

**TRUSTEES' ANNUAL REPORT**

**and**

**FINANCIAL STATEMENTS**

**for the year ended**

**31 AUGUST 2023**

**The Methodist Church**  
Yorkshire West District





## Contents

1	Objectives and activities
2	Achievements and performance
2.1	2022-23
2.2	Plans for future years
3	Financial review
3.1	Investment Policy and Performance
3.2	Reserves level and policy
3.3	Risk management
3.4	Collaborative arrangements with connected charities
4	Trustees' responsibilities
5	Structure, governance and management
5.1	Structure
5.2	Purpose of the District
5.3	Governance
5.4	Responsibilities of the District Policy Committee
5.5	District Properties
6	Reference and Administrative Details
7	Statements of Financial Activities (SOFA)
7.1	2023
7.2	2022
8	Balance Sheets
8.1	2023
8.2	2022
9	Cash Flow Statement
10	Accounting framework and accounting policies
11	Notes to the Accounts
12	Investment management
13	Summary of movements on individual funds
14	Connected organisations and related parties
15	Volunteer contributions
16	Capital commitments and contingent liabilities
17	Lease commitments
18	Accountancy support and audit
19	Related party transactions
20	Post balance sheet events
21	Declaration and Auditor's report





## **Trustees' Annual Report 2022/2023**

### **1. Objectives and activities**

The Yorkshire West Methodist District is part of the Methodist Church in Great Britain and exists to inspire, equip, and resource the circuits and churches of the District to support them in living out the calling of the Methodist Church to respond to the Gospel of God's love in Christ.

Through this working in partnership we seek, with God's help, to be a growing, evangelistic, justice seeking, inclusive and safe church living out its discipleship and mission.

This purpose is derived from a number of documents published by the Methodist Church:

1. The Methodist Church Standing Orders (SO400A) which speaks about the primary purpose of the District.

2. 'Our Calling'

3. 'The God for All Evangelism and Growth Strategy'

We understand a growing, evangelistic, justice seeking, inclusive and safe church living out its discipleship and mission to mean:

Growing: where relationships with God and others are nurtured and deepen and where more people increasingly join a shared life of following Jesus.

Evangelistic: where the Good News of Jesus is shared in words and actions and people are invited, encouraged and equipped to commit to following Jesus in day to day life.

Justice seeking: where attitudes and structures that marginalise others are challenged, and Christians join with others in prayer and action for peace, mercy, justice, equality and the flourishing of all creation.

Inclusive and safe: where all are welcome, diversity is celebrated not condemned, participation is enabled not held back, and our welcome protects the safety and wellbeing of all.

## **2 Achievements and performance**

In 2022 the District adopted a new strategy for the next 5 years of its work, focussed on equipping, resourcing, and inspiring the circuits and churches of the District in their mission, worship, and service. There was a restructuring of several teams in the District which are now shaped to oversee these streams of work and the priorities that come from them.

In the first year of the new strategy, we have been able to make progress in a number of areas under these various priorities.

### Inspiring Mission and Ministry:

We have developed our means of communication within the District, becoming better at sharing information, developing communication methods, targeting information, sharing good news, and using gatherings such as the Synod to inspire churches and circuits in their work.

### Equipping Mission and Ministry:

We have continued to seek ways to resource churches and circuits using a 'Methodist Way of Life'. We have developed new ways of enabling circuits to consider which churches may be becoming vulnerable and, if they are to close, what things might need to be addressed to safeguard discipleship and mission.

We have this year declared a Climate Emergency and developed a policy to consider how we as a District reduce our climate impact.

This year we have continued to develop our understanding of digital mission and church, and resources are being developed to enable greater digital engagement in circuits.

We made the decision this year to end the One Opportunity Programme, instead targeting resources into working differently with circuits and addressing how we enable youth participation and discipleship more broadly.

One significant change in the District's work was in the suspension of the work of Touchstone. While the counselling service it runs continued, all other work was suspended following multiple resignations. The District is addressing what this means and is developing a plan to use Touchstone as a means of engaging in Bradford 2025.

The District also continues to resource the work of Leeds Sanctuary, formerly the Leeds Methodist Mission. The Team at Sanctuary has grown and is continuing to develop work in areas of wellbeing, city centre mission and engagement, and

craftivism. The decision was also made to bring the Methodist Chaplain to the Universities of Leeds into relationship with Leeds Sanctuary from September 2023.

#### Resourcing Mission and Ministry:

The District has continued to develop the quality of its lay employment advice and resources; developing policies, providing expert guidance, and assisting in recruitment. It continues to look for areas of improvement.

Recognising the challenges in the District that exist around property management, development, and sales, the District consulted on recruiting for a new post of Missional Property Enabler. This post was supported by circuits in the District and the process resulted in the recruitment of a new District Officer.

Following a period of exploration around the future use of Oxford Place, it was determined that sale was the best option for the good of the District and the work of Leeds Sanctuary. Several options had been explored and proved unfruitful before the decision was made. Following a valuation and marketing, a variety of offers were received, and the Trustees accepted the offer which evidenced best value for the charity. Because of complications, the sale was not completed by the end of the year, however, it has been completed in the Connexional year 2023/4.

### **3 Financial review**

During the year the District received total income of £737,570 and spent £977,219. Properties we also revalued resulting in a drop in value of £420,000. The overall net loss for the year was £659,649 and total reserves carried forward of £4,652,652. There were no significant events during the year.

The trustees of the District have every reason to believe that the District is a going concern, principally because circuits continue to meet their assessments and the District has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two.

The District holds a number of freehold properties being:

- the Chair's manse in Idle.
- the Touchstone Team Leader's Manse in Bradford which has been sold in 2023/2024.
- The manse in Leeds used by the Mission enabler/ Leeds Sanctuary Presbyter
- the Touchstone property which is used as the District administrative base.
- Conistone Hostel.



- The manse used by the Leeds Universities' Chaplain.
- Oxford Place, the old central mission church in Leeds . This property has been sold on 15 January 2024 .

The District has the following principal sources of funds:

- Investment income and gains.
- Levies on the Circuit Model Trust Funds of circuits within the District.
- Assessments on circuits within the District.
- Grants and restricted resources from the Connexion.

These sums are used to administer the District and to provide grants to circuits, churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District by bringing more people to Christ or by providing facilities that might enable this to happen.

### **3.1 Investment Policy and Performance**

Restricted funds and monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Districts and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the District. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere. These organisations take into consideration the social, environmental and ethical issues, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract favourable rates of interest.

There are no other benchmarks for the expected returns on investments at TMCP and CFB. The objective for the District is a rate of return at least as good as market rate.

### **3.2 Reserves level and policy**

The Managing Trustees are responsible for ensuring, as far as is in their power, the continuing financial health of the District. This requires the keeping of sufficient funds to meet day to day expenses and to respond to unforeseen circumstances, risks and challenges which may arise.

**Reserves Policy for Unrestricted General Fund (excluding properties).**

The Managing Trustees' policy is to maintain the level of reserves at no more than six months of total resources expended. Where reserves vary from this level, the figure will be reported to the District Policy Committee for action to be taken, if considered necessary, to remedy the position.

*Note: The General Fund (excluding properties) amounted to £232,986 at 31 August 2023 equivalent to just over five and a half months of resources expended.*

**Policy for Unrestricted District Advance Fund.**

This fund is intended to support new initiatives in mission and ministry, outreach and evangelism. The District Policy Committee will determine annually the percentage split of the available funding between personnel and property. The District Grants Committee, on behalf of the District Policy Committee, administers the fund in accordance with the stated priorities and procedures.

**Policy for Unrestricted Designated Funds.**

The Managing Trustees' policy is to maintain Designated Funds, in accordance with their stated objectives.

**Policy for Restricted Funds.**

The Managing Trustees' policy is to maintain all Restricted Funds in accordance with their stated objectives as shown below.

- Bradford City Centre Fund: The capital of this fund is in the nature of an Advance Fund (see District Advance Fund above).
- Benevolence Fund and EDEV Fund: Each of these funds has been set up for a specific restricted purpose.
- Allen Illingworth Funds – Youth and Overseas Missions: These two funds were set up on receipt of monies from the estate of Allen Illingworth. Each one has a specific restricted purpose.
- Leeds Methodist International House Fund: This fund arose from the sale of the Methodist International House in Leeds in 1976 and must be used for work among students in the District. It has been agreed this should fund the Yorkshire West District's share of the cost of the University Chaplain.
- Conistone: Funds to be expended in the running and maintenance of Conistone Hostel. Tariffs are set at an appropriate level in order to maintain an adequate balance.



