



Registered Charity number 1130274

Trustees' Report and Financial Statements

**For the year ended
31st August 2021**



District Trustees

Rev David Hinchliffe (Chair)
Rev Deborah Cornish (Assistant Chair)
Rev Helen Hollands (Assistant Chair)
Rev Samantha Funnell (Assistant Chair) (appointed 1 September 2020)
Mrs Pauline Newton (District Treasurer)
Mrs Shelagh Morgan (Synod Secretary)
Rev Daniel Balsdon (appointed 19 September 2020)
Rev Christopher Blake (resigned 31 August 2021)
Mr Jack Delbridge
Rev Anne Ellis
Mrs Janet Glass (resigned 16 September 2020)
Rev Carmel Ieraci (resigned 31 August, 2021)
Ms Jenny Jackson (appointed 18 September, 2021)
Rev Nicholas Oborski (appointed 7 September, 2021)
Rev Sydney Samuel Lake (appointed 19 September 2020)
Rev Bonni-Belle Pickard (appointed 18 September, 2021)
Rev Andrew Reed
Deacon Bryanell Rop (appointed 7 September, 2021)
Mr Alan Wood
Mr Michael Barton Woodhouse

Principal Office

District Office, Unit 4b Basepoint Business Centre
Metcalf Way, Crawley, West Sussex RH11 7XX

Independent Examiner

Azets Audit Services
2nd Floor, Regis House, 45 King William Street, London, EC4R 9AN

Bankers

Lloyds Bank plc, PO Box 1000, BX1 1LT

Central Finance Board of the Methodist Church
9 Bonhill Street, London EC2A 4PE

HSBC Bank plc, 333 Vauxhall Bridge Road, London, SW1V 1EJ
(Benevolent Fund only)

**Investment Managers
and Custodian Trustees**

Trustees for Methodist Church Purposes
Central Buildings, Oldham Street, Manchester M1 1JQ



Report of the Trustees for the year ended 31st August 2021

The Trustees submit their annual report and financial statements for the year ended 31st August 2021. These are presented annually to the District Synod. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015) Accounting and Reporting by Charities issued on 16th July 2014 and Update Bulletin 1 issued 2nd February 2016, in preparing the annual report and financial statements of the Charity.

Objectives and Activities

The District is constituted to advance the mission of the Church in the South-East District by providing opportunities for circuits to work together and support each other, by offering them resources and finance, personnel and expertise which may not be available locally. The District also serves the local churches and circuits in the support, deployment and oversight of the various ministries of the Church in programmes of training.

Objectives

The District came into being as a new Methodist District on the 1st September 2006. The main objectives set out were:

- To support and encourage the circuits in mission and worship as members of a world-wide church and global community;
- To develop pastoral care of lay and ordained staff living and working in the circuits and of the lay officers of the District;
- To work together to share ministry, leadership and responsibility and encourage these ways of working in the circuits.

Activities and Achievements

The Trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

In April 2016, the Synod agreed the District Development plan for 2016-20 in which we stated our purpose: 'The Methodist Church believes that the Church is called to serve the purpose of the reign of God through its worship, learning and caring, service and evangelism. Within this purpose the South-East Methodist District will concentrate on what it can uniquely and best do to promote excellence and creativity in worship, mission, ministry, oversight and governance in local churches, circuits and their communities.'

We affirmed that we intend to achieve this by encouraging and resourcing local churches and circuits and "connecting the Connexion". This work is on-going. In June 2020, following on from the District Development Plan 2016-20, the District Council initiated a District Mission Plan review in order to

- ensure the District's mission plan is appropriate and effective;
- to reflect upon the impact of Covid-19 upon the mission of the District, Circuits and Churches in the South-East District, and to
- reflect on the report *God For All* which was accepted by the Methodist Conference of 2020 and to begin to explore whether the District's grant-making criteria might need to be re-written in the light of the Connexional mission priorities expressed in *God For All*.

This work has been on-going in spite of the pandemic. The District Council, and subsequently the District Synod have been working on a draft Mission Plan entitled "Encourage-Enable-Inspire." This work is on-going, and we seek to have the updated Mission Plan adopted during the next year.



