



Registered Charity number 1130274

Trustees' Report and Financial Statements

**For the year ended
31st August 2023**



District Trustees

Rev David Hinchliffe (Chair)
Rev Deborah Cornish (Assistant Chair) (resigned 31 August, 2023)
Rev Helen Hollands (Assistant Chair)
Rev Samantha Funnell (Assistant Chair)
Rev Daniel Balsdon (Assistant Chair)
Mrs Pauline Newton (District Treasurer)
Rev Nicholas Oborski (Synod Secretary)
Rev. William Fletcher (appointed September 2023)
Mrs Jennifer Gandy
Ms Jenny Jackson
Rev Sydney Samuel Lake
Deacon Michelle Legumi (appointed September, 2023)
Rev Bonni-Belle Pickard
Miss Bridget Quint (appointed September, 2022)
Rev Andrew Reed
Mrs. Linda Weedon (appointed 7 September, 2022)
Mr Alan Wood (resigned September, 2022)

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

**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 2023

The Trustees submit their annual report and financial statements for the year ended 31st August 2023. 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.

The purposes of the Methodist Church are as follows: '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.'

Since its Representative Synod in April 2022, the South-East District has been working towards fulfilling its Mission Plan entitled "Inspire – Enable – Encourage". In summary, the Mission Plan affirms that:

"In playing its part in seeking to fulfil Our Calling as Methodist people, and inspired by the Methodist Way of Life, the purpose of the South-East District is to **Inspire, Enable and Encourage.**"

Inspire

The South-East Methodist District seeks to inspire us to be faithful disciples, bearing witness to God's love for the sake of the transformation of the world.

Enable

The South-East District seeks to enable our calling to be a people faithful to God in mission through offering **good governance**.



Report of the Trustees for the year ended 31st August 2023

Activities and Achievements (continued)

Encourage

The South-East District wants to encourage circuits, churches and individual disciples to live out their calling as followers of Jesus Christ.

The South-East Methodist District therefore commits itself in the following ways:

Our Commitment

The Methodist Church invites us to recognise that in God for all:

- All need to be **Centred in God**
- **Everyone is an Evangelist**
- Our desire is to develop **Transformational Leadership**
- We have the opportunity to cultivate **New Places for New People**
- We take seriously our missional need to be a **Church at the Margins**
- We seek for **Every Church a Growing Church**
- We commit to **Developing Young Evangelists, Pioneers, and Leaders**
- We need to create an effective **Digital Presence: Mission for the Digital Age**

The Next Steps

- Develop our work amongst **refugees, migrants, displaced persons**
- Develop **an international twinning relationship** with the Methodist Church's *Global Relationships* team
- Ensure the development of **an effective digital strategy** for mission
- Continue to encourage and support churches and circuits developing **new housing mission**
- Identify and support the opportunities to develop **new places for new people**
- Support **the development of children and youth work** in the District by advocacy for 3Generate and for Methodists to engage with schools in their communities
- Enable the District, circuits and churches to promote, celebrate and inhabit the call to **equality, diversity and inclusion** within the life of the Church for the sake of the world
- Seek to **inspire, enable and encourage** the Methodist people to be the people God calls us to be!

In the fulfilling of this revised District Mission Plan:

* Our Officer for Refugees, Migrants and Displaced Persons continues working with a network of knowledge and volunteers through Church, NGOs and statutory authorities across the South-East in recognition of the significant numbers of cross-Channel migrants coming into the District, as well as a significant number of British Overseas Nationals arriving from Hong Kong which, in one case in the District, trebled the size of a congregation in one year.

* Our two officers for Equality, Diversity and Inclusion continue to assist the District, Circuits and Churches to reflect on how to effectively implement the Methodist Church's *Justice, Dignity and Solidarity* strategy through offering a number of online seminars.

* The District has begun a review of all District and Circuit lay employees' roles, terms and conditions, contracts etc in order to ensure best lay employment practice is being consistently followed across the District. We are grateful to the District Lay Employment Advisor and to the working group assisting in this work.

