reduced shortfall in net General Fund expenditure which, after transfers, in 2016 was £16,613 (2015 £23,383). This shortfall has been taken from Reserves.

Changes to the arrangements by which District employees are paid have resulted in increased contributions towards these costs being received from the Connexional Team and others in 2015/6. It is anticipated there will be further increases next year in both the contributions and also the expenditure they relate to. We have also included a contribution from the Methodist Conference towards the salary cost of our District Chair, which offsets the employment costs included in 2016 for the first time.

In preparing the Financial Statements, changes to our accounting policies to reflect the requirements of the 2015 Charities SORP (FRSSE) have been applied this year. These changes in policy have also required a restatement of the comparative figures for 2015. Details of these changes and their financial effects can be found in note 2 of the Notes to the Accounts.

The most significant change was the decision to restate the value of the Manse at its fair value as at 31st August 2015. This will now be carried forward in future years as its deemed cost.

The Trustees continue to keep the finances of the District and related policies under review.

## Investment Policy

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as Custodian Trustee for all real estate held by Districts, for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the District. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere.

The Plymouth & Exeter Methodist District Trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church. Short term deposits are lodged directly with the CFB and attract good rates of interest. There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB.

It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment - both by way of dividend and capital appreciation - is obtained at least as good as market rate, considering the District's low appetite for risk.

## Reserves Policy

The Reserves of a charity are defined as that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. This definition excludes Restricted Funds, although holding such funds may influence a charity's Reserves Policy. Reserves will also normally exclude tangible fixed assets such as land, buildings and other assets held for the charity's use. It also excludes amounts designated for essential future spending.

Our General Fund Reserves are as follows:	2015/6
	£
Total General Fund Value	691,813
Less Funds not freely available:	
Land and Buildings held for the District's use	589,010
Freely available General Fund Reserves	<u>102,803</u>

Our agreed General Fund Reserves Policy is to ensure that we maintain a reserve equal to six months anticipated average expenditure, including Manse maintenance and repair costs. The Trustees consider this the minimum level of Reserves needed to maintain the ongoing financial stability of the District. Based on our expenditure in 2015/6, this requires a reserve of £66,317.

The current General Fund Reserves exceed this amount by £36,486. This will be used in the coming years to reduce Circuit Assessments and further fund District projects. Transfers from the General Fund to such projects in 2015/6 totalled £6,827.

Unrestricted funds are also held in the District Model Trust Fund. These funds are currently used to make grants in support of personnel and property projects of our churches, Circuits and the District. Where a grant has been approved, the full amount made available is treated as a liability of the District until it is paid. There is no requirement to hold Reserves in this fund although there may be an amount unallocated at the end of any year which is carried forward to the next. The net grants (including transfers to District projects) made in 2015/6 totalled £170,936 (2014/5: £116,123) and the unallocated funds carried forward into 2016/7 were £28,942 (2015/6: £48,865).

In addition to the General Fund Reserves, we currently hold £158,283 of Reserves in Designated Funds to support our Simply project and the District Evangelism Enabler post. It is anticipated that these will be fully utilised within the next three years.

## **Structure, governance and management**

The District is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 12th March 2010

### **Structure**

Circuits are the coordinating charities for local groups of churches; Circuits pay the stipends of the ministers and employ lay staff to serve the churches in the Circuit; most decisions are made at - or ratified by - the half yearly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

1. Overall regulatory authority rests with the Methodist Conference.
2. The Connexional Team implements decisions made by the Conference and is also responsible for the oversight of the stationing of presbyters and deacons (collectively known as 'ministers') in individual Circuits within the District.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

### **Purpose of the District**

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Methodist Church.

The purposes of the Methodist Church are and shall be deemed to have been, since the date of the union, the advancement of:

- a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
- b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
- c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
- d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in the Plymouth & Exeter

District by:

- i. providing opportunities for Circuits to work together and support each other
- ii. offering to Circuits resources of finance, personnel and expertise.

The District serves the local churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church and in programmes of training.

### **Governance**

The District operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Team at Methodist Church House, 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the District.

