

Extract of Standing Orders from The Constitutional Practice and Discipline of the Methodist Church

012 Accounts. (1) Methodist money shall not be held in private accounts but in official bank accounts requiring [. . .] **the signatures of, or electronic authorisation by, two persons** for withdrawals.

This amended provision is in accordance with the guidance on internet banking from the Charity Commission for England and Wales. In the absence of guidance for other jurisdictions it is considered that compliance with this published guidance is likely to constitute good practice in these jurisdictions also. The Methodist Council has been directed to prepare a guidance note on the safe use of internet banking.

(2) Accounts shall be kept of all money held at connexional, district, circuit or local church level including that of organisations at any such level. The accounting records shall include (i) entries showing from day to day all sums of money received and expended and the matters in respect of which the receipt and expenditure takes place, and (ii) a record of assets and liabilities. An annual statement of accounts complying with section 42 of the Charities Act 1993 shall be prepared, including either a statement of financial activities and balance sheet prepared on the accruals basis and notes to the accounts or (but only if it is permitted by law and the responsible body so resolves) a receipts and payments account and statement of assets and liabilities.

Detailed guidance as to accounts is integrated into the Standard Form of Accounts available from the Resourcing Mission Office.

(3) All such accounts shall be audited annually by an auditor in accordance with section 43(2) of the Charities Act 1993 or examined annually by an independent examiner in accordance with section 43(3) of that Act, as appropriate. The appointment of the auditor or examiner shall be made by the body specified in the Standing Order relating to the fund concerned or, if no body is so specified, by the body responsible for the fund. The auditor or independent examiner shall report to the appointing body and to its committee, if any, responsible for finance. The report shall comply with any applicable regulations and in particular shall state in writing that cash in the hands of treasurers and at the bank, and all investments, deposits and loans outstanding have been verified and that receipts and payments have been properly accounted for.

As to the appointment of auditors or examiners in specific cases see S.O. 636 (local funds) and 913(2), (3) (property funds).

(4) The Superintendent is responsible for ensuring that auditors or independent examiners, as appropriate, are appointed in respect of all funds under the jurisdiction of the Circuit Meeting or Church Councils in the Circuit and that they report after each audit or examination. The Chair is similarly responsible for funds under the jurisdiction of the Synod. If any report is unavailable or inadequate it shall be the responsibility of the Superintendent or Chair (as appropriate) to ensure that a report is presented to the next meeting of the relevant body.

(5) Any qualification in the auditor's report shall be recorded in the minutes of the meeting at which the audited accounts are presented.

As to local accounts see also S.O. 636 and as to accounts relating to model trust property S.O. 913.

(6) The appointing body under clause (3) above shall adopt and set out with its annual statement of accounts a reserves policy for each of its funds, and a policy for the management of any Advance Fund, in accordance with guidance provided by the Connexional Team. The initial adoption of, and any change in, every such policy requires the approval of the body designated for that purpose by the Methodist Council.

012A Duties of Treasurers. (1) A treasurer of any Methodist fund is responsible for the oversight of the fund and of the assets representing it.

(2) Every such treasurer shall ensure that:

- (i) any relevant trusts are fulfilled;
- (ii) subject to (i), all lawful directions of the Conference are implemented;
- (iii) subject to (i) and (ii), the fund is raised and administered in accordance with the lawful instructions of the committee concerned;
- (iv) any relevant advice of the Charity Commission is taken into account;
- (v) Standing Order 012 is implemented.

(3) For these purposes a treasurer shall arrange for and participate in the preparation of budgets and the monitoring of income and expenditure, or shall ensure that adequate and effective systems are in operation for the discharge of those responsibilities by others.

(4) Every such treasurer shall at all times have access to and the right to call for all relevant information, books of account and records.

(5) In addition to any requirements in Standing Orders relating to particular cases the meeting, committee or other body responsible for the fund concerned may assign to a treasurer additional duties not in conflict with the responsibilities set out in clauses (2), (3) and (4) above.

(6) A treasurer shall report on all the above matters to the meeting, committee or other body concerned.