Report of the Trustees for the year ended 31st August 2021

Activities and Achievements (continued)

The churches, circuits and the District have continued to be significantly impacted by the global pandemic caused by the coronavirus, Covid-19. At Church and Government direction, churches were closed during the winter lock-downs of 2020/21. Most churches have now re-opened, though many with reduced congregational attendance as many – reflecting the demographic – remain anxious about returning to church. The churches which have re-opened have undertaken risk-assessments to seek to ensure churches are as safe as possible. Nevertheless, the last year has impacted in multiple ways:

- * **worship life** – where worship resources and services have been facilitated online and in paper-form to maintain a worshipping life during periods of lockdown. As churches have re-opened they have reflected on the value of online presence and many churches have continued to live-stream or pre-record for streaming acts of worship. The District is itself reviewing its own digital resources and policy;

- * in **pastoral care** - where and how pastoral support is offered has had to change during the lockdown; the continued prevalence of Covid-19 means that offering effective pastoral care (especially face to face) remains a challenge;

- * **financially** - where income has dramatically dropped for many churches (and rental income in particular), as well as expenditure. The District, churches and circuits have been asked to monitor their finances in the light of the need for robust reserves policies and the need for wealthier churches and circuits to support their poorer neighbours. The District was able to rebate a small portion of the assessment of circuits at the end of this Methodist financial year in line with its own reserves policy, as the costs incurred by the District (particularly for travel and residential meetings) had reduced substantially as meetings have largely remained online through the year;

- * **community service** – most churches have now re-opened, although the use of premises and consequent rental income remains significantly impacted. Churches have nevertheless been active in supporting vulnerable members and neighbours, as well as supporting increasingly needed foodbanks;

- * **training** – this has been offered online, with the Southern and Islands Learning Network offering many imaginative online training opportunities. The numbers attending online training has been significantly higher than the numbers pre-pandemic attending training in person. Safeguarding ‘Training the Trainers’ has been offered online and the Safeguarding “Foundation” and “Advanced” modules are now available for online delivery.

The District’s superintendents have continued to meet weekly with the Chair and Assistant Chairs via Zoom in order to share best practice and offer mutual support and encouragement to each other.

The District “Under Fives Group” (those in early years in ministry) has continued to meet regularly via Zoom for mutual support and encouragement, including a day of “trauma training”.

Almost all District meetings – including the District Synod – have continued to meet online. As already noted, this has continued to result in a considerable financial saving. It has also made a contribution to the reduction in the District’s **carbon footprint** as a result of the reduction in travelling. The District Council has reviewed what meetings going forward *need* to be held ‘face to face’ and those which can be held online. It is now implementing the outcomes of its review.

The District Council has set aside funds from the District Advance Fund to create three new posts in partnership with circuits, where each post will be 2/3 time working in an area of new housing as a missional practitioner developing a new initiative and 1/3 time as a consultant and advocate for mission in new housing areas around the District. The funding will be initially for three years, potentially extended to five years. The South Kent Circuit’s New Housing Missioner commenced his



Report of the Trustees for the year ended 31st August 2021

Activities and Achievements (continued)

post on 1st September 2020. This is already bearing fruit in the relationships he is building up with new arrivals on the Chilmington Green estate in Ashford, Kent. The District is keen to partner in such schemes with two other circuits. It recognises that the ability of other circuits to explore such potential has been impacted by Covid-19.

The policy for Releasing Property for God's Mission is being implemented within the work of the Resourcing Mission Officers across the district, to whom we express our thanks. The District is especially grateful to Stephanie Roux, who steps down from her role as a Resourcing Mission Officer at the end of August 2021. The District will seek to appoint a District Property Officer as soon as it can and preparatory work is underway. The District has also supported numerous pieces of mission work in the life of the District through its grant-making processes. The halting of Connexional grant-making placed considerable pressure upon District grant-making resources and will continue to do so for the foreseeable future – meaning effective targeting of resources is even more essential.

The Southern and Islands Learning Network team have continued to offer a breadth of online resources to churches, circuits and across the District. The Fresh Ways Hub supports and encourages those involved in pioneering new expressions of church, mission and ministry. Consideration of the role and place of Local Lay Pastors is being explored. In partnership with the Regional Learning Network, the District Council has ensured that opportunities for learning and professional development are offered to all lay employees and that training for line managers is available.