- Touchstone restricted funds relate to the Counselling services which are continuing .
- Leeds Extension Society: exists to provide small loans and grants to churches and Circuits within the former Leeds District .
- Leeds Methodist Choir: rehearses and performs an annual concert.

### **3.3 Risk management**

The Managing Trustees have examined the major strategic and operational risks facing the District and have established the necessary systems to manage or mitigate these risks. In particular:

- Suitable insurance cover is in place.
- The District's finances are kept under review.
- The District has adopted the Methodist Church Safeguarding Policy and ensured it is rolled out to the circuits and churches. It has a District Safeguarding Officer (DSO) and an Assistant DSO. Appropriate Disclosure and Barring Service (DBS) checks are made and there are regular audits of Safeguarding practices across the District, circuits and churches.
- The District Safeguarding Advisory Group continues to monitor risks and will seek professional advice where necessary.
- One trustee was the subject of a Safeguarding concern, in January 2023. This concern arose outside of the work of the charity and did not relate to the activities of the charity. However, they were immediately suspended as a Trustee and then subsequently removed from the Trustee body.

### **3.4 Collaborative arrangements with connected charities**

The District's main source of funding was the assessment obtained from each circuit within the District based on the membership and staffing levels of the circuit and this was used to defray the cost of administering the District.

The District also obtained from each Circuit with a reserve in its Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional year (01 September). This was credited to the District Advance Fund.

The District holds no funds as custodian trustee. It does, however, quarterly receive from circuits within the District the circuits' contributions to the Methodist Church Fund (MCF). These sums are collected as agent for the MCF and are passed to the MCF later in the same quarter. Funds receivable by the District as agent are not recognised in the financial statements because the funds are not within its control. No fee is

earned in respect of this agency arrangement and the District incurs no cost through this arrangement.

### **3.5 Fundraising**

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". The charity does not actively raise funds from the public either directly or via use of an agent, accordingly no such amounts are presented in the financial statements for the year under review. The charity has received no complaints in relation to fundraising activity for the year under review.

## **4 Trustees' responsibilities**

For each financial year ending on 31 August, the Managing Trustees are required to prepare financial statements that give a true and fair view of the District's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and apply them consistently using the accruals method.
- make judgements and estimates that are reasonable and prudent.
- follow applicable accounting standards.
- prepare accounts to comply with the Charities SORP.

The Managing Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the District and enables them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the District and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees at the time when this Trustees' Report is approved, have confirmed that:

- so far as that Trustees are aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that the Trustees have taken all the steps that ought to have been taken as Trustees, in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Trustees have complied with the duty in Section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.



## **5 Structure, governance and management**

The District is an unincorporated charitable association governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commission on 4 December 2009.

### **5.1 Structure**

Circuits are the co-ordinating charities for local groups of churches. Circuits pay the stipends of the ministers and employ lay staff to serve the churches in the circuit. Most decisions for this purpose are made at, or ratified by, the Circuit Meeting.

A District is the co-ordinating charity for a group of contiguous circuits and makes its decisions at the half yearly synods.

The Methodist Conference meets once each year as the supreme denominational body for all the Methodist Churches.

- a) Overall regulatory authority rests with the Methodist Conference.
- b) The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual circuits within the District.
- c) Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- d) The District passes regulatory control down to circuit level for local implementation by the superintendent minister, ministerial staff and circuit stewards, and regulatory authority is delegated to the circuit meeting for certain matters.
- e) The circuit meeting passes regulatory control down to church councils for local implementation by the presbyter, the church stewards, and other officers, and this regulatory authority is then exercised by church councils as managing trustees of their charity.

### **5.2 Purpose of the District**

The mission of the Methodist Church is the advancement of the Christian faith in accordance with its doctrinal standards and discipline. The District is an umbrella organisation constituted to advance the mission of the Church in Yorkshire West by providing support for circuits, offering resources, finance, personnel and expertise. The District is also responsible for the deployment and oversight of the various ministries of the church locally. All this is carried out as a response to "Our Calling"

adopted by the Methodist Conference of 2000 in Huddersfield and "Priorities of the Methodist Church" adopted by the Methodist Conference of 2004 in Loughborough. The Synod and District Policy Committee are the operating bodies representing circuits and they provide the link with the Connexion. The District Synod appoints the Managing Trustees who are normally the members of the District Policy Committee.

### **5.3 Governance**

The District operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Team, at Methodist Church House, 25 Tavistock Place, London, WC1H 9SF to provide guidance on changes that could affect the District.

The members of the District Policy Committee (DPC) are annually appointed by a vote of the Synod for a continuous term not normally exceeding six years. Membership comprises: Chair of District (ex officio), Synod Secretary (ex officio), named District Officers and one nominated representative from each Circuit, alternating lay and ministerial (presbyteral/deacon) terms wherever possible.

The District Policy Committee normally meets four times per year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, lay employment, the District office, stationing, safeguarding, authorisations to preside at communion and extensions to local preacher training.

### **5.4 Responsibilities of the District Policy Committee**

- a) To formulate and promote policies which will advance the mission of the Church in the circuits and local churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist local churches and circuits having exceptional problems.
- b) To encourage inter-circuit and ecumenical co-operation.
- c) To act in an executive capacity in matters remitted to the Committee by the Synod.
- d) To keep within its purview all District concerns not dealt with elsewhere.
- e) To contribute and respond to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind.
- f) To be aware that the stipend of the Chair of the District is set by the Methodist Conference as for all ministers within the Connexion.

- g) To constantly be aware of the public benefit guidance issued by the Charity Commission.

## **5.5 District Properties**

The Managing Trustees receive reports annually on:

- the state of the District properties .
- any remedial work and improvements carried out during the past year.
- any proposed further work to be undertaken, as advised.

## **5.6 Auditors**

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Naylor Wintersgill Limited, on 1 May 2023. A resolution proposing that Azets Audit Services Limited be reappointed will be put at a General Meeting.

# **6 Reference and Administrative Details**

## **6.1 Name of the charity**

The Yorkshire West District of the Methodist Church

## **6.2 Charity registration number**

1133134 registered in England and Wales

## **6.3 Principal Office**

Touchstone Centre  
4 Easby Road  
Bradford  
BD7 1QX  
01274 442670  
[www.yorkshirewestmethodist.org.uk](http://www.yorkshirewestmethodist.org.uk)

## **6.4 Chair of the District**

Revd Kerry Tankard

## **6.5 Secretary of the Synod**

Caroline Stead



## **6.6 Assistant Secretary of the Synod**

Wendy Bentley

## **6.7 District Treasurer**

Alan Wittrick

## **6.8 Names of Charity Trustees**

The following served as charity trustees throughout part or all of the year 2022-23 or were trustees at the time of this report being approved:

Chair of District	Revd Kerry Tankard
Synod Secretary	Caroline Stead Revd Melvyn Kelly
DPC Secretary	Wendy Bentley retired 31 August 2024 Lesley Whitaker from 1 September 2024
District Treasurer	Alan Wittrick
Lay Stationing Representative	Claire Corp
District Youth Work Coordinator	Laura Tunnaccliffe
Methodist Council Representative	Revd Becki Stennett until 31 August 2024 No Council rep from September 2024
Grants Officer	Peter Finneran
Rural Lead	Revd Andrew Webb until 31 August 2024 Revd Kathie Heathcoat from 1 September 2024
Missional Communities Enabler	Revd David Goodall
Representing Leeds S&W	Sharon Brocksom Retired 31 August 2023 Revd Jo Lightowler 1 September 2023
Leeds N & E	Anne Vautrey Retired 31 August 2023

	Revd George Bailey 1 September 2023
Denby Dale & Clayton West	Sue Cutting Retired 31 August 2022
	Dr Ian Morris 1 September 2023
Wharfedale & Aireborough	Michael Noble
Aire & Calder	Matt Burland, resigned 9 May 2023
	Heather Turner 1 September 2023
Skipton & Grassington	Revd Dr Tracey Darling until 31 August 2024
	Revd Susan McIvor from 1 September 2024
Settle	Revd Tim Broughton
Airedale	Peter Howarth until 31 August 2024
	Graham Lliff from 1 September 2024
Bradford North	Revd Nick Blundell
Bradford South	Trevor Kershaw Retired 31 August 2023
	Revd Graeme Dutton 1 September 2023
Calderdale	Revd Kathie Heathcoat Retired 31 August 2023
	Patricia Astwood 1 September 2023
Huddersfield	Barbara Hutchinson
N Kirklees & Morley	Revd Dr David Barker
Touchstone	Revd Caroline Ryder Resigned 1 March 2023

No charity trustee claims exemption of his or her name.