General

***Worship life.** 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 itself continues to review its own digital resources and policy.



Report of the Trustees for the year ended 31st August 2023

Activities and Achievements (continued)

* **Pastoral care** remains at the heart of being a caring, Christian community. The District remains indebted to its ministers, and to the many lay workers and pastoral visitors who offer pastoral care across the churches and circuits.

* **Finance.** The District, churches and circuits continue 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. Nevertheless, the District is pleased that it has continued to be able to award grants from the District Advance Fund to ministers, churches and circuits – reflecting the vibrancy of mission and witness across the District, and the willingness of God's people to be adventurous in their plans for mission and service.

* **Community service.** Churches have been active in supporting vulnerable members and neighbours, as well as supporting increasingly needed foodbanks. Given the rising cost of living (food and energy costs, for example), many churches across the District took part in the Winter Warm Spaces initiative, offering warmth, welcome and hospitality to many communities. In numerous cases the District was able to support this work by the offering of grants to contribute towards the cost of heating premises for this initiative, and to provide food at no cost to the recipient.

* **Training.** This has been offered online, and in person, 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, as well as in-person delivery. The District Safeguarding Team along with the Learning Network Team have been working hard to ensure that those required to undertake Safeguarding Advanced Module Training have been able to complete it by the Connexionally-set deadline. We continue to be very grateful for their hard work and imagination.

* **Mutual support.** 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 Superintendents have also met twice residentially during this year. The District "Under Fives Group" (those in early years in ministry) has continued to meet regularly via Zoom and now in person for mutual support and encouragement. Joining with the London District, the "Under Fives Group" were able to meet for a residential retreat in Malta (part of the South-East District) in February, exploring the theme of 'In the footsteps of St. Paul.'

* **District Meetings.** The District Leadership Team and the District Council have been able to assess which meetings helpfully and of necessity need to meet in person, and which meetings can now meet online. The emerging pattern of meetings has led to a reduction in costs (especially of travel). It has also made a contribution to the reduction in the District's **carbon footprint** as a result of the reduction in travelling.

* **District Advance Fund.** As noted above, the District Advance Fund has been able to offer training grants, as well as grants to mission projects in churches and circuits. 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 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, and is in conversation with at least one circuit as they explore the possibilities. Grants have also been made available for young people to attend the Methodist Church's national youth



Report of the Trustees for the year ended 31st August 2023

Activities and Achievements (continued)

assembly, “3 Generate.” As noted above, the District Advance Fund was able to offer a number of small grants to support the winter Warm Spaces initiative. It is planned to do so again next year.

*** District Officers and Support Teams.** The District continues to be grateful for the work of the District Resourcing Mission Officer, District Safeguarding Officer, the District Property Officer and District Administrator, in their support of the life of the District, Circuits and local churches in the fulfilment of their responsibilities.

The District has worked hard to fill vacant volunteer posts. In particular it has sought to recruit new members for the District Reconciliation Panel and complaints support group. We are planning training for these groups in conjunction with neighbouring Districts.

During the year we have undertaken a major review of the District Safeguarding Officer role and have begun the process of recruiting additional safeguarding officer support. We have continued to recruit additional members of The District Safeguarding Group, which seeks to oversee safeguarding practice in the District. A key priority remains 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 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. We continue to work through the impact of the decisions of the Methodist Conference in relation to oversight and trusteeship, Equality, Diversity and Inclusion and 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.

Finally, 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 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 are held in an account 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 £3,042 (2022 excess of income over expenditure of £24,024) after setting aside a sum of £3,000 towards future repairs to the District Manse.



Report of the Trustees for the year ended 31st August 2023

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 £364 were received during the year and £250 was paid out in grants. The Fund only spends monies which it has available to it and at 31st August 2023 the balance carried forward was £1,431. (2022 £1,317). These funds are accounted for as restricted funds within the District Expenses bank account at Lloyds Bank.