As the churches unlock, the District is committed to the resourcing and development of effective work among children and young people across the District. In particular it is offering grants to enable young people to attend 3Generate, the national Methodist Church's youth assembly. The District Reconciliation Panel remains able to offer advice and early intervention in situations where relationships are breaking down. The group will also meet the requirements set out for it in the complaints and discipline procedures of the Methodist Church. The strengthening of the Complaints Support Group (whose members stand alongside those who have made complaints and those who have been complained against) remains a key priority going forward.

The District Safeguarding Officer continues to be a valued resource for churches, circuits and the District, as she responds to a variety of situations and cases, as well as overseeing Safeguarding training for the District. The District Safeguarding Group's aims and objectives and membership has been reviewed and the formation of a new District Safeguarding Group is in process. An independent Chair has been appointed to lead this group. A key priority will be to learn from the IICSA report and any forthcoming recommendations.

The implementation of GDPR is an on-going piece of work in line with guidance from TMCP. The time has come to review the role of the District Data Champion, now that the GDPR regulations have been embedded, to ensure that all remain GDPR-compliant.

The ongoing activity of the District includes work such as: vocational work with candidates for ordained ministry; oversight of probationers; re-invitation and stationing; complaints and discipline; property consents and grant making; the valuable work of our Refugee and Interfaith Adviser who has completed her appointment. Going forward we will continue to reflect on Covid-19's ongoing impact upon finance, health and well-being, serving the community, digital resources and the Mission life of the District. We will also be alert to the impact of the decisions of the Methodist Conference of June/July 2021 in relation to oversight and trusteeship, Equality, Diversity and Inclusion, and the impact of the decisions relating to marriage and relationships – amongst many other decisions. Through it all, we will seek to serve the present age, as a Christian presence across the South East of England and in Malta and Gibraltar.



Report of the Trustees for the year ended 31st August 2021

Activities and Achievements (continued)

The impact of Covid-19 has continued to radically challenge the Church, and will continue to do so for the foreseeable future. It has been testing financially, spiritually and of course through affecting the physical and mental health of so many. The District Chair wishes to honour and celebrate the skill, imagination, grace and commitment of so many faithful servants of Christ across the District who have enabled the Church to flourish even amidst a pandemic. He is especially grateful to the District's Assistant Chairs, and to his PA, and to the remarkable number of District Officers who, in spite of the times, continue to serve the Church faithfully, imaginatively and with good cheer.

Fundraising

The District does not actively fundraise from the general public.

Financial Review

Investment Policy

The surplus funds of the District's General Funds are held in a deposit account of the Central Finance Board of the Methodist Church, which is a separate body reporting directly to Conference. The surplus funds of the District Advance Fund and City Centre Funds are held in various accounts with The Trustees for Methodist Church Purposes.

Reserves Policy

The Trustees' objective is to maintain net current assets in Unrestricted Reserves equivalent to approximately four months' Resources expended. The Trustees maintain the Restricted Reserves at a sufficient level to enable each Fund to carry out its objectives.

District Expenses Account

The Net Resources showed an excess of expenditure over income of £2,539 (2020 £25,721 excess income over expenditure) after setting aside a sum of £3,000 towards future repairs to the District Manse and covering the cost of an 'Islands Meeting' (£3,084) instead of reclaiming the cost from other Districts.

District Advance Fund

After receiving Circuit levies of £275,353 and Interest and Investment income of £1,891, the Trustees were able to make Grants totalling £286,205 and also transfers totalling £42,396 to the Expenses Account as follows: £4,061 relating to Training, £15,277 to District Safeguarding expenses, £2,589 to Refugee & Inter-faith expenditure and £20,469 to our Resourcing Mission Officers. We also received the third payment of 'Our Calling' grant from the Connexional Priority Fund of £25,000 (£75,000 over 3 years) towards our New Housing Missioner project. Many of the Grants agreed relate to future years and under the accounting requirements, £522,174 has been set aside for this purpose. A shortfall of £14,949 (2020 £188,026 shortfall) is carried forward into the new Connexional Year but the Circuit levies due at the beginning of September 2021 will cover the deficit. The funding from the London Mission Fund (LMF) is now being processed in a different way. In previous years funds were transferred to churches & circuits direct from LMF but with effect from year 20/21 the funds are now being channelled through our District Advance Fund and £146,835 has been received and passed on to Circuits.