## 6.9 Bankers

Charities Aid Foundation 25 Kings Hill Avenue West Malling Kent	Central Finance Board of the Methodist Church 9 Bonhill Street London EC2A 4PE
---	--

## **6.10 Investment managers and custodian trustees**

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

## **6.11 Accountancy Support**

Sleigh & Story Ltd  
Thornhill Brigg Mills  
Thornhill Beck Lane  
Brighouse  
HD6 4AH

## **6.12 Auditors**

Azets Audit Services Limited  
Carlton House  
Grammar School Street  
Bradford  
BD1 4NS

## **Approvals**

The Trustees' Report and the Financial Statements were approved by the Managing Trustees on 23 September 2024

Signed on behalf of the DPC, as authorised:



Revd Kerry Tankard  
District Chair

Date: 23/9/24



Alan Wittrick  
District Treasurer

Date: 23/9/24



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

	Notes to the accounts	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Total 2022-23 £	Total 2021-22 £
<b>Income and Endowments from:</b>							
Donations and legacies	11.1	38,683			20,425	59,108	1,956,052
<b>Income from Charitable Activities:</b>							
Assessments on circuits	11.2	154,405				154,405	149,588
From Circuit Model Trust Funds			219,600			219,600	159,163
Contribution to the cost of the Chair	11.3				38,582	38,582	42,741
Connexional Advance & Property Fund			154,385			154,385	204,442
		154,405	373,985	-	38,582	566,972	555,934
Income from Investments		11,308	27,377		(62)	38,623	6,408
Other	11.4	58,677	14,190			72,867	43,501
Sale of Properties						-	-
<b>Total</b>		<b>263,073</b>	<b>415,552</b>	<b>-</b>	<b>58,945</b>	<b>737,570</b>	<b>2,561,895</b>
<b>Expenditure on Activities:</b>							
Grants and donations	11.5	12,962	343,497		4,713	361,172	309,990
Salaries and associated costs	11.6	249,034			70,043	319,077	330,443
Property:	11.8						
- Manses		26,134			5,430	31,564	13,206
- Other property		28,955			12,969	41,924	13,365
- Insurance, utilities		57,623				57,623	54,717
Purchase of Properties						-	-
Office expenses	11.9	31,560			7,013	38,573	12,443
Synods, committees, Conference	11.10	2,575				2,575	892
Other outgoings:							
- Projects	11.11	19,932			3,938	23,870	55,385
- Sundry	11.12	55,058	2,065		43,718	100,841	120,917
<b>Total charitable expenditure</b>		<b>483,833</b>	<b>345,562</b>	<b>-</b>	<b>147,824</b>	<b>977,219</b>	<b>911,358</b>
<b>Net income/(expenditure) before transfers</b>		<b>(220,760)</b>	<b>69,990</b>	<b>-</b>	<b>(88,879)</b>	<b>(239,649)</b>	<b>1,650,537</b>
Transfers between funds	11.13	(103,757)	20,589	-	83,168	-	-
Adjustment transfers between funds	13	216,412	-	(152,845)	(63,567)	-	-
<b>Net income/(expenditure)</b>		<b>(108,105)</b>	<b>90,579</b>	<b>(152,845)</b>	<b>(69,278)</b>	<b>(239,649)</b>	<b>1,650,537</b>
Revaluation gains/(losses)	11.14	(420,000)	-	-	-	(420,000)	-
Other recognised gains/(losses)		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>(528,105)</b>	<b>90,579</b>	<b>(152,845)</b>	<b>(69,278)</b>	<b>(659,649)</b>	<b>1,650,537</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		4,699,091	67,045	152,845	393,320	5,312,301	3,661,764
<b>Total funds carried forward</b>		<b>4,170,986</b>	<b>157,624</b>	<b>-</b>	<b>324,042</b>	<b>4,652,652</b>	<b>5,312,301</b>





## 7.2 Statement of Financial Activities (SOFA) for the year ended 31 August 2022

	Notes to the accounts	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Total 2021-22 £	Total 2020-21 £
<b>Income and Endowments from:</b>							
Donations and legacies	11.1	1,935,722			20,330	1,956,052	130,389
<b>Income from Charitable Activities:</b>							
Assessments on circuits	11.2	149,588				149,588	167,395
From Circuit Model Trust Funds			159,163			159,163	102,607
Contribution to the cost of the Chair	11.3				42,741	42,741	42,151
Connexional Advance & Property Fund			204,442			204,442	204,234
		149,588	363,605	-	42,741	555,934	516,387
Income from Investments		1,172	3,744	495	997	6,408	4,698
Other	11.4	27,797	15,464	240	-	43,501	22,001
<b>Total</b>		<b>2,114,279</b>	<b>382,813</b>	<b>735</b>	<b>64,068</b>	<b>2,561,895</b>	<b>673,475</b>
<b>Expenditure on Activities:</b>							
Grants and donations	11.5	8,923	263,026	35,885	2,156	309,990	5,512
Salaries and associated costs	11.6	45,760		165,734	118,949	330,443	282,092
Property:	11.8					-	
- Manses				13,206		13,206	55,383
- Other property				13,365		13,365	19,772
- Insurance, utilities		571		54,146		54,717	14,644
Office expenses	11.9	12,443				12,443	25,171
Synods, committees, Conference	11.10	892				892	1,323
Other outgoings:							
- Training						-	233
- Projects	11.11			55,385		55,385	25,911
- Sundry	11.12	30,938	2,142	34,785	53,052	120,917	89,634
<b>Total charitable expenditure</b>		<b>99,527</b>	<b>265,168</b>	<b>372,506</b>	<b>174,157</b>	<b>911,358</b>	<b>519,675</b>
<b>Net income/(expenditure) before transfers</b>		<b>2,014,752</b>	<b>117,645</b>	<b>(371,771)</b>	<b>(110,089)</b>	<b>1,650,537</b>	<b>153,800</b>
<b>Transfers between funds</b>	11.13	(134,947)	(266,500)	335,604	65,843	-	-
<b>Net income/(expenditure)</b>		<b>1,879,805</b>	<b>(148,855)</b>	<b>(36,167)</b>	<b>(44,246)</b>	<b>1,650,537</b>	<b>153,800</b>
<b>Other recognised gains/(losses)</b>		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>1,879,805</b>	<b>(148,855)</b>	<b>(36,167)</b>	<b>(44,246)</b>	<b>1,650,537</b>	<b>153,800</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		2,819,286	215,900	189,012	437,566	3,661,764	3,507,964
<b>Total funds carried forward</b>		<b>4,699,091</b>	<b>67,045</b>	<b>152,845</b>	<b>393,320</b>	<b>5,312,301</b>	<b>3,661,764</b>



## 8.1 Balance Sheet

## Yorkshire West District of the Methodist Church

AS AT 31 AUGUST 2023

Notes	General Funds (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Other Funds (Restricted) £	Total 2023 £	Total 2022 £
-------	--------------------------------------	---	--	----------------------------------	--------------------	--------------------

### Tangible Fixed Assets

Manse and other property	11.14	4,011,000	-	-	-	4,011,000	4,431,000
<b>Total fixed assets</b>		<b>4,011,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,011,000</b>	<b>4,431,000</b>

### Current Assets

Debtors and Prepayments	11.15				4,607	4,607	19,201
Central Finance Board and Trustees for Methodist Church Purposes Deposits etc	11.16	222,832	928,163		309,025	1,460,020	1,563,452
Cash at Bank and in hand	11.17	49,129	49,780		10,410	109,319	66,886
<b>Total current assets</b>		<b>271,961</b>	<b>977,943</b>	<b>-</b>	<b>324,042</b>	<b>1,573,946</b>	<b>1,649,539</b>

### Current liabilities

Creditors and Accruals (due in under 1 year)	11.18	13,020	456,248			469,268	371,464
Loans to the District	11.19	98,955				98,955	98,955