District Advance Fund

After receiving Circuit levies of £240,197, £32,951 from the Connexional Priority Fund, grants and donations of £98,778 and Interest and Investment income of £25,852, the Trustees were able to make Grants totalling £226,301 and also transfers totalling £76,778 to the Expenses Account as follows: £22,779 relating to Training, £10,763 to District Safeguarding expenses, £967 to Refugee & Inter-faith expenditure, £10,317 to our Resourcing Mission Officer, £12,666 to our District Property Officer and £19,000 to Circuits to help with provision of 'Warm Spaces'.

Many of the Grants agreed relate to future years and under the accounting requirements, £629,650 has been set aside for this purpose. £96,106 (2022 £166,517) is carried forward into the new Connexional Year. The funding from the London Mission Fund (LMF) continues to be channelled through our District Advance Fund and £88,790 has been received and passed on to Circuits.

Plans for Future Periods

We continue to review our Budget and hold several committee meetings on-line in order to reduce travel costs. As mentioned under District Advance Fund, the new arrangements continue for the way the London Mission Fund makes grant payments and we anticipate a grant allocation of £71,145 in the year 23/24. 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 2023/2024 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 2023

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 twenty nine 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, most of Surrey and Sussex, 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 7th December, 2023.

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 2023, 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: 12 December, 2023

Statement of Financial Activities (SOFA) for the year ended 31st August 2023

	Notes	Unrestricted Funds	Restricted Funds		Total Funds	
		Expenses Account	Advance Fund	Benevolent Fund	2023	2022
		£	£	£	£	£
Incoming Resources						
Assessments		211,190	-	-	211,190	204,772
Interest & Investment Income		3,013	25,852	-	28,865	3,790
Circuit Levies		-	240,197	-	240,197	245,997
Grant/Donations		-	98,778	364	99,142	80,661
CPF Distribution received		-	32,951	-	32,951	9,936
Total incoming resources		214,203	397,778	364	612,345	545,156
Resources expended on managing and administering the Charity						
District Administration	5	84,943	-	-	84,943	78,724
Contributions to Circuits for Assistant Chairs		44,310	-	-	44,310	42,570
District Safeguarding expenses	6	43,050	10,763	-	53,813	44,302
Resourcing Mission/Property	7	-	22,983	-	22,983	17,360
Refugee & Inter-faith exp.		-	286	-	286	328
Synod Meeting expenses	8	828	-	-	828	1,230
Manse Expenditure	9	6,763	-	-	6,763	7,513
Provision for Manse repairs	10	3,000	-	-	3,000	3,000
District Committee Expenses		11,807	-	-	11,807	6,966
Training Grants & Expenses	11	-	22,779	-	22,779	16,349
Methodist Conference		899	-	-	899	894
Ecumenical payments	12	10,812	-	-	10,812	534
Other expenditure	13	10,833	19,967	-	30,800	5,552
		217,245	76,778	-	294,023	225,322
Grants and payments made in furtherance of the Charity's Objects						
Grants & donations		-	226,301	250	226,551	169,955
Increase (Reduction) in Provision for future years payments		-	163,281	-	163,281	(55,805)
Miscellaneous		-	1,829	-	1,829	1,471
Total Resources Expended		217,245	468,189	250	685,684	340,943
Net Incoming (Outgoing) Resources before Transfers						
		(3,042)	(70,411)	114	(73,339)	204,213
Transfer between Funds		-	-	-	-	-
Unresolved gains & losses on investments		-	-	-	-	-
Net Incoming (Outgoing) Resources after Transfers		(3,042)	(70,411)	114	(73,339)	204,213
Funds brought forward		589,717	166,517	1,317	757,551	553,338
Total Funds carried forward		586,675	96,106	1,431	684,212	757,551

Statement of Financial Activities (SOFA) for the year ended 31st August 2022 (prior year)