Report of the Trustees for the year ended 31st August 2021

Financial Review (continued)

Chair's Benevolent Fund

This is a small fund which relies on donations from Churches, Circuits and individuals, which allows the District Chair to make payments to those the Chair feels are deserving of a Grant. Donations totalling £330 were received during the year and no payments out were made. The Fund only spends monies which it has available to it and at 31st August 2021 the balance carried forward was £1,277 (2020 £947).

City Centre Funds

During year ended August 2021 grants were paid out for The Beacon Dover and Eastbourne. The funds were valued at £107,024 at 31st August 2020, interest of £310 was added during the year and admin. charges of £214 deducted. The remaining balances of £23,361 and £83,759 have been transferred to the Beacon Dover and Eastbourne respectively and the Trust Funds closed.

Plans for Future Periods

Due to the restrictions surrounding COVID 19 there has been a reduction in the amount of travel expenses incurred by District officers. We reviewed expenditure in July 2021 and were able to refund a total of £23,359 of Assessment across our 17 Circuits. A number of meetings will continue to be held on line, keeping travel costs as low as possible so we will make a refund of Assessment in the future if our Reserves exceed the 4 months resources expended figure. As mentioned under District Advance Fund, there has been a change in the way the London Mission Fund makes grant payments and we anticipate a grant of £70,145 in the year 21/22. The District Advance Fund will continue to receive Circuit Levies and a Grant from the Connexional Priority Fund when the District is eligible. This will enable the Grants Committee to offer Grants in year 2021/2022 depending on the quantity of the requests received. The Benevolent Fund will continue to consider requests to spend the resources available.

Structure, Governance and Trustees' Responsibilities

Statement of Trustees' responsibilities

Charity Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its financial activities for that period, together with its assets and liabilities at the end of the period, and adequately distinguish any material special trust or other restricted fund of the Charity. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Legal and administrative information

The governing body of the District is the Methodist Church and the governing body of the Methodist



Report of the Trustees for the year ended 31st August 2021

Structure, Governance and Trustees' Responsibilities (continued)

Church is the Conference. The Methodist Church Act 1976 gives the authority under which the Methodist Church acts. The Constitutional Practice and Discipline of the Methodist Church governs the activities of the District. The District is a Registered Charity and was registered with the Charity Commission on 10th June 2009.

Trustees

The Trustees who have served during the year and those appointed since are set out on page 1. Trustees are appointed by the Autumn Synod.

The Trustees are responsible for the detailed examination of the financial statements and for recommending their adoption to Synod.

The District is one of thirty Districts of the Methodist Church in the United Kingdom. The South-East District brings together seventeen Circuits, their Chapels and Manses based in the south eastern segment of England including the whole of Kent, Surrey and Sussex, and small areas of Berkshire and Hampshire and includes the Circuits in Malta & Gibraltar. They are contactable via the principal office of the District.

Internal Financial Controls

The Trustees have overall responsibility for ensuring that there is in place an appropriate system of controls, financial and otherwise, to provide reasonable confidence and assurance that:

- the District's administration is operating effectively and efficiently;
- the assets of the District are properly safeguarded against unauthorised loss or damage;
- proper records are maintained and information produced for management control, fiscal and statutory reasons; and
- the District complies with the relevant laws and guidelines.

Risk Management

The Trustees have examined the major strategic business and operational risks which the charity faces, and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to monitor these risks.

District Independent Examiner

Azets Audit Services was appointed Independent Examiner of District Funds by the District Council.

This report was approved by the Trustees on 15th December, 2021.

Rev David Hinchliffe
District Chair and Trustee

Mrs. Pauline J Newton
District Treasurer and Trustee



Independent Examiner's Report to the Trustees of The Methodist Church South-East District

Independent Examiner's Report to the Trustees of The Methodist Church South-East District

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021, which are set out on pages 9 – 18.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

John Howard FCA
Azets Audit Services
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