<b>Net current (liabilities)/assets</b>		<b>159,986</b>	<b>521,695</b>	<b>-</b>	<b>324,042</b>	<b>1,005,723</b>	<b>1,179,120</b>
---	--	----------------	----------------	----------	----------------	------------------	------------------

<b>Total assets less current liabilities</b>		<b>4,170,986</b>	<b>521,695</b>	<b>-</b>	<b>324,042</b>	<b>5,016,723</b>	<b>5,610,120</b>
--	--	------------------	----------------	----------	----------------	------------------	------------------

### Long term liabilities

Grants payable	11.20		364,071			364,071	297,819
Other liabilities due after 1 year						-	-

<b>Net assets</b>		<b>4,170,986</b>	<b>157,624</b>	<b>-</b>	<b>324,042</b>	<b>4,652,652</b>	<b>5,312,301</b>
-------------------	--	------------------	----------------	----------	----------------	------------------	------------------

### Funds of the District

General Fund (Unrestricted)	11.21	4,170,986				4,170,986	4,699,091
District Advance Fund (Unrestricted)	11.21		157,624			157,624	67,045
Designated Funds (Unrestricted)				-		-	152,845
<b>Total unrestricted funds</b>		<b>4,170,986</b>	<b>157,624</b>	<b>-</b>		<b>4,328,610</b>	<b>4,918,981</b>
Restricted Funds	11.22				324,042	324,042	393,320
<b>Total Funds</b>		<b>4,170,986</b>	<b>157,624</b>	<b>-</b>	<b>324,042</b>	<b>4,652,652</b>	<b>5,312,301</b>

Signed

Alan Wittrick  
Trustee and District Treasurer

Date 23/9/2024





## 8.2 Balance Sheet

## Yorkshire West District of the Methodist Church

AS AT 31 AUGUST 2022

Notes	General Funds (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Other Funds (Restricted) £	Total 2022 £	Total 2021 £
-------	--------------------------------------	---	--	----------------------------------	--------------------	--------------------

### Tangible Fixed Assets

Manse and other property	11.14	4,431,000	-	-	-	4,431,000	2,531,000
<b>Total fixed assets</b>		<b>4,431,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,431,000</b>	<b>2,531,000</b>

### Current Assets

Debtors and Prepayments	11.15				19,201	19,201	24,070
Central Finance Board and Trustees for Methodist Church Purposes Deposits etc	11.16	247,764	724,893	239,471	351,324	1,563,452	1,652,272
Cash at Bank and in hand	11.17	29,227		12,329	25,331	66,886	99,889
<b>Total current assets</b>		<b>276,991</b>	<b>724,893</b>	<b>251,800</b>	<b>395,855</b>	<b>1,649,539</b>	<b>1,776,231</b>

### Current liabilities

Creditors and Accruals (due in under 1 year)	11.18	8,900	360,029		2,535	371,464	313,618
--	-------	-------	---------	--	-------	---------	---------

<b>Net current (liabilities)/assets</b>		<b>268,091</b>	<b>364,864</b>	<b>251,800</b>	<b>393,320</b>	<b>1,278,075</b>	<b>1,462,613</b>
---	--	----------------	----------------	----------------	----------------	------------------	------------------

<b>Total assets less current liabilities</b>		<b>4,699,091</b>	<b>364,864</b>	<b>251,800</b>	<b>393,320</b>	<b>5,709,075</b>	<b>3,993,613</b>
--	--	------------------	----------------	----------------	----------------	------------------	------------------

### Long term liabilities

Loans to the District	11.19			98,955		98,955	99,162
Grants payable	11.20		297,819			297,819	232,687
Other liabilities due after 1 year						-	-

<b>Net assets</b>		<b>4,699,091</b>	<b>67,045</b>	<b>152,845</b>	<b>393,320</b>	<b>5,312,301</b>	<b>3,661,764</b>
-------------------	--	------------------	---------------	----------------	----------------	------------------	------------------

### Funds of the District

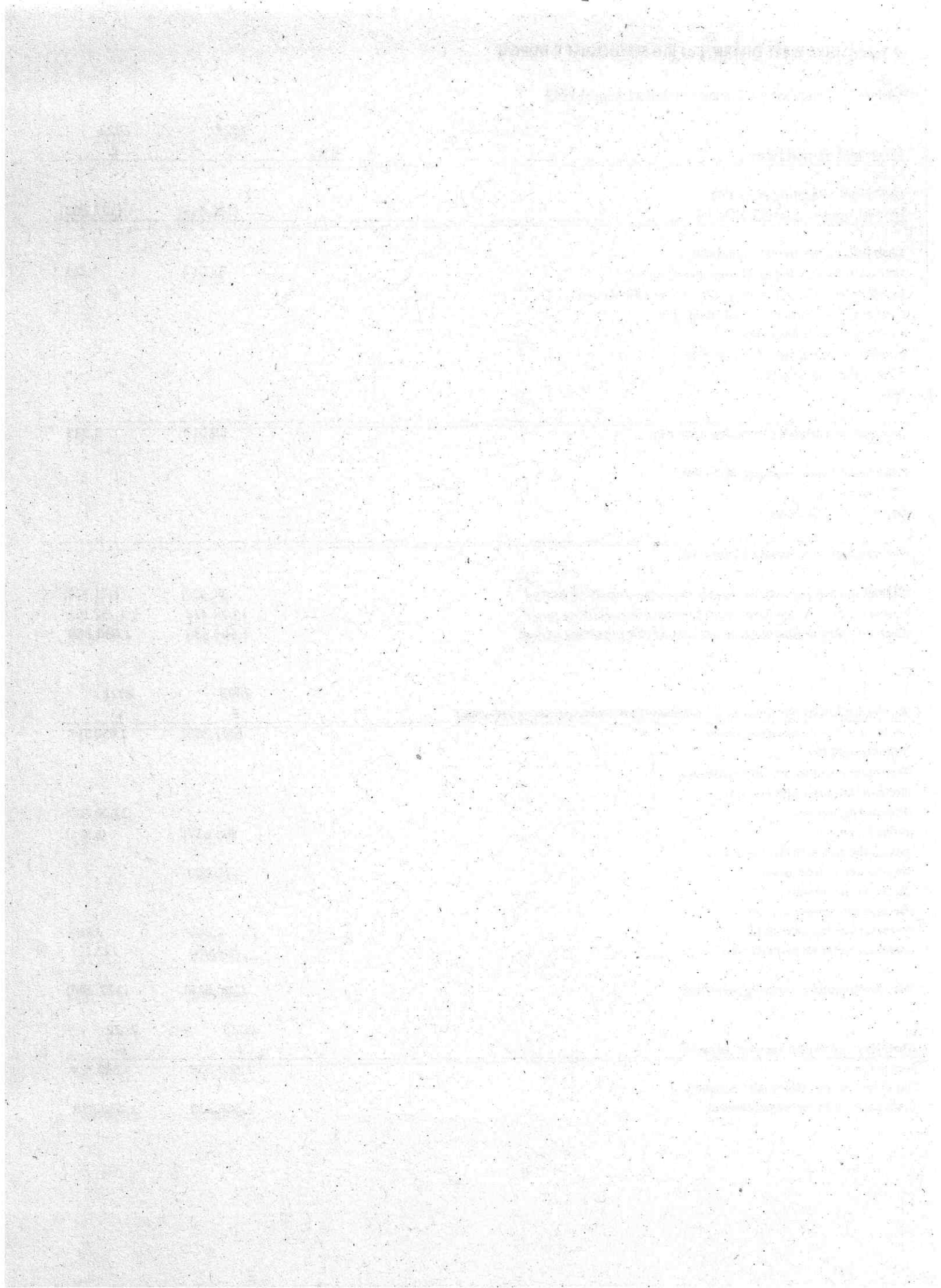
General Fund (Unrestricted)	11.21	4,699,091				4,699,091	2,819,286
District Advance Fund (Unrestricted)	11.21		67,045			67,045	215,900
Designated Funds (Unrestricted)	11.21			152,845		152,845	189,012
<b>Total unrestricted funds</b>		<b>4,699,091</b>	<b>67,045</b>	<b>152,845</b>		<b>4,918,981</b>	<b>3,224,198</b>
Restricted Funds	11.22				393,320	393,320	437,566
<b>Total Funds</b>		<b>4,699,091</b>	<b>67,045</b>	<b>152,845</b>	<b>393,320</b>	<b>5,312,301</b>	<b>3,661,764</b>