532 Circuit Fund. (1) The circuit stewards are the treasurers of the circuit fund and shall:

- (i) obtain from the treasurer of each Local Church in the Circuit the contribution assessed by the Circuit Meeting on that Local Church towards the general expenditure of the Circuit, including the circuit contribution to the Methodist Church Fund and the fulfilment of the other obligations specified in heads (ii) to (iv) below; (ii) provide the sums required for payment of the stipends of the ministers, deacons and probationers and authorise the collection by the Connexional Team of those sums by direct debit in accordance with Standing Order 801(3);

- (iii) pay to the ministers, deacons and probationers any other allowances due to them and all sums required to defray their expenses in accordance with Standing Order 801(2);
- (iv) discharge all other claims upon the circuit fund in accordance with the budget agreed by the Circuit Meeting, including budgeted payments for ecumenical work.

See S.O. 012A for the duties of treasurers generally.

As to the Methodist Church Fund see S.O. 361.

See also S.O. 365 (reimbursements and special payments), 801(4) (payment of allowances during illness).

(2) The circuit stewards shall, by the seventh day of each quarter, pay to the district treasurers of the Methodist Church Fund and the District Expenses Fund the amounts which have been allocated to the Circuit by the Synod for those funds respectively.

As to the District Expenses Fund see S.O. 432(2).

As to the collection of the Methodist Church Fund contributions by the district treasurer see S.O. 432 (3)

and as to payment by the church treasurer S.O. 635(2).

(3) The circuit account shall be closed annually on the 31st August and an annual report shall be made to the Circuit Meeting. The accounts shall clearly indicate the financial position of the fund at the 31st August each year, including all investments, and loans due to and from the fund. [. . .]

635 Treasurer. (1) The Church Council shall annually appoint a church treasurer, who shall be a member in the Local Church or elsewhere in the Connexion or in another Methodist church or be within category (i) or (ii) of Standing Order 606(1).

As to re-appointment see S.O. 607(3).

(2) The church treasurer shall receive all collections, gifts, donations, subscriptions and other moneys raised for the general church fund, the benevolence fund or the model trust fund and any money arising for such other accounts as the Church Council may direct. He or she shall meet all financial obligations on behalf of the Church Council and present a statement of all such funds and accounts to the Church Council and to such committee or committees (if any) as the council may direct. While it is not necessary for the general, model trust and benevolence funds each to have its own separate bank account, the treasurer must ensure that these funds are accounted for separately, for example by means of a suitable system of column analysis in the cash book. On behalf of the Church Council he or she shall, eight working days before the beginning of each quarter, pay to the circuit stewards the sum required of the Local Church by the assessment of the Circuit Meeting.

See S.O. 012A for the duties of treasurers generally.

As to assessments on Local Churches by the Circuit Meeting see S.O. 532(1)(i), 650(4). The assessment includes the local contribution to the Methodist Church Fund.

For the general church fund, benevolence fund and model trust fund see S.O. 650, 651 and 652 respectively.

For general provisions as to the administration of church accounts see S.O. 012.

636 Auditor. The Church Council shall appoint an auditor or independent examiner, as appropriate, annually for the general, model trust and benevolence funds and all other funds under its jurisdiction. The auditor or examiner for the general, model trust and benevolence funds shall be the same person unless those funds have separate bank accounts and are accounted for separately. The appointment shall comply with the provisions of Standing Order 012(3) and the auditor or examiner shall report annually to the Church Council in accordance with the provisions of that Standing Order.

650 General Church Fund. (1) The Church Council shall maintain a general church fund.

(2) Subject to Standing Order 637(4) all collections at public services and meetings for worship of the congregation of a chapel shall be for the general church fund unless, under the direct or delegated authority of the Church Council, a collection is made for some other charitable purpose and the congregation have been informed of the purpose before contributing.

As to what are 'charitable purposes' see the note to clause (5) below.

It is suggested that unless a collection is being made for some other purpose the normal form of announcement should be 'for the general church fund'.

The traditional words 'for the Work of God in this Church and Circuit' might be understood to exclude the support of wider causes.

S.O. 637(4) concerns separate collections at the Lord's Supper.

(3) All other money received by or due to the Church Council and not belonging to any other fund shall belong to the general church fund.

(4) The first charge on the general church fund shall be the sums required of the Local Church by the assessment of the Circuit Meeting, which shall be paid into the circuit fund quarterly eight working days before the beginning of the quarter to which they relate.

For the assessment see S.O. 532(1)(i), 635(2).