Notes	Unrestricted Funds	Restricted Funds		Total Funds
	Expenses Account	Advance Fund	Benevolent Fund	2022
	£	£	£	£
Incoming Resources				
Assessments	204,772	-	-	204,772
Dormant Funds HSBC Area 4 LSW Dist.	-	-	-	-
Interest & Investment Income	360	3,430	-	3,790
Circuit Levies	-	245,997	-	245,997
Grant/Donations	-	79,921	740	80,661
CPF Distribution received	-	9,936	-	9,936
Total incoming resources	205,132	339,284	740	545,156
Resources expended on managing and administering the Charity				
District Administration 5	78,724	-	-	78,724
Contributions to Circuits for Assistant Chairs	42,570	-	-	42,570
District Safeguarding expenses 6	35,442	8,860	-	44,302
Resourcing Mission Officer 7	-	17,360	-	17,360
Refugee & Inter-faith exp.	-	328	-	328
Synod Meeting expenses 8	1,230	-	-	1,230
Manse Expenditure 9	7,513	-	-	7,513
Provision for Manse repairs 10	3,000	-	-	3,000
District Committee Expenses	6,966	-	-	6,966
Training Grants & Expenses 11	-	16,349	-	16,349
Methodist Conference	894	-	-	894
Ecumenical payments 12	534	-	-	534
Computer exp.	-	-	-	-
Other expenditure 13	5,552	-	-	5,552
	182,425	42,897	-	225,322
Grants and payments made in furtherance of the Charity's Objects				
Grants & donations	-	169,255	700	169,955
Increase (Reduction) in Provision for future years payments	-	(55,805)	-	(55,805)
Miscellaneous	-	1,471	-	1,471
Total Resources Expended	182,425	157,818	700	340,943
Net Incoming (Outgoing) Resources before Transfers	22,707	181,466	40	204,213
Transfer between Funds	-	-	-	-
Unresolved gains & losses on investments	-	-	-	-
Net Incoming (Outgoing) Resources after Transfers	22,707	181,466	40	204,213
Funds brought forward	567,010	(14,949)	1,277	553,338
Total Funds carried forward	589,717	166,517	1,317	757,551

Balance Sheet as at 31st August 2023

		Unrestricted	Restricted		Totals	
	Notes		Advance Fund	Benevolent Fund	2023 £	2022 £
Tangible Fixed Assets						
District Manse	2	501,663	-	-	501,663	501,663
Current Assets						
Trustees for Methodist Church Purposes		-	709,955	-	709,955	632,886
Debtor	3	-	15,801	-	15,801	-
Cash at Bank and Central Finance Board		<u>97,482</u>	-	<u>1,431</u>	<u>98,913</u>	<u>99,991</u>
Total current Assets		97,482	725,756	1,431	824,669	732,877
Creditors and Accruals						
District Advance Fund – provision for amounts						
Falling due in future years	4	-	(629,650)	-	(629,650)	(466,369)
Provision for Manse repairs	10	<u>(12,470)</u>	-	-	<u>(12,470)</u>	<u>(10,620)</u>
Total current assets less current liabilities		85,012	96,106	1,431	182,549	255,888
Total Net Assets		586,675	96,106	1,431	684,212	757,551
Funds of the District						
General Fund (Unrestricted)		586,675	-	-	586,675	589,717
District Advance Fund (Restricted)		-	96,106	-	96,106	166,517
Benevolent Fund (Restricted)		-	-	<u>1,431</u>	<u>1,431</u>	<u>1,317</u>
Total Funds	21	<u>586,675</u>	<u>96,106</u>	<u>1,431</u>	<u>684,212</u>	<u>757,551</u>

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

Approved by the Trustees on 7th December, 2023 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 2022 (prior year)