## 9 YORKSHIRE WEST DISTRICT of the METHODIST CHURCH

### Cash flow statement for the year ended 31 August 2023

Statement of cash flows	Note	2023 £	2022 £
<b>Cash from operating activities</b>			
Net cash used in operating activities		(100,616)	(127,208)
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		39,617	5,385
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		-	-
Purchase of intangible assets		-	-
Proceeds from the sale of investments		-	-
Purchase of investments		-	-
Other		-	-
<b>Net cash provided by investing activities</b>		<b>39,617</b>	<b>5,385</b>
<b>Cash flows from financing activities</b>			
New borrowing		-	-
Repayments of borrowing		-	-
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(60,999)</b>	<b>(121,823)</b>
Cash and cash equivalents at the beginning of the reporting period		1,630,338	1,752,161
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,569,339</b>	<b>1,630,338</b>
<b>Reconciliation of net income to net cash flow from operating activities</b>		<b>2023 £</b>	<b>2022 £</b>
Net income for the reporting period		(647,358)	1,650,537
<b>Adjustments for:</b>			
Depreciation and amortisation charges		-	-
Profit on the sale of fixed assets		-	-
Non-cash donations		-	(1,900,000)
Interest received		(39,617)	(5,385)
Loss on the sale of fixed assets		-	-
Revaluation of fixed assets		420,000	-
Gains on investments		-	-
Decrease/(increase) in stocks		-	-
(increase)/decrease in debtors		2,303	4,869
increase/(decrease) in creditors		164,056	122,771
<b>Net cash used in operating activities</b>		<b>(100,616)</b>	<b>(127,208)</b>
<b>Analysis of cash and cash equivalent</b>		<b>2023 £</b>	<b>2022 £</b>
Cash in hand		1,569,339	1,630,338
Short term deposit (less than 3 months)		-	-
<b>Total cash and cash equivalents</b>		<b>1,569,339</b>	<b>1,630,338</b>





## 10 Accounting framework and accounting policies

**NB Notes to the Accounts can be found in section 11**

### **i Accounting framework**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

### **ii Public benefit entity**

The West Yorkshire District meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

### **iii Basis**

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year, on the accruals basis to show a true and fair view of the District's financial position and activities.

### **iv Content**

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.

### **v Going concern**

Based on the monetary assets and human resources available at 31 August 2023, the trustees believe that the District is a going concern.

### **vi Consolidation**

The District oversees the work of ministers and lay workers in Churches and Circuits within the District but does not have control over those Circuits or Churches, ministers or lay workers except in extreme circumstances; none of which were applicable. For this reason, the financial statements of the Churches and Circuits within the District are not included into these financial statements. The managing Trustees do, however, have oversight of three projects within the District – Touchstone, Conistone Hostel and Leeds Sanctuary – and those accounts have been included, as have the accounts for:

- Leeds Methodist Choir
- Leeds Extension Society

### **vii Income recognition**

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the District. No attempt is made to measure the value of services donated by volunteers. Details of how the contribution to the cost of the District Chair has been determined appears in Note 11.3. A similar figure appears in the Expenditure at Note 11.6.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The District acts as agent in two matters:

- the collection of quarterly assessments from circuits which are paid to the MCF
- the payment of expenses of delegates from the District to the Methodist Conference

In all these matters the transactions are not reflected in the SOFA because there is no obligation on the District to make up any shortfall in assessments from Circuits. Sums received as Circuit assessments cannot be recognised as income in the District as they are the income of the MCF.

In accordance with the Charities SORP, the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

**viii Expenditure**

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the District to pay out resources.

**ix Grants**

Grants are recognised in full when the award is made once the District accepts that there is a legal or constructive obligation to make the payment and that such payment is probable.

**x VAT**

Since the District is not VAT registered, all input VAT is charged with the expenses to which it refers.

**xi Tangible fixed assets**

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold property is shown in the accounts at estimated realisable value, of which the land component is deemed to be 50%. The properties have been reviewed for impairment.

**xii Investments**

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

**xiii Debtors and creditors: bank and cash**

Debtors are stated at the amounts owed to the District or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the District. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

**xiv Methodist Church Fund**

The District acts as agent for the Methodist Church Fund (MCF) by collecting its assessments on Circuits and does not, therefore, include the assessments in the SOFA. If a Circuit is late in paying its MCF assessment to the District but such sum is received before the quarterly transfer to the MCF, the amount paid late will be shown as a debtor in the District's accounts.

**xv Chair's manse costs**

The District is required to provide accommodation for the Chair of District and his/her family. The District bears the cost of repairs, maintenance, building insurance, council tax and water charges. These costs are not shown separately as benefits-in-kind as HMRC does not seek to tax these receipts.

**xvi Funds reclassification**

The Trustees have reassessed the purpose and restrictions of all the individual funds within the consolidation of these accounts. As a result, the list of restricted accounts has been revised. In addition no funds are now classified as designated funds that were previously classified in this way have been moved into general unrestricted. The movements from these reclassifications are shown in Note 13 to the accounts in the column marked 'adjustments/transfers'.

## 11 Notes to the Accounts

### 11.1 Donations and legacies

#### 2023

	General unrestricted	DAF	Designated	Restricted	Total
Training	135	-	-	-	135
Benevolence	-	-	-	425	425
Leeds Sanctuary	870	-	-	-	870
Touchstone	37,678	-	-	-	37,678
Our Calling	-	-	-	20,000	20,000
Rural Lead	-	-	-	-	-
Oxford Place	-	-	-	-	-
Total	38,683	-	-	20,425	59,108

#### 2022

	General unrestricted	DAF	Designated	Restricted	Total
Training	-	-	-	-	-
Benevolence	-	-	-	240	240
Leeds Sanctuary	460	-	-	-	460
Touchstone	27,262	-	-	90	27,352
Our Calling	-	-	-	20,000	20,000
Rural Lead	8,000	-	-	-	8,000
Oxford Place	1,900,000	-	-	-	1,900,000
Total	1,935,722	-	-	20,330	1,956,052

### 11.2 Assessments on circuits

All Circuits paid their assessments to the District: the amount paid includes a sum £154,405 (2021-22 £149,588) to defray the costs of running the District and a contribution £738,592 (2021-22 £769,080) to the Methodist Church Fund towards the cost of running the Connexion. The sum collected for and remitted to the MCF does not appear elsewhere in these financial statements.

An assessment on Circuits is annually determined by Districts by reference to the number of staff in the Circuits and the number of Church members. The annual meeting of Circuit Treasurers, together with the District Treasurer, agrees appropriate capping levels for both increases and decreases, in order to achieve the aggregate level of assessments required to meet the District and MCF budget.



### 11.3 Contribution to the cost of the Chair

The Chair of District chairs meetings of the District Policy Committee (DPC). The members of the DPC are the trustees of the District. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The Chair's other costs are met mostly by the District.

	2022-23	2021-22
Stipend of Chair of District	26,928	32,451
Employer's National Insurance contributions	3,576	3,343
Employer's pension contributions	8,078	6,947
Cash cost paid by the Connexion (see SOFA, line 7)	38,582	42,741
Notional estimate of cost of providing manse	16,000	16,000
Chair's expenses	7,244	1,813
<b>Total cost</b>	<b>61,826</b>	<b>60,554</b>

Since the stipend-related costs above (i.e. £38,582) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See Note 7). It should be noted that the chair is required to occupy the District manse. The manse is provided by District and the District maintains the property. The sum of £16,000 was determined by research of local letting agents on the internet and does not appear elsewhere in these accounts. The Chair of District is the sole paid key management person but is supported by members of the DPC.