The members of the District Policy Committee (DPC) are annually appointed by a vote of the Synod for a continuous term not normally exceeding six years. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the DPC, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares information with nominees as to what the role involves. If a person wishes to be considered for a role, their name and a reasoned statement are considered by the DPC and the District Synod for appointment.

The District Policy Committee normally meets three times per year and deals with routine and exceptional matters. It oversees the work of:

- The District Executive
- The District Treasurer
- The District Safeguarding Team
- The Property Committee
- The District Grants Committee
- Manses Committee
- Chair's Manse Committee
- The Ecumenical Officers
- The District Evangelism Enabler Management Committee
- The Simply Project Management Committee
- The Regional Candidates' Committee
- The Probationers' Committee
- Local Preachers
- The World Church Committee
- Rural Issues
- The Lay Employment Committee
- Methodist Women in Britain
- Joint working with the Discipleship and Ministries Learning Network

### **The responsibilities of the District Policy Committee**

- i to formulate and promote policies which will advance the mission of the Methodist Church in the Circuits and local churches and, in particular, to oversee the use of resources of personnel, property and finance and to assist churches and Circuits who may be experiencing exceptional problems
- ii to encourage inter-Circuit and ecumenical co-operation
- iii to act in an executive capacity in matters remitted by the Synod
- iv to keep within its purview all District concerns not dealt with elsewhere
- v to contribute and respond, as the case may be, to the development of Connexional policies as

reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind

vi constantly to be aware of the public benefit guidance issued by the Charity Commission

### **Recruitment and Training of Trustees**

New Trustees are appointed from within the membership (ordained and lay) of the Methodist churches and Circuits of the District. In making each appointment care is taken to ensure the new Trustee has the skills and experience needed to fulfil the responsibilities of their role and safer recruiting procedures are followed. Appointments are made by the District Synod following nomination by the District Policy Committee after a recruitment process has taken place. In 2015-16 one Trustee was appointed in order that accountability and communication with the District Grants Committee might be improved. Please see the Trustees list below.

Training for all Trustees was provided in a full day conference on Saturday, 8th October 2016.

### **Reference and administrative details**

<b>The name of the Charity</b>	Plymouth & Exeter Methodist District
<b>Charity registration number</b>	1134878
<b>Principal Office</b>	The District Office, The Mint Methodist Church, Fore Street, Exeter. EX4 3AT
<b>Chair of the District</b>	Revd. Canon Graham Thompson
<b>Secretary of the Synod</b>	Mr. David Clitheroe
<b>Secretary of the Presbyteral Synod</b>	Revd. Paul Smith
<b>District Treasurer</b>	Mrs. Rachel Mitchell

#### **Names of Trustees:**

One new Trustee was appointed in the period from 1st September 2015 up to the date on which this report was approved and is noted below. All the other Trustees served throughout this period.

Glenys H E Allinson  
Susan M Bolt  
Denys H Bament  
David A Clitheroe  
Howard Franklin  
Christine M Harbottle  
Ronald A Jordan  
Carolyn J Lawrence  
Simon H Leigh  
Mary L McNaughton  
Rachel A Mitchell  
John N Prebble  
Neal H Street  
Graham Thompson  
Andrew T Vidamour - *appointed 16.04.16*  
Philip P Wagstaff

The Managing Trustees for the District are the members of the District Policy Committee.  
No Trustee claims exemption from disclosure of his or her name here.

**Bankers**

CAF Bank Ltd.  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4JQ

Central Finance Board of the Methodist Church  
9 Bonhill Street  
London  
EC2A 4PE

**Independent Examiner**

Mr. S. Cresswell FCA  
Thomas Westcott Chartered Accountants,  
47 Boutport Street, Barnstaple,  
Devon EX31 1SQ

**Approval**

This report was approved by the Trustees on the date below and is signed on their behalf by:

**G Thompson**

Revd. Canon Graham Thompson  
District Chair

**R A Mitchell**

Mrs Rachel Mitchell  
Treasurer

Date: 26 April 2017