	Notes	Unrestricted	Restricted Advance Fund	Benevolent Fund	Totals 2022 £
Tangible Fixed Assets					
District Manse	2	501,663	-	-	501,663
Current Assets					
Debtors & Prepayments	3	-	-	-	-
Trustees for Methodist Church Purposes		-	632,886	-	632,886
Cash at Bank and Central Finance Board		98,674	-	1,317	99,991
Total current Assets		98,674	632,886	1,317	732,877
Creditors and Accruals					
District Advance Fund – provision for amounts Falling due in future years	4	-	(466,369)	-	(466,369)
Creditor		-	-	-	-
Provision for Manse repairs	10	(10,620)	-	-	(10,620)
Total current assets less current liabilities		88,054	166,517	1,317	255,888
Total Net Assets		589,717	166,517	1,317	757,551
Funds of the District					
General Fund (Unrestricted)		589,717	-	-	589,717
District Advance Fund (Restricted)		-	166,517	-	166,517
Other Funds (Restricted)		-	-	1,317	1,317
Total Funds	21	589,717	166,517	1,317	757,551

Approved by the Trustees on 8th December, 2022 and signed on their behalf by:

David Hinchliffe
District Chair and Trustee

Mrs. Pauline J Newton
District Treasurer and Trustee

Cashflow Statement as at 31st August 2023

Statement of Cashflows

	Note	2023 £	2022 £
Net cash generated from/(used by) operating activities	23	47,126	147,618
Cashflows from investing activities:			
Interest from investments		<u>28,865</u>	<u>3,790</u>
Net movement in cash and cash equivalents		75,991	151,408
Cash & cash equivalents at beginning of year		<u>732,877</u>	<u>581,469</u>
Cash & cash equivalents at end of year		<u>808,868</u>	<u>732,877</u>
Cash at bank and in hand		98,913	99,991
Short term deposits		<u>709,955</u>	<u>632,886</u>
		<u>808,868</u>	<u>732,877</u>



Notes to the Financial Statements for the year ended 31st August 2023

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 2023 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 2023

	2023 £	2022 £
2. Fixed Assets		
Freehold land and building		
Deemed Cost		
District manse – as at 31 st August 2023	501,663	501,663
Land £167,221 Building £334,442		
3. Debtors and Prepayments		
Duplicate payment to a Circuit by TMCP in error (The Circuit returned this to TMCP on 04.09.23)	15,801	-
4. Creditors and Accruals		
District Advance Fund		
Provision for Grants committed or payable in future years, balance as at 31 st August	466,369	522,174
Increase (reduction) in provision for future payments	163,281	(55,805)
Payable Payable 2023-24 2024 onwards £259,468 £370,182		
Total Provision as at 31 st August	<u>629,650</u>	<u>466,369</u>
5. District Administration		
Chair's travel and miscellaneous expenses	3,474	2,993
Secretarial and Administration	41,129	40,768
- Salary - £35,354		
- Social security - £3,677		
- Pension - £2,098		
District Office rent	30,300	28,220
District Office expenses, printing, stationery, post, Phone, etc	<u>10,040</u>	<u>6,743</u>
	<u>84,943</u>	<u>78,724</u>
6. District Safeguarding Expenses		
District Officer	44,625	42,864
- Salary - £38,247		
- Social security - £4,083		
- Pension - £2,295		
Additional costs incurred	<u>9,188</u>	<u>1,438</u>
	53,813	44,302
Reimbursed from District Advance Fund	<u>(10,763)</u>	<u>(8,860)</u>
Cost to District Expenses	<u>43,050</u>	<u>35,442</u>

