

For your local property officer and treasurer

# Property Points

2003 Part 2

*Dear Friend*

*We are pleased to send you the Summer edition of Property Points and hope you will find the information and guidance of help in dealing with your property matters locally. We always welcome your comments and items of interest that we can share with others through these pages.*

*As always we are of course grateful for your continuing donations which support our work and you will find enclosed a leaflet which summarises both how property grants are apportioned and an overall perspective of how property schemes have been funded over the last year.*

*There have been a number of changes at the Resourcing Mission Office during the course of the year and there is further information on some of these elsewhere in this edition. We continue to review what we do in helping Churches respond to the various challenges of mission in their local situation as well of course the need to respond to connexional initiatives.*

*We hope to be able to share the outcome of our recent research project shortly to help Churches and Circuits focus on their resources of property, personnel and money in shaping their own reviews and development of Circuit policy.*

*We send our greetings and best wishes from all the staff in the Resourcing Mission Office and Trustees for Methodist Church Purposes.*

*With best wishes*

*Paul Ingram*

*Deputy Connexional Property Secretary*

## Index

Active Faith Pack	6
Annual Schedules	4
Asbestos	2
Bequests	4
Changes at the Resourcing Mission Office	5
Charitable Status	4
Completion of Scheme form	3
E mails	1
Energy Efficiency in Religious Buildings	2
Frequently asked questions	4
Grants for Property Schemes	6
Heating and the Environment	1
Landfill Tax	5
Listed Buildings	4
Risk Assessment	4
Signatures	6
Technical Matters	4
Trading income	3
Transfers from CAF to DAF	3
Use of CAF	5
VAT and building schemes	3

## Energy Matters

On page 2 of this edition you will find a preliminary article on **Energy Efficiency in Religious Buildings** drawn from a research programme which we have sponsored. We hope this will provide some helpful tips as we approach another heating season

You may be interested to know also of a recent publication entitled **Energy Study Pack**. This comprises a series of papers to stimulate discussion of environmental issues and will hopefully be welcomed by Churches to encourage and support the implementation of the Connexional Environmental Policy. The pack which includes a CD Rom is available from Methodist Publishing House.

## E mails

As we are getting more and more emails from local Churches could you please remember to put the Church name and Circuit name and number on the email to help us identify it. Also if you are not a minister could you please give your address and telephone number as your enquiry may need clarification or require attachments that have to be sent via the post. But we must remind you that whilst we are happy to receive emails they are dealt with in conjunction with the ordinary post and do not take preference.

## Energy Efficiency in Religious Buildings

The Methodist Church and The Building Research Establishment have sponsored a project on 'Energy Efficiency in Religious Buildings'. This report offers some encouragement and pointers to begin reducing energy consumption and costs in your church.

From the outset the project recognised that the challenges in heating churches are generally quite different to most other buildings. In many situations there is the difficult combination of a large 'heavyweight' building combined with a short period of occupancy. It was also noted that energy efficiency makes no sense unless two other criteria are also met, a) satisfactory comfort of the congregation and b) long term-welfare of the building.

What is comfort and can it be measured? In a church which has been heated up reasonably quickly, the air may be warm but the walls will still be cold. If the walls can be made warmer, then the comfort level will be higher because of the heat radiated from the walls. It is then possible to lower the air temperature slightly and still feel just as comfortable. Comfort is also influenced by other things including draughts, humidity, whether we are sitting passively or engaged in lively worship, not to mention what clothes we wear!

Part of this project has been to measure comfort levels, as distinct from temperatures. This is a recurrent theme in five case studies that were evaluated over the winter of 2002/2003. These were:-

a) **'Optimum Start'** – The time taken to reach satisfactory comfort depends on the initial temperature. The heating needs to switch on so that comfort is reached just for the start of a service. Where the warm up time is much more than the length of a service, optimising the start time has a significant effect on the amount of energy used.

b) **'Achievable Comfort'** - a study to quantify the contribution that differing forms of heat emitter (radiators, fan convectors, underpew heaters and radiant heaters) make

towards feeling comfortable.

c) **'Monitoring and Targeting'** - a study on the benefits arising from spending time managing energy usage and planning areas for improvement.

d) **'Background heating'** – looked into the benefits of different heating strategies, including maintaining a low level of background heat for extended periods of time. The energy spent in providing background heat is not always as great as treasurers may fear. It may be appropriate to some buildings with a relatively high usage or with sensitive building materials or a damp problem. The benefits are in needing a lower final temperature to achieve comfort conditions and in having a more predictable time to achieve this.

e) **'Thermal Modelling'** - the development of powerful software to examine the heating up process and to compare the annual energy bills from different heating strategies.

