

1 Introduction

This document details the current Finance Policy of the Sale Methodist Circuit (19/09). It is an updated version of that formulated by the Circuit Leadership Team (CLT) in March 2014.

The policy is based on the Circuit Mission Policy (see chapter 2 below) and identifies the principal financial responsibilities of the circuit. It also describes the nature of the funds held for the various purposes. There is a direct relationship between these responsibilities and the principal items to be found in the circuit budget.

This policy will be appraised annually and updated, if necessary, prior to the finalising of the budget for the subsequent Connexional year. Both policy and budget will then be presented to the Circuit Meeting for approval.

2. Mission Statement

“We will encourage personal and church growth through new and existing ventures in mission”

The fulfilment of our mission statement requires the management of financial resources. All receipts and payments shall be made in conformity with Methodist Church guidelines and requirements and with the Charity Commission Statement of Recommended Practice (SORP) for charity financial accounting practices, as agreed with the Methodist Church of Great Britain.

In line with Methodist Church policies, the first call on any funds is to fulfil the responsibilities of the Circuit towards its Staff and Employees, its contribution to the District funds, and to meeting its legal liabilities.

3. Funds and the Management thereof

The circuit maintains the following funds:

1. **General Fund.** All payments are made from this fund. Manse maintenance expenditure is reimbursed from Manses Fund.
2. **Manses Fund.** A Designated Fund. There are three manses, all of which are currently occupied by presbyters. A minimum reserve of 10,000 pounds is retained for each manse to enable maintenance and improvement costs to be met.

3. **Training in Ministry Fund.** A Designated Fund which is used to contribute towards the cost of training events within the Circuit or attendance at external training events. This fund will provide for churches, Local Preachers and Worship Leaders to be supplied with a copy of the Prayer Handbook annually. Local Preachers and Worship Leaders may also apply for support towards an annual Subscription to Roots for Worship or two theology/worship resource books per year.
4. **Development in Ministry Fund.** A Designated Fund. The purpose of this fund is to support small mission and ministry programmes within the Circuit and Churches.
5. **Quinquennial Inspection Fund.** A Designated Fund that is used to pay for Quinquennial inspections of buildings managed directly by the circuit. The Annual budget allocation is the mean average of 5 years of projected expenditure.
6. **Removals Fund.** A Designated Fund that is used to pay for the removals costs of ministers. The Annual budget allocation is the mean average of 5 years of projected expenditure.
7. **Relocation Allowance Fund.** A Designated Fund that is used to pay relocation costs up to a maximum of £600 to an incoming presbyter as stipulated by the Methodist Connexion. Payments made must be within HMRC approved expenditure guidelines and be supported by proof of expenditure. The Annual budget allocation is the mean average of 5 years of projected expenditure.
8. **Mission and Evangelism Fund.** This designated fund was established from surplus rental funds and is used to provide funds for larger mission projects whether initiated by an individual Church or the Circuit. Applications are made to Circuit Leadership Team in the first instance with final approval from the Circuit Meeting.

4 Budget Allocations

The Sale Methodist Circuit budgets expenditure based on our mission statement detailed in (2) above. This will necessarily include the costs of running the circuit and on maintaining property in accordance with guidance as issued by the Methodist Church Property Office.

Budget Headings:

Stipends, Salaries and Travel. To cover Stipends, Salaries, NIC, Pensions, Circuit Travel and Lay employee allowance (thereby meeting staff and employee costs).

Administration. To cover office administration costs such as telephone, printing and publications, provision of computers to lay employees, postage, stationery, ink and website maintenance.

Manse Cost. To cover Council Tax, Water Rates, Insurance, Repairs and Renewals. Note that a portion of the budget allocation remains in General Funds to cover Council tax, water Rates and Insurance, the remainder is set aside in the Manses Fund to fund major repairs.

District. To meet our District assessment. Amount set according to District formula.

Grants and Donations. The circuit will make a grant of £5000 spread over 3 years to Christians against Poverty commencing in 2019.

Training in Ministry. To cover the costs via the designated fund.

Development of Ministry. To cover the costs via the designated fund.

Other Payments

Quinquennial Inspection Fund
Supernumeraries Fees (Preaching)
Removals
Relocation allowance
Safeguarding

Income from Interest and investments.

Other Receipts

Bowling Club.

Receipts from Lock Lane. Any balance from this income will be added annually to the Circuit Mission and Evangelism Fund (See section 3.8).

5. Other Related Policies

5.1 Living Wage

The Circuit and churches will pay staff the Ethical Living Wage as recommended by the Methodist Church.

5.2 Computer Equipment

The circuit resources its operation by budgeting for appropriate office equipment for the circuit administrator and/or other lay staff. This sum is identified in the budget and is set aside as a designated reserve to be called upon as and when required. Presbyters receive a grant annually towards cost of upgrading computers and software. In September 2017 this was incorporated into the annual stipend.

5.3 Unused Funds

For some funds, where there is a specific line of expenditure within the budget, balances will be carried forward if the sums raised are not spent. This will apply to Manses, Development, Training, Safeguarding, Quinquennial, Removals, Relocation and Lay computers balances. Other under spends (if any) will be consolidated into the general reserves. Lock Lane Rental surplus will be added to the Circuit Grants Fund (see 3.8)

6. Authorisations for Expenditure

General Fund.

Payments for which there is a specific line of expenditure within the budget will be made by the treasurer provided that the amount is within the agreed budget limit. Extraordinary payments will be referred to the Circuit Leadership Team for authorisation.

Manses Fund

Payments up to £1000 will be authorised by the Manses Team and made by the treasurer. Larger sums, for major works, will be approved by the Circuit Leadership Team in conjunction with the Circuit Meeting.

Grants and Donations Fund

Circuit Leadership Team and Circuit Meeting

Mission and Evangelism Fund

Circuit Leadership Team and Circuit Meeting

Revised September 2020

Approved by the Circuit Meeting Wednesday 9th September 2020

Signed..... RP Mottershead