Date: 17th December, 2021

Statement of Financial Activities (SOFA) for the year ended 31st August 2021

	Notes	Unrestricted Funds		Restricted Funds		Total Funds	
		Expenses Account	Advance Fund	Benevolent Fund	City Centre Funds	2021	2020
		£	£	£	£	£	£
Incoming Resources							
Assessments		186,866	-	-	-	186,866	169,939
Dormant Funds HSBC Area 4 LSW Dist.		241	-	-	-	241	-
Interest & Investment Income		110	1,891	-	310	2,311	5,118
Circuit Levies		-	275,353	-	-	275,353	190,528
Grant/Donations		-	177,668	330	-	177,998	25,598
CPF Distribution received		-	0	-	-	-	5,760
Total incoming resources		187,217	454,912	330	310	642,769	396,943
Resources expended on managing and administering the Charity							
District Administration	5	75,119	-	-	-	75,119	74,806
Contributions to Circuits for Assistant Chairs		41,580	-	-	-	41,580	26,538
District Safeguarding expenses	6	27,829	15,277	-	-	43,106	43,474
Resourcing Mission Officer	7	-	20,469	-	-	20,469	20,414
Refugee & Inter-faith exp.		-	2,589	-	-	2,589	2,441
Synod Meeting expenses	8	1,780	-	-	-	1,780	2,085
Manse Expenditure	9	5,516	-	-	-	5,516	5,945
Provision for Manse repairs	10	3,000	-	-	-	3,000	3,000
District Committee Expenses		5,833	-	-	-	5,833	8,868
Training Grants & Expenses	11	-	4,061	-	-	4,061	17,787
Methodist Conference		481	-	-	-	481	30
Ecumenical payments	12	534	-	-	-	534	879
Computer exp.		108	-	-	-	108	-
Other expenditure	13	27,976	-	-	-	27,976	5,057
		189,756	42,396	-	-	232,152	211,324
Grants and payments made in furtherance of the Charity's Objects							
Grants & donations		-	286,205	-	107,120	393,325	114,200
Increase (Reduction) in Provision for future years payments		-	(47,554)	-	-	(47,554)	232,428
Miscellaneous		-	788	-	214	1,002	914
Total Resources Expended		189,756	281,835	-	107,334	578,925	558,866
Net Incoming (Outgoing) Resources before Transfers							
Transfer between Funds		(2,539)	173,077	330	(107,024)	63,844	(161,923)
Unresolved gains & losses on investments		-	-	-	-	-	-
Net Incoming (Outgoing) Resources after Transfers		(2,539)	173,077	330	(107,024)	63,844	(161,923)
Funds brought forward		569,549	(188,026)	947	107,024	489,494	651,417
Total Funds carried forward		567,010	(14,949)	1,277	-	553,338	489,494

Statement of Financial Activities (SOFA) for the year ended 31st August 2020 (prior year)

	Notes	Unrestricted Funds		Restricted Funds		Total Funds
		Expenses Account	Advance Fund	Benevolent Fund	City Centre Funds	2020
		£	£	£	£	£
Incoming Resources						
Assessments		169,939	-	-	-	169,939
Interest & Investment Income		380	3,823	-	915	5,118
Circuit Levies		-	190,528	-	-	190,528
Grant/Donations		-	25,000	598	-	25,598
CPF Distribution received		-	5,760	-	-	5,760
Total incoming resources		170,319	225,111	598	915	396,943
Resources expended on managing and administering the Charity						
District Administration	5	74,806	-	-	-	74,806
Contributions to Circuits for Assistant Chairs		26,538	-	-	-	26,538
District Safeguarding expenses	6	17,390	26,084	-	-	43,474
Resourcing Mission Officer	7	-	20,414	-	-	20,414
Refugee & Inter-faith exp.		-	2,441	-	-	2,441
Synod Meeting expenses	8	2,085	-	-	-	2,085
Manse Expenditure	9	5,945	-	-	-	5,945
Provision for Manse repairs	10	3,000	-	-	-	3,000
District Committee Expenses		8,868	-	-	-	8,868
Training Grants & Expenses	11	-	17,787	-	-	17,787
Methodist Conference		30	-	-	-	30
Ecumenical payments	12	879	-	-	-	879
Other expenditure	13	5,057	-	-	-	5,057
		144,598	66,726	-	-	211,324
Grants and payments made in furtherance of the Charity's Objects						
Grants & donations		-	114,000	200	-	114,200
Increase (Reduction) in Provision for future years payments		-	232,428	-	-	232,428
Miscellaneous		-	701	-	213	914
Total Resources Expended		144,598	413,855	200	213	558,866
Net Incoming (Outgoing) Resources before Transfers						
		25,721	(188,744)	398	702	(161,923)
Transfer between Funds		-	-	-	-	-
Unresolved gains & losses on investments		-	-	-	-	-
Net Incoming (Outgoing) Resources after Transfers		25,721	(188,744)	398	702	(161,923)
Funds brought forward		543,828	718	549	106,322	651,417
Total Funds carried forward		569,549	(188,026)	947	107,024	489,494