So where would be a good place to start for those interested in being better stewards of their energy and reducing bills? As always it is to have someone responsible, to have good maintenance of your system, and to monitor the energy consumption, and where changes are made to ensure that good practice is followed.

To begin, it is suggested that your 'energy manager' records gas and electricity readings at the end of each calendar month, the thermostat settings, the warm-up periods that your heating system is set for, and the number of hours the building is in use each month. 'What you don't measure, you can't manage'. Ways of analysing this information to identify changes in the performance of your system and target improvements, may be provided in later reports.

Finally, the project team wishes again to thank The Methodist Church for their support and encouragement, and also those consultees that have contributed; not least English Heritage, the Church of Scotland and Eco-congregation.

### Asbestos

Revised regulations concerning asbestos are being introduced (Control of Asbestos at Work Regs, 2002).

Asbestos diseases are considered to kill around 3000 people a year – and this is expected to rise to about 11000 a year by 2011. So clearly this is a very serious situation.

Asbestos is present in very many buildings, and it is now a requirement to carry out a 'suitable and sufficient assessment' to ascertain whether asbestos is present in your building.

Most churches will hopefully already be aware of whether asbestos is present, as this should have been mentioned in the quinquennial surveys. If this is not the case, then managing trustees should contact their quinquennial in-

spector without delay, and ask for a further report.

Many churches will also have carried out a 'risk assessment' (see Property Points 2002 Part 2) as part of their legal obligations, and this too should have clarified the position concerning asbestos. If asbestos is present, the degree of risk that it poses must be identified, and suitable action taken.

A written note has to be prepared, identifying the location of asbestos and the procedure for managing it (if it cannot be safely left in position, it must be removed). This must be available to anyone who may come into contact with the asbestos (which could include the emergency services), and will certainly include those undertaking building work, and it is therefore essential to have this information readily available in the logbook.

### Don't forget your Completion of Scheme Form!

If your scheme has been completed and you haven't yet sent a Completion of Scheme Form to the Property Office then now is the time to do it....

Over the last few months we have been spring cleaning our schemes database and found that there are hundreds of schemes which have expired without having been 'completed'.

If your scheme has been in receipt of a Standard grant from the Fund for Property then the Completion Form is the request for release of the monies due. Even if there are no Property Fund grants on your scheme the submission of a Completion Form is still essential – it helps you make sure your figures are in order and it enables us to keep our database tidy!

*Calling all Treasurers – Income should equal expenditure..... shouldn't it???*

We know we shouldn't have to remind you that the total on the Receipts column should equal the total on the Payments column.....but we are!

**And don't forget.....**that the Completion of Scheme Form needs three signatures – the Treasurer, Auditor AND the Superintendent Minister.

### Trading Income

Churches which rely on trading income are reminded of the potential tax implications. Please see Managing Trustees and Methodist Money section 61 for guidance and Charity Commission requirements.

### Transfers from Circuit Advance Fund to District Advance Fund

In accordance with Standing Order 955(4) an annual contribution equal to 1% of the Capital money held in each Circuit Advance Fund at 31 August will be automatically transferred to the relevant District Advance Fund. This is mandatory with effect from 31 August 2002 but does not preclude contributions being made over and above this minimum.

If you wish to donate additional Circuit Advance Fund monies to the District you will need to complete a Schedule 9c which is available from your District.