(5) Subject to clause (4) above the general church fund shall be applied under the direct or delegated authority of the Church Council for the charitable purposes of the Local Church.

'Charitable' purposes are not in law confined to the relief of poverty or distress; they include, e.g. the advancement of the Christian faith. However, Methodist money cannot be used for any purpose which is not charitable in the legal sense. Not all 'good causes' are charitable in this sense; nor is the advocacy of political change. As to what are the charitable purposes of the Local Church see cl. (6) below.

(6) The purposes of the Local Church include (without excluding or restricting any which would subsist apart from this clause):

- (i) those appearing from Standing Orders 600, 604 and 651 and Section 66;
- (iA) any purpose for which model trust money which is local property of the church may be applied under Standing Order 917(1) or (2);**
- (ii) the support of any connexional, district, circuit or local fund of the Methodist Church;

- (iii) the support of any ecumenical work in which the Local Church is engaged;
- (iv) the support of the Leaders of Worship and Preachers Trust;
- (v) subject to (i), (ii) and (iii) above, the support from the general church fund of any other charitable fund or body, except in so far as such support would be contrary to any purpose of the Methodist Church or to Methodist discipline.

As to the meaning of 'charitable' see the note to cl. (5) above.

As to the purposes of the Local Church see also S.O. 600.

The Leaders of Worship and Preachers Trust was created in 2005 and is the successor body (meeting a wider range of need) to the Local Preachers Mutual Aid Association.

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- (iii) the support of any ecumenical work in which the Local Church is engaged;
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651 Benevolence Fund. (1) The purposes of the Local Church include the relief of poverty and distress and to that end the Church Council shall maintain a local benevolence fund.

(2) The sources of the fund shall, subject to Standing Order 637(4), be the separate or additional collections, if any, made at the sacrament of the Lord's Supper and at lovefeasts and allocations, if required, made by the council from the general church fund.

(3) The fund shall be applied first for the relief of poverty and distress in the congregation and neighbourhood. The Church Council may adopt and implement a scheme of distribution, and payments may also be made, in any event, at the confidential discretion of the minister or probationer exercising pastoral responsibility in relation to the Local Church in consultation with the communion stewards, if appointed, or if not with the church stewards.

(4) At its first meeting in each year the council shall consider the state of the fund and decide whether any moneys are surplus to expected needs for the above purpose and, if so, what allocations shall be made out of the fund to the circuit benevolence fund, the district benevolence fund, the Methodist Relief and Development Fund and any other fund for the relief of poverty and distress, provided that no allocation shall be made which would be contrary to any purpose of the Methodist Church or to Methodist discipline.

For the circuit benevolence fund see S.O. 527 and for the Methodist Relief and Development Fund S.O. 245.

652 Model Trust Moneys. The Church Council shall maintain a fund or funds, consisting of all model trust moneys, whether capital or income, of which the council are the managing trustees, including any allocations or contributions for model trust purposes from the income of the general church fund.

653 Other Funds. (1) Subject to Standing Orders 012, 635(2), 650, 651 and 652 and to clause (2) below organisations within the Local Church may hold their own funds, appointing a treasurer for each fund so held.

S.O. 012 concerns banking and audit.

S.O. 635(2) concerns the responsibilities of the church treasurer.

As to the duties of treasurers generally see S.O. 012A.

(2) The accounts of all organisations connected with the Local Church, as well as of its general, benevolence and model trust funds, shall be presented annually to the Church Council. The accounts shall clearly indicate the financial position of the funds as at the 31st August in each year, including all investments, and loans due to and from the fund.

(3) The treasurer and the Church Council shall ensure that the Local Church makes the contributions to connexional funds prescribed by Standing Orders.

The general church fund contributes to the Methodist Church Fund (S.O. 361) by way of the circuit assessment (see S.O. 532(1)(i)).

913 Accounts. (1) All managing trustees shall ensure that provision is made for accounts to be kept so that all receipts and payments and all debits and credits relating to property are promptly and accurately recorded and sufficiently explained. The accounts relating to local and circuit property shall be open to inspection at any time by the Superintendent and by the auditor or independent examiner, as the case may be.

This and the next clause are authorised by para. 19(f) of the Model Trusts (Book II, Part 2).