Balance Sheet as at 31st August 2021

		Unrestricted	Restricted		Totals	
	Notes		Advance Fund	Other Funds	2021	2020
					£	£
Tangible Fixed Assets						
District Manse	2	501,663	-	-	501,663	501,663
Current Assets						
Debtors & Prepayments	3	-	-	-	-	3,084
Trustees for Methodist Church Purposes		-	507,225	-	507,225	488,726
Cash at Bank and Central Finance Board		<u>72,967</u>	-	<u>1,277</u>	<u>74,244</u>	<u>71,749</u>
Total current Assets		72,967	507,225	1,277	581,469	563,559
Creditors and Accruals						
District Advance Fund – provision for amounts						
Falling due in future years	4	-	(522,174)	-	(522,174)	(569,728)
Creditor		-	-	-	-	-
Provision for Manse repairs	10	<u>(7,620)</u>	-	-	<u>(7,620)</u>	<u>(6,000)</u>
Total current assets less current liabilities		65,347	(14,949)	1,277	51,675	(12,169)
Total Net Assets		567,010	(14,949)	1,277	553,338	489,494
Funds of the District						
General Fund (Unrestricted)		567,010	-	-	567,010	569,549
District Advance Fund (Restricted)		-	(14,949)	-	(14,949)	(188,026)
Other Funds (Restricted)		-	-	<u>1,277</u>	<u>1,277</u>	<u>107,971</u>
Total Funds	21	567,010	(14,949)	1,277	553,338	489,494

The notes on pages 14 to 18 form part of these accounts.

Approved by the Trustees on 15th December, 2021 and signed on their behalf by:

David Hinchliffe
District Chair and Trustee

Mrs. Pauline J Newton
District Treasurer and Trustee

Balance Sheet as at 31st August 2020 (prior year)

		Unrestricted	Restricted		Totals
	Notes		Advance Fund	Other Funds	2020 £
Tangible Fixed Assets					
District Manse	2	501,663	-	-	501,663
Current Assets					
Debtors & Prepayments	3	3,084	-	-	3,084
Trustees for Methodist Church Purposes		-	381,702	107,024	488,726
Cash at Bank and Central Finance Board		<u>70,802</u>	-	<u>947</u>	<u>71,749</u>
Total current Assets		73,886	381,702	107,971	563,559
Creditors and Accruals					
District Advance Fund – provision for amounts					
Falling due in future years	4	-	(569,728)	-	(569,728)
Creditor	4	-	-	-	-
Provision for Manse repairs	10	<u>(6000)</u>	-	-	<u>(6,000)</u>
Total current assets less current liabilities		67,886	(188,026)	107,971	(12,169)
Total Net Assets		569,549	(188,026)	107,971	489,494
Funds of the District					
General Fund (Unrestricted)		569,549	-	-	569,549
District Advance Fund (Restricted)		-	(188,026)	-	(188,026)
Other Funds (Restricted)		-	-	<u>107,971</u>	<u>107,971</u>
Total Funds	21	569,549	(188,026)	107,971	489,494

Cashflow Statement as at 31st August 2021

Statement of Cashflows

	Note	2021 £	2020 £
Net cash generated from/(used by) operating activities	23	18,683	63,399
Cashflows from investing activities:			
Interest from investments		<u>2,311</u>	<u>5,118</u>
Net movement in cash and cash equivalents		20,994	68,517
Cash & cash equivalents at beginning of year		<u>560,475</u>	<u>491,958</u>
Cash & cash equivalents at end of year		<u>581,469</u>	<u>560,475</u>
Cash at bank and in hand		74,244	71,749
Short term deposits		<u>507,225</u>	<u>488,726</u>
		<u>581,469</u>	<u>560,475</u>



Notes to the Financial Statements for the year ended 31st August 2021

1. Basis of Preparation

The financial statements have been prepared under the Charities Act 2011 in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and Update Bulletin 1 issued on 2nd February 2016.

