

Model Trust monies and General monies

1. A working group is about to start work on drafting amendments to Part 9 of Standing Orders (about Property) in the light of the outcomes of ground-clearing Project 8 (reviewing working arrangements between TMCP and the Connexional Team), Project 12 (on grant-making) and the report of the Review of the Resourcing Mission Grants Committee. Those outcomes involve a move from an “Approvals” process to a “Consent” process for property schemes, for which the Council has already given approval.
2. There is a policy matter for which a steer has not yet been given. Currently local Church Councils act as both bodies of Managing Trustees and as Courts of the Church. So far as money is concerned they exercise trusteeship (including but not solely responsibilities as Managing Trustees) over a range of funds. These might include
 - (a) particular local trust funds (e.g. endowment funds)
 - (b) model trust funds
 - (c) general funds.The situation is similar in other parts of the connexion (e.g. Circuit Meetings).
3. It is not easy for bodies such as Church Councils to understand what they are doing when and in what capacity. Provided that any individual restrictions on particular items are respected, Income and Capital of monies held on the Model Trust can in general be used for the promotion of the work of God or any other charitable purpose of the relevant part of the Church, and for any other purpose specifically authorised by the Conference, provided it is one of the purposes of the Methodist Church (SO’s 916, 917). Similarly, provided that any individual restrictions on particular items are respected, “general monies” can be used for the charitable purposes of the Methodist Church. There is therefore an overlap in the purposes of both types of monies. It would simplify governance arrangements and increase clarity and effectiveness of management if they were unified and held on the same basis. It would similarly simplify matters if the distinctions in current Standing Orders between the use of capital and the use of income were abolished.
4. **SRC approved the recommendation that steps be taken to ensure that all funds except specific or restricted trust funds be held on the Model Trust, and that the distinction between the use of capital and the use of income be abolished.**