For the auditor or independent examiner see S.O. 012(3).

Detailed guidance as to accounts is integrated into the Standard Form of Accounts available from the Resourcing Mission Office.

(2) All such accounts shall be audited or examined annually. Subject to clause (3) below the auditors or examiners for general property shall be appointed by the Methodist Council. The auditors or examiners for conference property shall be appointed by the relevant conference trustees. The auditors or examiners for connexional property and district property shall be appointed by the relevant parent bodies. The auditors or examiners for circuit property shall be appointed by the Circuit Meeting. In accordance with Standing Order 636 the auditor or examiner for the local property account shall be appointed by the Church Council.

For the meaning of 'parent body' see S.O. 907.

For the provision relating to funds consisting of Model Trust moneys see S.O. 652.

(3) (a) Where new model trust property is general property under paragraph 3(1) of the Model Trusts the provisions of this clause as to audit or independent examination shall apply.

(b) If the property ceases to be general property before the expiration of its first accounting period and no earlier audit or examination has been required the auditor or examiner for the period during which it was general property shall be appointed by reference to the category of model trust property into which it next falls.

(c) If sub-clause (b) does not apply and it becomes necessary to appoint auditors or examiners in respect of an accounting period ending within twelve months of the property's becoming model trust property then:

- (i) if the managing trustee has delegated his or her powers and duties in relation to that property to a body or committee under paragraph 16(k) of the Model Trusts, either generally or for purposes which include those of this Standing Order, the auditors or examiners shall be appointed by that body or committee;
- (ii) if not, the auditors or examiners shall be appointed by the custodian trustees.

(d) If neither sub-clause (b) nor sub-clause (c) applies then any auditors or examiners required shall be appointed by the Methodist Council in accordance with clause (2) above.

(4) The provisions of clauses (1) to (3) above are in addition to and not in place of those of Standing Order 012.

(5) The financial year for all Methodist properties shall close on the 31st August.

914 Investments. All moneys subject to the Model Trusts and requiring investment shall be invested through and in the name of the custodian trustees.

As to these trustees see S.O. 006 (3)(b).

As to what investments are authorised see para. 17 of the Model Trusts (Book II, Part 2).

915 Capital and Income. (1) The following clauses of this Standing Order shall have effect by virtue of paragraph 19(1)(c) of the Model Trusts and subject to the provisions of that paragraph.

Para. 19(1)(c) of the Model Trusts (Book II, Part 2) empowers the Conference to prescribe by Standing Order what shall be deemed to be capital and what income for the purposes of the administration of the Model Trusts.

(2) The following shall be deemed to be capital for the purposes of the administration of the Model Trusts and shall be ***paid to and held by the custodian trustees and*** applied in accordance with the provisions of Standing Order 916:

- (i) the proceeds of any sale of model trust property, ***including any premium received on the creation or disposal of a leasehold interest or an easement, but excluding the proceeds of sale of investments representing revenue reserves or other income;***
- (ii) money raised by any appeal specifically for the acquisition of land or the erection or alteration of any building;
- (iii) ***[deleted]***
- (iv) ***[. . .] money paid into a district Advance Fund under any Standing Order requiring such a payment;***
- (v) legacies, ***[. . .] bequests and devises received in kind [. . .] and, to the extent of any excess over £20,000 from any one estate, those received as money.***

For para. 16(b) of the Model Trusts see Book II, Part 2.

(3) Subject to clauses (5) and (6) below the following shall be deemed to be income for the purposes of the administration of the Model Trusts and *[. . .] may, so far as allowed by the custodian trustees, be received by the managing trustees and paid into a bank to their credit:*

- (i) charges and rents from licences or lettings of Model Trust property *[. . .]*;
- (ii) dividends and interest on the investment or deposit of money *[. . .]*;
- (iii) in the case of local property, allocations and contributions to the property fund from Sunday collections, stewardship or envelope schemes, or from other income of the general church fund, or from Sunday School or other church departments or groups and all other moneys raised in the Local Church for the upkeep and maintenance of the property;
- (iv) in the case of circuit property, allocations from the circuit assessment and all other moneys raised in the Circuit for the upkeep and maintenance of the property;
- (v) in the case of district property, allocations from the district assessment, charges to residents in student hostels, recurring grants for the work of such hostels and all other moneys raised in the District for the upkeep and maintenance of the property;
- (vi) in the case of connexional property, allocations from the general income administered by the parent body;
- (vii) ***proceeds of sale excluded from clause (2)(i) above;***
- (viii) ***the first £20,000 of the legacies, bequests and devises received as money from any one estate.***