## 11.4 Other

### 2023

	General unrestricted	DAF	Designated	Restricted	Total
General	145	-	-	-	145
Leeds Sanctuary	3,185	-	-	-	3,185
Touchstone	24,527	-	-	-	24,527
MWiB	-	-	-	-	-
Conistone	8,911	-	-	-	8,911
Leeds Choir	6,639	-	-	-	6,639
Leeds Ext Society	5,604	-	-	-	5,604
Youth	4,036	-	-	-	4,036
Connexional Grant	-	14,190	-	-	14,190
Leeds Sanctuary	131	-	-	-	131
ONE Programme	3,600	-	-	-	3,600
Training	1,899	-	-	-	1,899
Total	58,677	14,190	-	-	72,867

### 2022

	General unrestricted	DAF	Designated	Restricted	Total
General	-	-	-	-	-
Leeds Sanctuary	1,376	-	-	-	1,376
Touchstone	13,489	-	-	-	13,489
MWiB	958	-	-	-	958
Conistone	3,122	-	-	-	3,122
Leeds Choir	4,045	-	-	-	4,045
Leeds Ext Society	1,967	-	-	-	1,967
Youth	2,840	-	-	-	2,840
Connexional Grant	-	15,464	240	-	15,704
Leeds Sanctuary	-	-	-	-	-
ONE Programme	-	-	-	-	-
Training	-	-	-	-	-
Total	27,797	15,464	240	-	43,501

## 11.5 Grants and Donations

### 2023

	General unrestricted	DAF	Designated	Restricted	Total
General fund	350	-	-	-	350
Training	7,753	-	-	-	7,753
CDiM	2,026	-	-	-	2,026
Benevolence	-	-	-	1,544	1,544
Bradford	-	-	-	127	127
DAF	-	343,497	-	-	343,497
Connexional Pension Reserves	-	-	-	-	-
MWiB	-	-	-	3,027	3,027
Grievance	2,283	-	-	-	2,283
Illingworth OM	-	-	-	15	15
L&D Forum	550	-	-	-	550
<b>Total</b>	<b>12,962</b>	<b>343,497</b>	<b>-</b>	<b>4,713</b>	<b>361,172</b>

### 2022

	General unrestricted	DAF	Designated	Restricted	Total
General fund	-	-	-	-	-
Training	-	-	5,598	-	5,598
CDiM	-	-	2,379	-	2,379
Benevolence	-	-	-	862	862
Bradford	-	-	-	89	89
DAF	-	263,026	-	-	263,026
Connexional Pension Reserves	8,923	-	27,908	1,205	38,036
MWiB	-	-	-	-	-
Grievance	-	-	-	-	-
Illingworth OM	-	-	-	-	-
L&D Forum	-	-	-	-	-
<b>Total</b>	<b>8,923</b>	<b>263,026</b>	<b>35,885</b>	<b>2,156</b>	<b>309,990</b>

General Fund  
Training  
CDiM  
Benevolence

Bradford

DAF  
MWiB

Grant to Leeds University Chaplaincy.

Paid to individuals in line with their responsibilities.

Provided to ministers on application.

Paid to individuals at the sole discretion of the District Chair.

An agreed transfer to Touchstone from the Bradford Fund.

Property and mission grants are made to institutions.  
Paid to appropriate worthy causes.

No support costs were allocated grant making activities.

## 11.6 Salaries and associated costs

2023

	General unrestricted	DAF	Designated	Restricted	Total
Chair of District	-	-	-	38,582	38,582
Office	50,408	-	-	-	50,408
Youth coordinator	16,253	-	-	-	16,253
Safeguarding	43,959	-	-	-	43,959
Leeds Sanctuary	95,335	-	-	-	95,335
Missional Community	-	-	-	16,910	16,910
ONE programme	9,260	-	-	-	9,260
University Chaplaincy	33,819	-	-	-	33,819
Touchstone	-	-	-	14,551	14,551
Synod secretary	-	-	-	-	-
<b>Total</b>	<b>249,034</b>	<b>-</b>	<b>-</b>	<b>70,043</b>	<b>319,077</b>

### Salaries

Gross salaries	186,316
Employers NI	12,838
Employers pension	7,965

### Stipends

Gross salaries	53,856
Employers NI	5,033
Employers pension	14,487

### Chair of District

	38,582
<b>Total</b>	<b>319,077</b>

2022

	General unrestricted	DAF	Designated	Restricted	Total
Chair of District	-	-	-	42,741	42,741
Office	44,571	-	-	-	44,571
Youth coordinator	-	-	6,892	-	6,892
Safeguarding	-	-	23,753	-	23,753
Leeds Sanctuary	-	-	72,762	-	72,762
Missional Community	-	-	17,756	-	17,756
ONE programme	-	-	9,059	-	9,059
University Chaplaincy	-	-	35,512	-	35,512
Touchstone	-	-	-	76,208	76,208
Synod secretary	1,189	-	-	-	1,189
<b>Total</b>	<b>45,760</b>	<b>-</b>	<b>165,734</b>	<b>118,949</b>	<b>330,443</b>

#### Salaries

Gross salaries	172,068
Employers NI	10,830
Employers pension	7,583

#### Stipends

Gross salaries	71,427
Employers NI	6,672
Employers pension	19,122

#### Chair of District

	42,741
<b>Total</b>	<b>330,443</b>

No employees received employee benefits that totalled more than £60,000 for both the current and prior year. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

- In addition to the Chair of District, who undertakes the primary executive role within the District, five other members of the District Policy Committee were in receipt of payment for work undertaken on behalf of the District.
- Two of the trustees are employees of the District (total salaries £50,039 plus £0 expenses).

Average number of employees in 2022-23 was 18 (2021-22: 18).

### 11.7 Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand lay employees are contractually employees and have the option of joining the Pension and Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC), The Pensions Trust or some other arrangement. PASLEMC is a defined benefit scheme and the employing Churches and Circuits contribute as employers to this scheme.

The Connexion accounts for both the MMPS and PASLEMC pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts.

The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficits on these schemes can be found in the Annual Report and Accounts of The Methodist Church at [www.methodist.org.uk](http://www.methodist.org.uk)



## 11.8 Property costs

2023

	General unrestricted	DAF	Designated	Restricted	Total
<u>Manse</u>					
District manse	4,291	-	-	-	4,291
District Office	5,244	-	-	-	5,244
2 West Parade manse	1,105	-	-	-	1,105
167 Otley Road manse	12,463	-	-	-	12,463
Touchstone manse	1,659	-	-	5,430	7,089
Leeds Sanctuary	1,372	-	-	-	1,372
Total	26,134	-	-	5,430	31,564

<u>Other property</u>					
Touchstone house	1,162	-	-	12,969	14,131
Conistone hostel	3,324	-	-	-	3,324
Oxford Place	17,269	-	-	-	17,269
Leeds Sanctuary	7,200	-	-	-	7,200
Total	28,955	-	-	12,969	41,924

<u>Insurance, utilities etc</u>					
District manse	548	-	-	-	548
District office	46	-	-	-	46
2 West Parade	1,193	-	-	-	1,193
167 Otley Rd	1,668	-	-	-	1,668
Touchstone manse	2,885	-	-	-	2,885
Touchstone house	-	-	-	-	-
Conistone hostel	-	-	-	-	-
Oxford Place	49,277	-	-	-	49,277
Leeds Sanctuary	2,006	-	-	-	2,006
Total	57,623	-	-	-	57,623

2022

	General unrestricted	DAF	Designated	Restricted	Total
<u>Manse</u>					
District manse	-	-	3,207	-	3,207
District Office	-	-	-	-	-
2 West Parade manse	-	-	2,966	-	2,966
167 Otley Road manse	-	-	4,835	-	4,835
Touchstone manse	-	-	2,198	-	2,198
Leeds Sanctuary	-	-	-	-	-
Total	-	-	13,206	-	13,206
<u>Other property</u>					
Touchstone house	-	-	-	-	-
Conistone hostel	-	-	-	-	-
Oxford Place	-	-	13,365	-	13,365
Leeds Sanctuary	-	-	-	-	-
Total	-	-	13,365	-	13,365
<u>Insurance, utilities etc</u>					
District manse	-	-	1,051	-	1,051
District office	571	-	-	-	571
2 West Parade	-	-	198	-	198
167 Otley Rd	-	-	1,851	-	1,851
Touchstone manse	-	-	-	-	-
Touchstone house	-	-	1,046	-	1,046
Conistone hostel	-	-	-	-	-
Oxford Place	-	-	50,000	-	50,000
Leeds Sanctuary	-	-	-	-	-
Total	571	-	54,146	-	54,717

## 11.9 Office expenses

2023

	General unrestricted	DAF	Designated	Restricted	Total
Chair's expenses	1,969	-	-	-	1,969
Office	3,403	-	-	-	3,403
Professional	6,534	-	-	-	6,534
Other	4,917	-	-	-	4,917
Touchstone	-	-	-	7,013	7,013
Ecumenical	-	-	-	-	-
Leeds Sanctuary	14,737	-	-	-	14,737
Total	31,560	-	-	7,013	38,573

2022

	General unrestricted	DAF	Designated	Restricted	Total
Chair's expenses	1,813	-	-	-	1,813
Office	6,565	-	-	-	6,565
Professional	1,699	-	-	-	1,699
Other	1,852	-	-	-	1,852
Touchstone	-	-	-	-	-
Ecumenical	514	-	-	-	514
Leeds Sanctuary	-	-	-	-	-
Total	12,443	-	-	-	12,443

### 11.10 Synods, Committees, Conference

#### 2023

	General unrestricted	DAF	Designated	Restricted	Total
Synod & posth'lders	1,304	-	-	-	1,304
Conference reps	1,127	-	-	-	1,127
Synod secretary	144	-	-	-	144
Total	2,575	-	-	-	2,575

#### 2022

	General unrestricted	DAF	Designated	Restricted	Total
Synod & posth'lders	1,496	-	-	-	1,496
Conference reps	(604)	-	-	-	(604)
Synod secretary	-	-	-	-	-
Total	892	-	-	-	892

Payments to trustees and postholders:

It is District policy to offer to reimburse members of the District Policy Committee and others involved in the administration of District affairs for expenditure properly incurred in carrying out their duties.