Going Concern

Based on the monetary assets and human resources available at 31st August 2021 the Trustees believe that the District is a going concern.

Funds

The funds held constitute General Funds held for any purpose of the District and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and Restricted Funds which are held for a narrower purpose.

Fixed Assets and Depreciation

Depreciation has not been provided on freehold land and buildings because the trustees consider the residual value of the manse is not less than cost and the depreciation would be immaterial.

Incoming Resources

These are included in the SOFA when the District becomes entitled to the resources; the Trustees are virtually certain that they will receive the resources; and the monetary value can be measured with sufficient reliability.

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to make the payment. With regard to the District Advance Fund, a note of the Contingent Liability is set out in Note 4 to these Accounts.

Provisions

An annual provision is made for major expenditure on manse repairs, with such expenditure being deducted from the accumulated provision when it is incurred.

Debtors

Debtors are stated at the amounts owed to the District or prepaid.

Gains/(losses) on investments

The investments are in monetary assets and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value are those provided by TMCP. Realised and unrealised capital gains and losses on investments are dealt with in the SOFA in the year in which they arise, based on the brought forward valuations or cost of subsequent additions.

Estimates and judgements

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.



Notes to the Financial Statements for the year ended 31st August 2021

	2021 £	2020 £
2. Fixed Assets		
Freehold land and building		
Deemed Cost		
District manse – as at 31 st August 2021	501,663	501,663
Land £167,221 Building £334,442		
3. Debtors and Prepayments		
Islands Meeting	-	3,084
4. Creditors and Accruals		
District Advance Fund		
Provision for Grants committed or payable in future years, balance as at 31 st August	569,728	337,300
Increase (reduction) in provision for future payments	(47,554)	232,428
	Payable 2021-2022 £364,255	Payable 2022 onwards £157,919
Total Provision as at 31 st August	<u>522,174</u>	<u>569,728</u>
5. District Administration		
Incoming Chair relocation	-	101
Chair's travel and miscellaneous expenses	640	2,063
Secretarial and Administration	38,758	37,690
- Salary - £33,378		
- Social security - £3,390		
- Pension - £1,990		
District Office rent	27,331	26,409
District Office expenses, printing, stationery, post, Phone, etc	<u>8,390</u> <u>75,119</u>	<u>8,543</u> <u>74,806</u>
6. District Safeguarding Expenses		
District Officer	42,236	41,109
- Salary - £36,270		
- Social security - £3,790		
- Pension - £2,176		
Training costs, including travel, refreshments etc	<u>870</u> 43,106	<u>2,365</u> 43,474
Reimbursed from District Advance Fund	<u>(15,277)</u>	<u>(26,084)</u>
Cost to District Expenses	<u>27,829</u>	<u>17,390</u>



Notes to the Financial Statements for the year ended 31st August 2021

	2021	2020
	£	£
7. Resourcing Mission Expenses		
District Officers, P/T Job-Share	19,654	19,122
- Salary - £18,325		
- Social security - £229		
- Pension - £1,100		
Expenses including travel, phone calls etc	<u>815</u>	<u>1,292</u>
	20,469	20,414
Reimbursed from District Advance Fund	<u>(20,469)</u>	<u>(20,414)</u>
	<u>-</u>	<u>-</u>
8. Synod Expenses		
District Directory & miscellaneous printing and stationery	1,695	1,695
Miscellaneous costs	85	171
Miscellaneous travel and Ministerial Synod expenses	<u>-</u>	<u>219</u>
	<u>1780</u>	<u>2,085</u>
9. District Manse Expenses		
Council tax	3,009	2,904
Water rates	105	333
Insurance	1,368	1,267
Telephone	583	634
Miscellaneous expenses, boiler, security, etc	<u>451</u>	<u>807</u>
	5,516	5,945
10. Provision for Manse Repairs		
Balance as at 31 st August 2020	6,000	3,000
Amount transferred in the year	<u>3,000</u>	<u>3,000</u>
Balance as at 31 st August 2021	9,000	6,000
Major expenditure during the year	<u>(1,380)</u>	<u>-</u>
	<u>7,620</u>	<u>6,000</u>
11. Training expenditure		
Total paid out for Training Grants	497	3,288
Residential Conferences, Training courses etc	<u>3,564</u>	<u>16,839</u>
	4,061	20,127
Less:		
Contribution from attendees	<u>-</u>	<u>(2,340)</u>
	4,061	17,787
Reimbursed from District Advance Fund	<u>(4,061)</u>	<u>(17,787)</u>
Cost to District Expenses	<u>-</u>	<u>-</u>
12. Ecumenical payments		
Churches Together in Surrey	<u>534</u>	<u>879</u>
	<u>534</u>	<u>879</u>