As to the words 'so far as allowed by the custodian trustees', the Trustees for Methodist Church Purposes, as custodian trustees of all model trust property in Great Britain, have by resolution dated 27 April 1977, in exercise of their powers under section 4(2) of the Public Trustee Act 1906, permitted and directed all income of model trust property within their jurisdiction to be received by managing trustees and paid into a bank to their (the managing trustees') credit, subject to certain conditions.

(4) Subject to clauses (5) and (6) below ***the recommendations for the time being of the Charities Statement of Recommended Practice, or any successor to that statement, shall be followed for the purpose of determining whether [. . .] any other moneys coming to the hands of trustees of model trust property shall be deemed to be capital or income for the purposes of the administration of the Model Trusts, [. . .] provided that no change in such recommendations shall affect the category of moneys already duly allocated to income or capital.***

(5) Nothing in this Standing Order *[. . .]* shall require any money to be deemed to be income which cannot in law be allowed to be held by managing trustees or in a bank account to the credit of managing trustees.

(6) Notwithstanding any other provision in these Standing Orders managing trustees may at any time, with the consent of the ***appropriate connexional authority***, capitalise any sum or sums forming the whole or part of one or more revenue reserve accounts in their books. *[. . .] Any such consent [. . .] may be particular or may relate generally to sums identified by reference to the nature or origin of the reserve or in some other way.*

The 'appropriate connexional authority' is the Methodist Council or its delegates (S.O. 909)

916 Application of Capital Money. (1) ***Subject to clauses (2) and (3) below, capital money shall be [. . .] applied [. . .] to or for the following purposes and in the following order:***

- (i) in payment of the expenses, if any, of or connected with the sale or other transaction giving rise to the receipt of the money;
- (ii) unless the parent body (in the case of connexional property) or the ***appropriate connexional authority*** (in any other case) otherwise permits, in the discharge of all or any encumbrances or liabilities on the trust property or on the trustees, whether personal or otherwise, lawfully incurred or assumed in the execution of the Model Trusts or by virtue of section 11 of the 1976 Act;
- (iii) unless the treasurer or treasurers of the fund in question otherwise permit, in repayment of any grant at any time received in connection with the trust property from any connexional fund;
- (iv) in making such payment, if any, to the Connexional *[. . .]* Priority Fund as may be required by the provisions of Standing Order 972;
- (v) where the money arises from any sale, letting or other disposition of model trust property ***which has received consent*** under Standing Order 930 as part of a ***project*** involving the *[. . .]* ***application*** of the proceeds to particular purposes, in *[. . .]* ***applying the proceeds accordingly;***
- (vi) where Standing Order **945** applies, in paying the balance *[. . .]* ***to the custodian trustees*** in accordance with the provisions of that Standing Order;
- (vii) subject to the above, *[. . .]* for *[. . .]* the purposes specified in *[. . .]* ***Standing Order 917.***

For the authority to make this Standing Order see paras. 18, 19(1)(d) and (e) of the Model Trusts (Book II Part 2).

The 'appropriate connexional authority' is the Methodist Council or its delegates (S.O. 909).

For s. 11 of the 1976 Act see Vol. 1. p. 16.

As to (ii) and (iii) see clause (3) below.

(2) Clause (1) of this Standing Order shall not govern the application of capital money in a district Advance Fund, which shall be applied in accordance with the provisions of Standing Order 963(3).

(3) Capital money received by way of legacy, or arising from the sale, letting or other disposition of property which has been received by way of devise or bequest and is not required for Methodist purposes, need not be applied for the purposes specified in clause (1)(ii) or (iii) above unless the managing trustees so decide.

[Previous clauses (4) to (6) deleted, with certain items moved to SO 917, as indicated below.]