### 11.11 Other outgoings – Projects

#### 2023

	General unrestricted	DAF	Designated	Restricted	Total
Safeguarding	1,694	-	-	-	1,694
University chaplaincy	89	-	-	-	89
Leeds Sanctuary	3,566	-	-	-	3,566
ONE programme	1,051	-	-	-	1,051
Youth	13,532	-	-	-	13,532
Missional Community	-	-	-	3,076	3,076
Our Calling	-	-	-	862	862
Total	19,932	-	-	3,938	23,870

#### 2022

	General unrestricted	DAF	Designated	Restricted	Total
Safeguarding	-	-	3,010	-	3,010
University chaplaincy	-	-	179	-	179
Leeds Sanctuary	-	-	31,543	-	31,543
ONE programme	-	-	7,375	-	7,375
Youth	-	-	8,408	-	8,408
Missional Community	-	-	4,870	-	4,870
Our Calling	-	-	-	-	-
Total	-	-	55,385	-	55,385

## 11.12 Other outgoings – Sundry

### 2023

	General unrestricted	DAF	Designated	Restricted	Total
General	4,591	2,065	-	501	7,157
Touchstone	1,477	-	-	7,789	9,266
MWiB	-	-	-	-	-
Conistone	-	-	-	5,707	5,707
Leeds Choir	-	-	-	5,270	5,270
Leeds Ext Society	-	-	-	10,500	10,500
Consultancy	35,970	-	-	13,951	49,921
Year End Accounts	2,220	-	-	-	2,220
Audit	10,800	-	-	-	10,800
<b>Total</b>	<b>55,058</b>	<b>2,065</b>	<b>-</b>	<b>43,718</b>	<b>100,841</b>

### 2022

	General unrestricted	DAF	Designated	Restricted	Total
General	5,872	2,142	644	85	8,743
Touchstone	138	-	-	5,980	6,118
MWiB	-	-	-	1,340	1,340
Conistone	-	-	-	8,421	8,421
Leeds Choir	-	-	-	4,685	4,685
Leeds Ext Society	-	-	-	3,000	3,000
Consultancy	16,028	-	34,141	29,541	79,710
Year End Accounts	1,700	-	-	-	1,700
Audit	7,200	-	-	-	7,200
<b>Total</b>	<b>30,938</b>	<b>2,142</b>	<b>34,785</b>	<b>53,052</b>	<b>120,917</b>



## 11.13 Transfers between funds

2023

	General unrestricted	DAF	Designated	Restricted
General	-	-	-	-
Manse	-	-	-	-
CDiM	-	-	-	-
Change of Chair	-	-	-	-
Safeguarding	-	-	-	-
Youth	-	-	-	-
Leeds Sanctuary	-	-	-	-
Touchstone	(62,014)	-	-	62,014
MWiB	-	-	-	-
Conistone	(8,911)	-	-	8,911
Leeds Choir	(6,639)	-	-	6,639
Leeds Extension Society	(5,604)	-	-	5,604
Rural lead	-	-	-	-
OOP	-	-	-	-
Leeds Chaplaincy	-	-	-	-
Our Calling	-	-	-	-
Grievance	-	-	-	-
DAF	-	-	-	-
Pentecost Party	(20,589)	20,589	-	-
	(103,757)	20,589	-	83,168

During the year, the trustees have reclassified several of the previously designated and unrestricted funds resulting in their currently being no designated funds. This is set out further in note 13 to the accounts.

The Pentecost Party transfer back to the DAF is to replace funds which had previously been used from the DAF rather than the Pentecost Party fund which was the intention.

2022

	General unrestricted	DAF	Designated	Restricted
General	(146,960)	-	119,698	27,262
Manse	(8,000)	-	8,000	-
CDiM	(3,500)	-	3,500	-
Change of Chair	(2,000)	-	2,000	-
Safeguarding	(42,000)	-	42,000	-
Youth	(14,840)	-	14,840	-
LMM	145,124	(146,500)	1,376	-
Touchstone	(39,679)	(35,000)	26,190	48,489
MWiB	(958)	-	-	958
Conistone	(3,122)	-	-	3,122
Leeds Choir	(4,045)	-	-	4,045
Leeds Extension Society	(1,967)	-	-	1,967
Rural lead	(8,000)	-	8,000	-
OOP	-	-	5,000	-
Leeds Chaplaincy	(5,000)	-	-	-
Our Calling	-	-	20,000	(20,000)
Grievance	-	(10,000)	10,000	-
DAF	-	(75,000)	75,000	-
Pentecost Party	-	-	-	-
	(134,947)	(266,500)	335,604	65,843

The General Fund budget allows for contributions to a number of Designated Funds in relation to the business of the District – these are shown as transfers from General to Designated.

Similarly grants are allocated to a number of Designated Funds and these are shown as transfers from the DAF to Designated.

## 11.14 Tangible fixed assets

	Buildings	Total
Realisable value B/Fwd	4,431,000	4,431,000
Additions	-	-
Disposals	-	-
Revaluation	(420,000)	(420,000)
Realisable value C/Fwd	4,011,000	4,011,000
Assessed realisable value		
District Manse	38 Longlands, Bradford	£415,000
	2 West Parade, Leeds	£518,000
	167 Otley Road, Leeds	£556,000
Touchstone Team Leader's Manse	30 Merton Road, Bradford	£222,000
Touchstone House	4 Easby Road, Bradford	£250,000
Conistone Hostel and Chapel		£150,000
Leeds Methodist District Office	Oxford Place Leeds	£1,900,000
		<u>£4,011,000</u>

The combined insurance value of the above properties approximates to £6,838,626.

The trustees have reassessed the value of all the properties set out above as at the end of August 2023 on the recommendation of the District Property Administrator. The values are based on survey reports for Touchstone House and Conistone Hostel, the selling price of Oxford Place and internet comparison sites for comparable properties for each of the manses. This has resulted in a revaluation reduction of £420,000 as shown above.

## 11.15 Debtors and Prepayments

### 2023

	General unrestricted	DAF	Designated	Restricted	Total
Prepayments	-	-	-	-	-
Other Debtors (Due Within 1 Year)	-	-	-	4,607	4,607
Other Debtors (Due After 1 Year)	-	-	-	-	-
Total	-	-	-	4,607	4,607

### 2022

	General unrestricted	DAF	Designated	Restricted	Total
Prepayments	-	-	-	2,303	2,303
Other Debtors (Due Within 1 Year)	-	-	-	252	252
Other Debtors (Due After 1 Year)	-	-	-	16,646	16,646
Total	-	-	-	19,201	19,201

### 11.16 Trustees for Methodist Church Purposes

The following funds are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month:

District Advance Fund  
Bradford Fund  
Illingworth Youth  
Illingworth OM  
Leeds Methodist International House  
District properties

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

### 11.17 Central Finance Board (CFB) and Cash at Bank

The District has two current accounts at HSBC plc and one at CAF Bank, both authorised institutions. The sums held on those accounts are immediately available. In addition the District has three deposit accounts at CFB, a common deposit fund. Interest is earned on these accounts and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

### 11.18 Creditors and Accruals

#### 2023

	General unrestricted	DAF	Designated	Restricted	Total
Accruals	13,020	-	-	-	13,020
Grants payable	-	456,248	-	-	456,248
Total	13,020	456,248	-	-	469,268

#### 2022

	General unrestricted	DAF	Designated	Restricted	Total
Accruals	8,900	-	-	2,535	11,435
Grants payable	-	360,029	-	-	360,029
Total	8,900	360,029	-	2,535	371,464

### 11.19 Loans to the District

In 2019-20 and 2020-21 a number of circuits and churches made loans to the District for the purpose of funding the developing work in the city centre of Leeds through the work of Leeds Methodist Mission (LMM). The loans will be repayable, without interest, when the income stream from either the redevelopment or sale of the Oxford Place premises has been determined. Further loans may be sought if required and it is forecast that all loans will be repaid by 2030.



