

Circuit Finance

i) Circuit Model Trust

We currently have approximately **£447,000 in the Circuit Model Trust** fund (our 'capital reserves', provided when buildings are sold). Out of that we need to ring-fence:

- £180,000 which Runcorn designated to provide for the cost of Deacon Tim Coleman for 5 years;
- The costs of the 'Mission' Employees for this financial year (2019/20) and the next (2020/21) - approximately £46,000
- and £100,000 for the repairs to the two Runcorn Churches.

This means that we have approximately £121,000 available.

ii) General and Deposit Accounts

The Deposit and Current Accounts also have within them 'cash reserves' of around **£130,000.**

iii) Accounts Year to August 2020

It is too early confidently to provide an accurate surplus/deficit for this financial year as there are many unknowns. The best estimate at the moment is that there will be an overall deficit between £5,000 and £15,000.

iv) Budget Year to August 2021

The Circuit Meeting in March approved a deficit budget for 2020-2021, planning to use a small sum of money from the General and Deposit Accounts. It may be possible to make some savings; but inevitably the financial situation is very unclear at the moment.

v) Proposal

The Circuit Leadership Team believes that it is too early to be very clear about many of the issues facing us. Conversations will need to happen over the coming months and very difficult decisions may need to be taken. In respect of the circuit assessment, however, we want to put the following proposal to the Circuit Meeting.

Our proposal is that the Circuit should offer each local church a grant equivalent to one quarterly Assessment in the year 2020—2021. This would mean that the following grants would be offered (have taken the quarterly figure up to the next ten pounds):

Blakelees £1,980,	Bretton £610,
Bunbury and Tiverton £1,350,	Caldy Valley £7,470,
Christleton £2,590,	Frodsham £12,770,
Garden Lane £1,820,	Halton Trinity £6,290,
Helsby £9,520,	Hoole £6,570,
Hurst £7,340,	Kelsall £6,080,
Mickle Trafford £730,	Norley £4,610,
Oakmere £1,490,	Rowton £2,350,
Saltney £7,980,	Saughall £2,280,
Tarvin £4,510,	The Heath £9,630,
Wesley £16,440,	Wicksten Drive £3,390.

If every church took up this offer, the total cost to the Circuit would be £117,800.

It would be down to each Church Council (or Stewards/Leadership Team, whichever is thought appropriate in the local church) to decide whether it needed the grant and wished to request it in writing. There may be a small number of churches that do not require a grant, or may only need part of it.

We propose to provide these grants from the Model Trust Fund, leaving very little spare in it.

Connexional advice is that local churches and circuits should consider using their reserves to be meet budgets in response to the financial challenges presented by the pandemic. We believe that this proposal would be faithful to that advice.

We think that the proposal is as helpful as it can be to Local Churches using the information that we have available at the present time under very difficult circumstances. At the time, Circuit 'cash' reserves would enable us to do maintain the mission and ministry we have planned for the coming year.

We are grateful to Mike Hassall, our circuit treasurer, for his work on these figures and proposal.

Circuit Leadership Team

July 2020