917 Application of Model Trust Money generally. (1) [. .] **Subject to Standing Order 916 and to clause (5) below money which is model trust property** shall be applied [. .] in the first place to or for [. .] the following purposes [. .]:

- (i) the payment of all taxes, assessments, rates and other outgoings lawfully payable in respect of the trust property and of all rents, hire charges and similar payments due in respect of any part of the trust property held on lease, hire, licence or similar terms;
- (ii) the payment of insurance premiums adequately to insure the trust property against destruction or damage by fire and other such perils as require to be insured against and to insure the trustees against such other risks and liabilities as they may be likely to incur;
- (iii) the payment of interest due on all moneys borrowed by the managing trustees in the execution of the Model Trusts or due from them by virtue of section 11 of the 1976 Act or otherwise charged upon the trust property.

(2) Subject to clauses (1) above and (5) below and to any consents required by the Model Trusts or Standing Orders the balance may be applied for such of the following purposes and in such amounts as the managing trustees may from time to time decide:

- (i) the repair, maintenance and decoration of the trust property; [previously (1)(iv)]
- (ii) the replacement of lost, worn out, damaged or unserviceable chattels comprised in the trust property; [previously (1)(v)]
- (iii) the cleaning, lighting, heating and caretaking of the trust property and the supply of water and other services; [previously (1)(vi)]
- (iv) the reimbursement of the managing trustees, their stewards, treasurers or other officers or any other person for any expenses incurred in the execution of the Model Trusts; [previously (1)(viii)]
- (v) the support of personnel serving in the District or any of its Circuits; [previously (1)(ix)]
- (vi) subscriptions or other payments to the funds of any other model trust property or of any of the organisations, societies, institutions or charities specified in section 4 of the 1976 Act; [previously (1)(x)]
- (vii) those of paragraph 13(a) of the Model Trusts; [previously 916(4)(i)]
- (viii) the promotion of the work of God in the relevant church organisation, as specified in clause (4) below; [previously 916(4)(iii)]
- (ix) any other charitable purpose for the time being of that church organisation; [previously 916(4)(iv)]
- (x) the establishment of or payments to any district Advance Fund [. .], or payments to the Connexional [. .] Priority Fund; [previously 916(4)(v)]
- (xi) any charitable purpose of a Housing Association if either the Housing Association is subsidiary or ancillary to the Church or the application of the capital money is made in furtherance of ecumenical work or activity within the purposes of the relevant church body; [previously 916(4)(vi)]
- (xii) the exercise of any power conferred on the managing trustees by paragraph 16 of the Model Trusts; [previously 916(4)(vii)]
- (xiii) any other purpose specifically authorised by the Conference, provided it is one of the purposes of the Church. [previously 916(4)(ix)]

(3) Subject as in (2) above model trust money which is local property may also be applied to any purpose for which the relevant general church fund may be applied under Standing Order 650(4) or (5).

(4) For the purposes of heads (viii) and (ix) of clause (2) above the relevant church organisation is the Methodist Council or other connexional organisation, the District, the Circuit, the Local Church or other the church body in connection with which the relevant model trust property is held. [previously 916(4)]

(5) [. .] This Standing Order shall not govern the application of income of a district Advance Fund, which shall be applied in accordance with the provisions of Standing Order 963(3).

For the authority to make this Standing Order see para. 19(1)(d) of the Model Trusts (Book II, Part 2).

For ss. 11 and 4 of the 1976 Act see Vol. 1, pp. 16 and 10.

For paras. 13(a) and 16 of the Model Trusts, see Book II, Part 2.

For the conditions upon which money can be granted to a Housing Association see S.O. 935.

For the purposes of the Church see s. 4 of the Methodist Church Act 1976 (Vol. 1, p. 10)

For district Advance Funds see S.O. 963(3).

930 Consents generally. [Note: the whole text of this Standing Order was adopted in this new form by the Conference of 2009, but is printed here in plain type for ease of consultation.]

(1) No consent is required under this Standing Order for the exercise by managing trustees of their powers under heads (c), (g), (i) (j), (k), (l), (m), (n) or (o) of paragraph 16 of the Model Trusts, nor for the execution of non-structural repair under head (d) of that paragraph, but this provision does not remove the need to comply with any other Standing Orders regulating the exercise of those powers and does not apply to listed building works, as defined in clause (8)(a) below, or to any other works, whether structural or not, which would materially affect the internal or external appearance of a listed building or the external appearance of a building in a conservation area.