Notes to the Financial Statements for the year ended 31st August 2023

	2023	2022
	£	£
7. Resourcing Mission & Property Officers		
2 District Officers (part-time)	21,205	16,350
- RMO Salary - £8,281		
- RMO Social security - nil		
- RMO Pension – £497 £8,778		
- PO Salary - £11,417		
- PO Social Security - £325		
- PO Pension – £685 £12,427		
Expenses including travel, phone calls etc	<u>1,778</u>	<u>1,010</u>
	22,983	17,360
Reimbursed from District Advance Fund	<u>(22,983)</u>	<u>(17,360)</u>
	—	—
8. Synod Expenses		
District Directory & miscellaneous printing and stationery	377	760
Miscellaneous costs	-	-
Miscellaneous travel and Ministerial Synod expenses	<u>451</u>	<u>470</u>
	<u>828</u>	<u>1,230</u>
9. District Manse Expenses		
Council tax	3,235	3,105
Water rates	473	635
Insurance	1,567	1,373
Telephone	782	682
Miscellaneous expenses, boiler, security, etc	<u>706</u>	<u>1,718</u>
	<u>6,763</u>	<u>7,513</u>
10. Provision for Manse Repairs		
Balance as at 31 st August 2022	10,620	7,620
Amount transferred in the year	<u>3,000</u>	<u>3,000</u>
Balance as at 31 st August 2023	13,620	10,620
Major expenditure during the year	<u>1,150</u>	-
	<u>12,470</u>	<u>10,620</u>
11. Training expenditure		
Total paid out for Training Grants	1,470	182
Residential Conferences, Training courses etc	<u>21,309</u>	<u>16,167</u>
	22,779	16,349
Less:		
Contribution from attendees	<u>0</u>	<u>1,496</u>
	22,779	14,853
Reimbursed from District Advance Fund	<u>(22,779)</u>	<u>(14,853)</u>
Cost to District Expenses	—	—
12. Ecumenical payments		
Churches Together in Surrey	744	534
Kent Workplace Mission	10,000	-
Kent Leaders breakfast	<u>68</u>	<u>-</u>
	<u>10,812</u>	<u>534</u>

Notes to the Financial Statements for the year ended 31st August 2023

	2023	2022
	£	£
13. Other expenditure		
Youth Conference – 3Generate	1,778	1,944
Copyright	249	237
Website	0	299
Employment advice	2,719	1,345
Independent Exam. fee	2,100	1,200
Apprenticeship Levy	466	434
Administration and bank charges	89	93
MCF Assessment shortfall	218	-
Gibraltar Methodist Circuit exp.	<u>3,214</u>	<u>-</u>
	10,833	5,552

14. Reimbursements

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

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

	2023	2022
F/T Administration of the charity	1	1
F/T District Safeguarding Officer	1	1
Half-time District Resourcing Mission/Property Officers	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	
2023	2022	2023	2022
14	14	£12,093	£7,657

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 most of Surrey and Sussex and includes small areas of Berkshire and Hampshire and 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

	2023	2022
At 31 st August 2023 the District had the following Capital Commitments:	Nil	Nil



Notes to the Financial Statements for the year ended 31st August 2023

19. Synod collection

There was no collection this year for the Methodist Ministers' Children's Relief Association.

20. Expenses related to Malta & Gibraltar

Each year District expenses incurred relating to members of the churches in Malta & Gibraltar are paid for by Methodist Church Fund so are not included in our SOFA. The amount for year 2023 is £1,044 (2022 £5,020).

21. Funds

	Unrestricted	Restricted	TOTAL
Brought forward	589,717	167,834	757,551
Income	214,203	398,142	612,345
Expenditure	(217,245)	(468,439)	(685,684)
Other gains/losses	-	-	-
Carried forward	586,675	97,537	684,212

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.

22. Funds (prior year)

	Unrestricted	Restricted	TOTAL
Brought forward	567,010	(13,672)	553,338
Income	205,132	340,024	545,156
Expenditure	(182,425)	(158,518)	(340,943)
Other gains/losses	-	-	-
Carried forward	589,717	167,834	757,551

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

	2023	2022
	£	£
Net expenditure for the reporting period	(73,339)	204,213
Interest received	(28,865)	(3,790)
(Increase)/decrease in debtors	(15,801)	-
Increase/(decrease) in creditors	<u>165,131</u>	<u>(52,805)</u>
	<u>47,126</u>	<u>147,618</u>