### VAT and building schemes

We have had a number of letters lately concerning quite complex queries about VAT relating to building schemes. Managing trustees should be aware of the following points:

- ? ????VAT is complex and may appear irrational in the way it applies, particularly in relation to "new" buildings and repair and refurbishment work.
- ? ????Special provisions apply to listed buildings. (see item on frequently asked questions on page 4)
- ? ????Works to provide disabled access facilities are zero-rated.
- ? ????The Property Office can supply the standard Customs & Excise Certificate to enable relevant work to be zero-rated. Note that the relevant building work is zero rated by the building contractor. VAT is not added to the price and then reclaimed by managing trustees at a later date (an alarming number of builders seem to misunderstand this).
- ? ????Architects and surveyors should never be expected to give advice other than the most general information about the VAT situation on any scheme. These professionals are not qualified to give tax advice.
- ? ????Remember that VAT information given at an early stage of a scheme may be subsequently altered as a result of a government or legal decision, and managing trustees should always ensure that they have a contingency sum to cover such eventualities.
- ? ????Customs & Excise are not able to give definitive advice on special situations (another area which is often misunderstood).
- ? ????If managing trustees require specialist advice on VAT matters, they may wish to contact our VAT Advisor, Alan Rashleigh, although please note that he may wish to charge for his advice. His address is: 37/39 Park Lane, Poynton, Cheshire, SK12 1DN, Telephone: 01625 850 642.

#### Pass it on

We have received several requests asking if there is a suitable computer package available to keep Church accounts specifically in accordance with SORP regulations.

As far as we know there is not one at the moment but if you are using one, which you think is suitable, could you please let us know and if appropriate we will publish the information in the next

## Frequently asked questions

As we receive many telephone calls asking similar questions we thought it would be a good idea to list some of them with the answers .

### Bequests

**I wish to leave money to my local Church what wording do I use?**

*"I GIVE to the Trustees for Methodist Church Purposes of Central Buildings Oldham Street Manchester M1 1JQ (hereinafter called "the Board") the sum of £500 free of all inheritance tax and other tax or duty leviable in any part of the world at my death to be held by the Board as custodian trustees upon the model trusts for the time being contained in the Methodist Church Act 1976 AND I DESIRE the said sum to be applied for the local purposes (as defined in the said Act) of Redtrees Methodist Church".*

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### Listed Buildings

**What is the Listed Places of Worship Grant Scheme?**

*It is an interim grant scheme, available until March 2004, that returns in grant aid the difference between 5% and the actual amount spent on VAT on eligible repairs and maintenance to listed places of worship. Further information can be obtained by ringing 0845 601 5945 or looking on the website - [www.lpwscheme.org.uk](http://www.lpwscheme.org.uk)*

**Can my Church apply for Listed Places of Worship Grant Scheme?**

*Yes, if your building is a place of worship and is on the statutory list of buildings of architectural or historic interest.*

**Is all of my building listed or just part of it?**

*All of the building is listed, inside and out, and, generally, any building or structure attached to it or within the curtilage, is also treated as being listed.*

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### Technical Matters

#### Risk Assessment

**Do we need a risk assessment?**

*Yes - see Property Points 2002 Part 2, page 5 and 2003 Part 1, page 3.*

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### Charitable Status

**What do we do if we are asked to provide a charity number?**

*The Methodist Church is a charitable body but is exempt from registration. Our exemption registration is **Statutory Instrument 2002 Number 1598** and it is this which you*

*should quote when asked for a charity number.*

### Annual Schedules

**Where do the annual schedules go when they have been completed?**

*The **Superintendent Minister** is responsible for ensuring that the appropriate Schedules are brought before the Church Council and the Circuit Meeting for consideration. However, it is recognised that many local Churches, and Circuits will have made their own arrangements for these tasks to be carried out by others e.g. Church Council Secretary/Treasurer/Property Steward and Circuit Property Secretary/Treasurer/Schedules Person.*

**Schedule A & Supplement (Chapel Premises)** – These should be completed and sent to the Superintendent Minister who, once they have been considered by the Church Council, will use it to compile a summary report (schedule D) to send to the District. The schedule should be returned for retention in the Church log book.