The heads of para. 16 of the Model Trusts referred to relate to the following matters:

- (c) licences for the use of the property;

- (g) providing facilities for tenants or occupants;
- (i) bringing or defending actions;
- (j) arbitrations;
- (k) delegation;
- (l) appointment and dismissal of committees and officers;
- (m) general management
- (n) *(applies only in Scotland – s. 29(2)(f) of the Methodist Church Act 1976, Vol.1, p.26)*
- (o) trustee indemnity insurance.

For details see para. 16 itself in Book II, Part 2. Heads (i), (j) and (l), although not requiring consent under this Standing Order, are regulated by S.O. 931(5), (6) and 912 respectively.

(2) Subject to clause (1) above the consent of the appropriate bodies, as specified below, shall be obtained before managing trustees take any of the steps specified in this Standing Order.

(3) Consent under this Standing Order is consent to the substance of the transaction. It does not exempt managing trustees from complying with any proper requirements as to form or procedure imposed by the law or the custodian trustees, or arising under other Standing Orders or the Model Trusts, whether those requirements arise before or after consent is given under this Standing Order.

The custodian trustees are, for example, entitled and bound to refuse to participate in any transaction which would be in breach of trust. As to requirements under Standing Orders see, for example, S.O.s 912, 929(4), 931, 935, 936, 942.

(4) The following steps require, in the case of local property, the consent of the Circuit Meeting and, in the case of local, circuit and conference property, that of the appropriate district authority:

- (i) the acquisition, or any contract for the acquisition, of land for Methodist use;
- (ii) the exercise of any power conferred by paragraph 15 or 16 of the Model Trusts, except as provided in clause (1) above.

The 'appropriate district authority' is the district Policy Committee or its delegates (S.O. 960(1)).

(5) (a) Where any application to the appropriate district authority for consent under clause (4) above requires the authorisation of the Methodist Council under paragraph 20 of the Model Trusts, or in the opinion of the appropriate district authority gives rise to the question whether such authorisation should be sought, it shall be referred to the Methodist Council for consideration of that aspect.

(b) Where some aspect of such an application requires the consent of the appropriate connexional authority under Standing Order 931(1) it shall be referred to the appropriate connexional authority for consideration of that aspect

The 'appropriate connexional authority' is the Methodist Council or its delegates (S.O. 909)).

(c) The appropriate district authority may also refer to the appropriate connexional authority any other such application, or any part or element of it, which it considers for any reason would better be decided there.

(6) In the case of district, connexional and general property, any of the steps specified in clause (4) above requires the consent of the appropriate connexional authority.

The 'appropriate connexional authority' is the Methodist Council or its delegates (S.O. 909)).

(7) In the exercise of the general powers of the Methodist Council under Standing Order 212(9) it shall prescribe an electronic process, compliant with Standing Orders, by which the appropriate district and connexional authorities shall deal with all applications for consent under this Standing Order. The process so prescribed shall include provisions to alert those using the process to the existence of possible conflicts of interest or duty and the steps to be taken to avoid any actual conflict.

(8) (a) In this and the next Standing Order 'listed building works' has the meaning given to it by Standing Order 980.

(b) In relation to listed building works in England and Wales the provisions of Section 98 shall apply in addition to those of this Standing Order, and in case of any conflict the provisions of Section 98 shall prevail.

955 Model Trust Money. (1)–(5) [revoked]

(6) (a) **Subject to sub-clause (b) below** a contribution shall be made annually to the relevant district Advance Fund from the **model trust** capital money held in each **Circuit [. .]** at the end of the year **[. .]**, as follows:

- (i) up to £100,000 or the first £100,000 2½%;
- (ii) on any excess over £100,000 5%

(b) Sub-clause (a) above does not apply to capital money held for long-term investment to yield income used for the work and mission of the Circuit in accordance with a circuit policy approved by the district Synod, nor to money raised by any appeal specifically for the acquisition of land or the erection or alteration of any building.

All capital money must be held by the custodian trustees. As to who are the custodian trustees see S.O. 006(3)(b).

As to what is capital money for the purposes of this clause see S.O. 915.

S.O. 945 provides that most local proceeds of sale become circuit model trust capital money.

This effect of this clause is to make the 2½% or 5% contribution a mandatory requirement; it does not preclude contributions being made over and above this minimum.