Notes to the Financial Statements for the year ended 31st August 2021

	2021	2020
	£	£
13. Other expenditure		
Youth Conference – 3Generate	-	(32)
Copyright	230	222
Website	-	-
Employment advice	2,726	3,289
Independent Exam. fee	1,140	1,080
Apprenticeship Levy	439	428
Administration and bank charges	82	70
Assessment refunds	<u>23,359</u>	<u>-</u>
	<u>27,976</u>	<u>5,057</u>

14. Reimbursements

No employee earned £60,000 per annum or more.

The average number of employees, analysed by function, was:

	2021	2020
F/T Administration of the charity	1	1
F/T District Safeguarding Officer	1	1
Half-time District Resourcing Mission Officer	1	1

The Chair of S E District chairs meetings of the District Council and provides key management of the charity. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. Members of the District Council are the Trustees of the Charity and work with the Chair of District to manage the Charity.

15. Payments to Trustees

Expenses were reimbursed to Trustees for their travelling and out of pocket expenses.

No. of Trustees		Amount Reimbursed	
2021	2020	2021	2020
5	10	£1,469	£5,675

16. Ultimate controlling party

The ultimate controlling party of the District is considered to be the Annual Conference of the Methodist Church.

17. Related parties

The related parties of the District are seventeen Circuits, their Chapels and Manses, which are all based in the south-eastern segment of England including the whole of Kent and parts of Surrey and Sussex and includes small areas of Berkshire and Hampshire and includes the Circuits in Malta and Gibraltar. They are contactable via the principal office of the District. Funds are transferred from Circuits to the District on a quarterly basis.

During the year, no transactions took place with related parties (as defined by Financial Reporting Standard No. 33).

18. Capital commitments

	2021	2020
At 31 st August 2021 the District had the following Capital Commitments:	Nil	Nil

Notes to the Financial Statements for the year ended 31st August 2021

19. Synod collection

Spring Synod was held on Zoom due to Coronavirus restrictions so no collection was taken for the Methodist Ministers' Children's Fund.

20. Expenses related to Malta & Gibraltar

Each year all District expenses incurred relating to Malta & Gibraltar are paid for by Methodist Church Fund so are not included in our SOFA. The amount for year 2021 is nil (2020 £4,594).

21. Funds

	Unrestricted	Restricted	TOTAL
Brought forward	569,549	(80,055)	489,494
Income	187,217	455,552	642,769
Expenditure	(189,755)	(389,169)	(578,924)
Other gains/losses	<u>-</u>	<u>-</u>	<u>-</u>
Carried forward	567,011	(13,672)	553,339

District Advance Fund (included in Restricted Funds)

Many of the Grants agreed relate to future years and under the accounting requirements funds have been set aside for this purpose. A shortfall is carried forward into the new Connexional Year but this is covered by the levies due from Circuits in September 2021.

22. Funds (prior year)

	Unrestricted	Restricted	TOTAL
Brought forward	543,828	107,589	651,417
Income	170,319	226,624	396,943
Expenditure	(144,598)	(414,268)	(558,866)
Other gains/losses	<u>-</u>	<u>-</u>	<u>-</u>
Carried forward	<u>569,549</u>	<u>(80,055)</u>	<u>489,494</u>

23. Reconciliation of net cash provided by/(used by) operating activities

	2021	2020
	£	£
Net expenditure for the reporting period	63,844	(161,923)
Interest received	(2,311)	(5,118)
(Increase)/decrease in debtors	3,084	(2,383)
Increase/(decrease) in creditors	<u>(45,934)</u>	<u>232,823</u>
	<u>18,683</u>	<u>63,399</u>