**Schedule B (Annual Accounts)** – When completed this should be sent to the Superintendent Minister who will then forward it to the District for report to the Synod.

**Schedule C (Circuit questionnaire)** – This should be completed by the relevant Circuit officer and forwarded to the Superintendent Minister for incorporation in the summary report (Schedule D) for the District.

**Supplement to Schedule C (Manses)** – One of these should be completed for every property for which the Circuit Meeting act as managing trustees. This should be forwarded to the Superintendent Minister for report to the Autumn Circuit Meeting and retained in the log book..

**Schedule D (Property Summary)** – This form should be completed in duplicate by the Superintendent Minister with one copy going to the District Property Secretary and the other retained in the circuit.

**Schedule E** – Manse (or other circuit Property) Quinquennial Inspection Certificate. Three copies of this certificate, together with the report should be sent to the Superintendent Minister who will send one of each to the Circuit Manses Secretary, one to the District Manses Committee Secretary. One copy should be retained in the log book.

**Schedule G** – Chapel (& Ancillary Premises) Quinquennial Inspection Certificate. Three copies of this certificate, together with the report should be sent to the Superintendent Minister who will send one of each to the Church Council and to the District Property Secretary. One copy should be retained in the log book.

## Use of Circuit Advance Fund monies

**We want to redecorate and refurbish one of our properties. Can we use Circuit Advance Fund money?**

*Circuit Advance Fund (CAF) capital cannot be used for redecoration or refurbishment, unless the work intended to be funded constitutes 'making good', following a larger scheme involving capital works. Similarly CAF capital cannot be used for repairs and maintenance to chapels or manses nor generally for furniture and fittings. However, it is possible to use up to 50% (or up to 100% under an ICAF scheme [Interest on Circuit Advance Fund] to be approved by Circuit, District and Connexional Property Committee) of Circuit Advance Fund interest accrued per annum for any purpose as set out in Standing Order 955(6). In order to access this money you should get in touch with the finance section of the Trustees for Methodist Church Purposes. For further information regarding the use of Circuit Advance Fund capital, please see Standing Order 955(3)(a)*

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## Landfill Tax

### How to apply for Landfill Grants

*See our information leaflet on the Landfill Tax Credit Scheme in the Active Faith Pack.*

### Which forms need to be sent to us here in Manchester?

*Your ENTRUST form 2 and your application form to the landfill operator/environmental body need to be sent to us here in Manchester if you are using the Trustees for Methodist Church Purposes EB (Environmental Body) number. With the ENTRUST form 2 we copy it for our files before forwarding the original on to ENTRUST on your behalf. With the application form, we sign it, being the EB and then copy it for our files before forwarding the original on to the relevant landfill operator/environmental body on your behalf. If the landfill operator/environmental body is registering you through themselves then we will not need to see the application form but please inform us who you are applying to and the outcome of the application.*

### Where does the Grant/Money go?

*If you have used the Trustees for Methodist Church Purposes EB number then the grant will come here to TMCP in Manchester to have a trust created and the money held in there until it is needed. If the landfill operator/environmental body have registered you with ENTRUST themselves then the money usually goes straight to the Church.*

## Changes at the Resourcing Mission Office

During the last few months the Resourcing Mission Office has had to make a number of changes.

For those of you who wish to contact the Manchester office you can find an updated office structure on our website:

[www.methodist.org.uk/rm](http://www.methodist.org.uk/rm).

In particular Rev Ian Johnson, who many will know has been a valued member of the Resourcing Mission Office for 15 years, has recently retired.

The Local Mission Development Office as such will no longer exist though the support activities of Ministry and Mission Grants and Church and Circuit reviews will continue to be administered from the Resourcing Mission Office.

Dr Chris Sissons has been appointed to a new post of Development Officer for Local Mission and Unity and will work closely with a newly profiled Mission Projects and Funding Office (formerly the Scheme Development and Funding Office) as well as fulfilling a brief for the promotion of ecumenical relations.