(7) The district Policy Committee shall from time to time (and at least once every three years) review the state of **[. .] circuit [. .] model trust funds** and their distribution throughout the District and may propose to the relevant Circuit Meeting **projects** for the application or use anywhere within the District of the capital money or of income from any such fund. The outcome of any review shall be reported to the Synod **[. .]**.

(8) A careful and responsible balance shall be held in the application of capital money as between property **projects**, ministry projects and other purposes.

963 Advance Funds. (1) and (2) [already revoked]

(3) Each Synod shall establish a district Advance Fund for the purpose of making grants out of capital or income for the support of personnel serving in the District or any of its Circuits, for property **projects within** Standing Order 930 [. .] and for ecumenical work. The Synod shall establish a process and criteria for dealing with such grants. An annual report shall be sent to the [. .] **Connexional Grants Committee** [. .] by the end of October each year, covering the previous connexional year. A copy of the report shall be presented to Synod.

For the Connexional Grants Committee see S.O. 213B.

(4) Money in a [. .] district Advance Fund, whether arising from the disposition of model trust property or otherwise, shall be held upon the Model Trusts and is accordingly model trust property.

Model Trusts

12 Model trusts to be governed by purposes of Church. Model trust property shall be held upon and subject to the following charitable trusts, powers and provisions if and so far only as the execution, exercise or operation respectively of any of such trusts, powers or provisions in respect of such property or any part thereof shall be in furtherance of or incidental to a purpose of the Church.

For the purposes of the Church see s.4 of the Act (Vol.1, p. 10).

13 The trusts. Subject to the provisions of this Act and of this Schedule, the trustees shall hold the property upon the following trusts, or such of them as shall be capable of having effect having regard to the character and condition of the property, namely upon trust:

- (a) To apply, at the discretion of the managing trustees, any moneys available for such charitable purposes in the purchase of land or any chattel or other property for the purposes of a model trust amenity or a model trust operation or for any other purpose for which model trust property may be held or applied, or directed to be held or applied, under any provision of this Part of this Schedule;
- (b) To permit any place of worship to be used for religious worship and for public and other meetings and services held in accordance with Methodist practice and the provisions of the next following paragraph;
- (c) To permit activities for children and young people to be held in accordance with Methodist practice in any suitable part of the property, but if in a place of worship, only at such time as not to interfere with public worship;
- (d) To permit any further meeting to be held in or upon any part of the land comprised in the property only if the holding of such meeting is not contrary to Methodist practice;
- (e) To permit any day school to be used for the education of children and young persons under such system of management as the Conference may prescribe or approve or as may be required by law;
- (f) To permit any suitable building or part of a building comprised in the property to be used as an office, hostel, college, bookshop or other institution for or incidental to any purpose of the Church;
- (g) To permit any house or other dwelling to be used as a Circuit or District manse, or Connexional dwelling or for such other purpose of the Church as the Conference shall by Standing Order prescribe;
- (h) To permit any vestry, hall, classroom, kitchen, convenience, building, room, structure, or other appurtenance and any vacant land to be used for or in connection with any of the above purposes or for purposes ancillary to any of such purposes;
- (i) To permit any land laid out as a cemetery or burial ground to be used for such purposes;
- (j) To permit any land laid out as a playground to be used for such purposes;
- (k) To change the use or application of the property or any part thereof from any one or more of the above purposes to any one or more other of such purposes or to permit the property or any part thereof to be held, used or applied mainly for any one or more of such purposes and partially for any one or more other of such purposes;
- (l) To carry into effect any sharing agreement affecting the property or any part thereof and made after the commencement of this Act under the provisions of the Act of 1969;
- (m) To permit any land comprised in the property or any part of such land thereof when not required or expected to be required for any of the above purposes by the managing trustees, to be used or applied temporarily or occasionally or intermittently, but without creating any lease or tenancy, for any charitable purpose which is not contrary to Methodist practice;
- (n) To permit any chattel to be used in furtherance of or incidental to any purpose of a model trust amenity or model trust operation or for any other purpose for which model trust property may be held or applied or directed to be held or applied under any provision of this part of this Schedule; and
- (o) To hold the same or any part thereof for or incidental to any such purpose of the Church as the Conference may from time to time authorise.

As to (g), see S.O. 929.