We are pleased to report that we have now been able to appoint a Mission Projects and Funding Manager to replace Adam Thomas, who left for pastures new in early May 2003, Mr Robin Garrido will be in post from September 2003. We are also delighted that William Swires (formerly Local Mission Consultant) has been deployed to a new post (initially for a fixed term) of Mission Projects Development Officer to work in that Team. He will be partly office based but will also visit local churches and circuits to offer guidance on their various mission projects and also to monitor property schemes which have benefited from Landfill Tax grants.

Whilst Peter Mitchell our other former Local Mission Consultant, who will be known to many, leaves us at the end of August 2003, Martin Atfield will continue to administer the grants programme for Ministry and Mission projects in liaison with the Mission Projects and Funding Office. Martin will also be taking on a wider administrative role to support the whole Manchester Office including liaison of accounts, the main task for which have been transferred to MCH London. This follows Bob Selby's retirement following almost 16 years dedicated service as our accountant for the Fund for Property.

Finally many of you will have learned of the sudden and tragic death of Frank Chellaswamy in April this year. This was both a shock and a great loss to his family, friends and colleagues here. Frank was the Financial Officer of Trustees for Methodist Church Purposes and the Executive are currently engaged in recruitment of a replacement manager.

## Grants for property schemes

As a result of an increasing demand for grants for property schemes from diminishing Connexional resources the Property Committee are this year undertaking a comprehensive review of policy for property scheme grants.

In the meantime the Committee has had to take a number of interim measures over recent months in order to spread its support across the many and increasing number of schemes requesting grants.

In summary the interim measures are:-

- reduction of the max Fund for Property Standard Grant from £8,000 to £4,000. (The level of standard grant generally remains at 10% of local effort though we have dispensed with the previous £50 deduction per member formula)
- reduction in the formula for grants from the Rank Trust with a maximum grant of £33,000.
- proportional reduction of Connexional Advance and Priority Fund grants to a maximum of £20,000

Further details of property grants are included in our recently updated information leaflet which is available on request or via our website. The address is:  
[www.methodist.org.uk/rm](http://www.methodist.org.uk/rm)

With some anticipation of this we have, during the last year or so, been exploring further external sources of funding and information is also available from this office and on our website in our **"Active Faith Pack"** as detailed adjacent to this article.

## Signatures, Signatures, Signatures.

This is a reminder to all those people who fill in schedules for property schemes. It is essential that the schedule and accompanying paper work goes to the **District Property Secretary** and the **Chairperson BEFORE** coming to the Property Office.

Absence of signatures on a schedule frequently delays the Formal Approval of a scheme.

So help us to help you by forwarding your schedules in the usual way – Church, Circuit, District and then the Property Office.

### Further information

Please contact the Methodist Property Office, Central Buildings, Oldham Street, Manchester M1 1JQ 0161 236 5194

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2003

## What you've always wanted to know about External Funding!

Is your church building at the centre of its community?

Is your church putting faith into action and providing valuable space for community use??

If so, and you are planning a mission project or major redevelopment of your property, you need to read.....

# The Active Faith Pack

External Funding Series  
from the Resourcing Mission Office

Charitable Trusts

Landfill

Lottery

European

more soon to be added.....

Getting hold of a copy is easy!

*If you have access to the internet simply surf through the Methodist Church website at [www.methodist.org.uk](http://www.methodist.org.uk). by clicking on **Information** followed by **Resourcing Mission** then **Property Office** and finally **Publications**. The Active Faith Pack is under the Funding heading.*

*Alternatively you can contact Helen Morten or Rowanna Willis in the Mission Projects & Funding Office by calling the office on 0161 236 5194 or emailing [sdo@property.methodist.org.uk](mailto:sdo@property.methodist.org.uk).*

## Property Points on the Website

There are several references to previous editions of Property Points. If you have not retained these they are available for reference on the Methodist web site. The correct address is [www.methodist.org.uk/rm](http://www.methodist.org.uk/rm) and not as printed in the 2003 part 1 edition.

### Who has been sent copies

Superintendents	???	Circuit Property Officers	?
Ministers	?	Local Property Officers	?
Circuit Stewards	?	Church Treasurers	??
Circuit Treasurers	?	District Property Treasurers	??