## **11.20 Grant, Commitments and the District Advance Fund**

The District's policy is to recognise committed grants immediately as expenditure out of this fund and thus accrue the unpaid amounts at the year-end as liabilities.

No institution received grants of such materiality that they should be separately disclosed in these accounts.

The grants included within creditors are due to be paid during the following years:

- 2023/24 - £456,248
- 2024/25 - £186,571
- 2025/26 - £73,500
- 2026/27 - £42,000
- 2027/28 - £43,000
- 2028/29 - £19,000

## **11.21 Unrestricted Funds**

### **General Fund**

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the District and which have not been designated for other purposes. About 97% of this fund is held as freehold properties (see note 15).

### **DAF**

This fund supports initiatives in mission and ministry, outreach and evangelism, and offers support for missional property projects.

## **11.22 Restricted Funds**

### **Benevolence Fund**

Provides financial support to ministers and lay people in need in the District.

### **Bradford**

Balance of monies left from the sale of the former Eastbrook Hall, and used, when appropriate, for work in the city centre of Bradford.

### **Contribution to the Chair**

Salary and associated costs of the Chair of the District who is funded from Central Methodist funds.

### **Illingworth Youth**

Legacy for the support of work amongst young people in the District.

### **Illingworth OM**

Legacy to support the work of the District either overseas or in conjunction with overseas partners.

### **Touchstone**

Fund to support counselling services provided by Touchstone.

### **Conistone Hostel**

Funds associated with the running of a hostel in the Yorkshire Dales providing accommodation to rent.

### **Methodist Women in Britain**

West Yorkshire branch of a self-financing Women's charity with the Methodist Church in Britain.

### **Extension Society**

A fund available for loans and grants to support upkeep of Churches in the Leeds area.

### **Leeds Choir**

Funds solely made available and used by the Methodist Choir in Leeds.

### **Our Calling**

A fund to support the development of missional communities and to assist with resourcing churches.

### **Leeds MIH fund**

A fund set up following the sale of the Leeds Methodist International House and used to support the work of university chaplaincy.

## 12 Investment management

During the year the District paid £1,763 to TMCP, the custodians of the District's investments (District Advance Fund, Bradford Fund, Illingworth Youth Fund, Illingworth OM Fund, Leeds MIH (2022: £1,763).

## 13 Summary of movements on significant individual funds

2023

Fund	Balance at 31 Aug 22	Income	Expenditure	Transfers	Revaluation	Adjustment Transfers	Bal at 31 Aug 23
<b>Unrestricted</b>							
General	4,699,091	263,073	(483,833)	(103,757)	(420,000)	216,412	4,170,986
	<b>4,699,091</b>	<b>263,073</b>	<b>(483,833)</b>	<b>(103,757)</b>	<b>(420,000)</b>	<b>216,412</b>	<b>4,170,986</b>
<b>Unrestricted - DAF</b>							
DAF	67,045	415,552	(345,562)	20,589	-	-	157,624
	<b>67,045</b>	<b>415,552</b>	<b>(345,562)</b>	<b>20,589</b>	<b>-</b>	<b>-</b>	<b>157,624</b>
<b>Unrestricted - Designated</b>							
Designated	152,845	-	-	-	-	(152,845)	-
	<b>152,845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(152,845)</b>	<b>-</b>
<b>Restricted</b>							
Benevolence	4,115	425	(1,544)	-	-	(2,876)	120
Bradford	12,019	371	(532)	-	-	(52)	11,806
Contribution to the Chair	-	38,582	(38,582)	-	-	-	-
Illingworth Youth	11,805	287	(26)	-	-	(2,858)	9,208
Illingworth OM	5,299	170	(15)	-	-	-	5,454
Touchstone	89,866	-	(61,703)	62,014	-	(42,112)	48,065
Conistone Hostel	6,776	-	(5,707)	8,911	-	-	9,980
MWiB	3,027	-	(3,027)	-	-	-	-
Extension Soc	156,270	(994)	(10,500)	5,604	-	-	150,380
Leeds Choir	5,233	-	(5,270)	6,639	-	-	6,602
Our Calling	80,002	20,000	(20,911)	-	-	-	79,091
Leeds MIH	18,908	104	(9)	-	-	(15,669)	3,334
	<b>393,320</b>	<b>58,945</b>	<b>(147,824)</b>	<b>83,168</b>	<b>-</b>	<b>(63,567)</b>	<b>324,042</b>
<b>Total</b>	<b>5,312,301</b>	<b>737,570</b>	<b>(977,219)</b>	<b>-</b>	<b>(420,000)</b>	<b>-</b>	<b>4,652,652</b>

During the year, the trustees have reassessed the purpose and restriction of all individual funds within the consolidation of these accounts. As a result, the list of restricted accounts have been revised. In addition, no funds are now classified as designated and the funds that were previously classified in this way have been moved into general unrestricted. The movements from these reclassifications are shown in the above column headed 'adjustment transfers'.



2022

Fund	Balance at 31 Aug 21	Income	Expenditure	Transfers	Bal at 31 Aug 22
<b>Unrestricted</b>					
General	2,819,286	2,114,279	(99,527)	(134,947)	4,699,091
	<b>2,819,286</b>	<b>2,114,279</b>	<b>(99,527)</b>	<b>(134,947)</b>	<b>4,699,091</b>
<b>Unrestricted - DAF</b>					
DAF	215,900	382,813	(265,168)	(266,500)	67,045
	<b>215,900</b>	<b>382,813</b>	<b>(265,168)</b>	<b>(266,500)</b>	<b>67,045</b>
<b>Unrestricted - Designated</b>					
Designated	189,012	735	(372,506)	335,604	152,845
	<b>189,012</b>	<b>735</b>	<b>(372,506)</b>	<b>335,604</b>	<b>152,845</b>
<b>Restricted</b>					
Benevolence	4,737	240	(862)	-	4,115
Bradford	12,251	(108)	(124)	-	12,019
Contribution to the Chair	-	42,741	(42,741)	-	-
Illingworth Youth	11,788	42	(25)	-	11,805
Illingworth OM	5,289	25	(15)	-	5,299
Touchstone	124,761	1,084	(111,730)	75,751	89,866
Conistone Hostel	12,060	15	(8,421)	3,122	6,776
MWIB	3,409	-	(1,340)	958	3,027
Extension Soc	157,303	-	(3,000)	1,967	156,270
Leeds Choir	5,859	14	(4,685)	4,045	5,233
Our Calling	80,002	20,000	-	(20,000)	80,002
Leeds MIH	20,107	15	(1,214)	-	18,908
	<b>437,566</b>	<b>64,068</b>	<b>(174,157)</b>	<b>65,843</b>	<b>393,320</b>
<b>Total</b>	<b>3,661,764</b>	<b>2,561,895</b>	<b>(911,358)</b>	<b>-</b>	<b>5,312,301</b>



## **14 Connected organisations and related parties**

All of the District trustees are members of one or another Church and Circuit within the District and may be trustees in their Churches and/or Circuits.

Connected organisations include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, CFB and TMCP. All of these entities have their own trustees or directors and autonomous administration such that the Yorkshire West District has no significant influence over any of them. They are, therefore, not considered related parties.

## **15 Volunteer contributions**

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

## **16 Capital commitments and contingent liabilities**

There were no capital commitments or contingent liabilities at the year end (2021-22: nil).

## **17 Lease commitments**

The District had commitments for the following:

- Photocopier/printer on 5-year lease from August 2019 at £76.07 + vat per quarter, commitment at 31 August 2023 is 2 years i.e. £365 (2022: £730).

## **18 Accountancy support and audit**

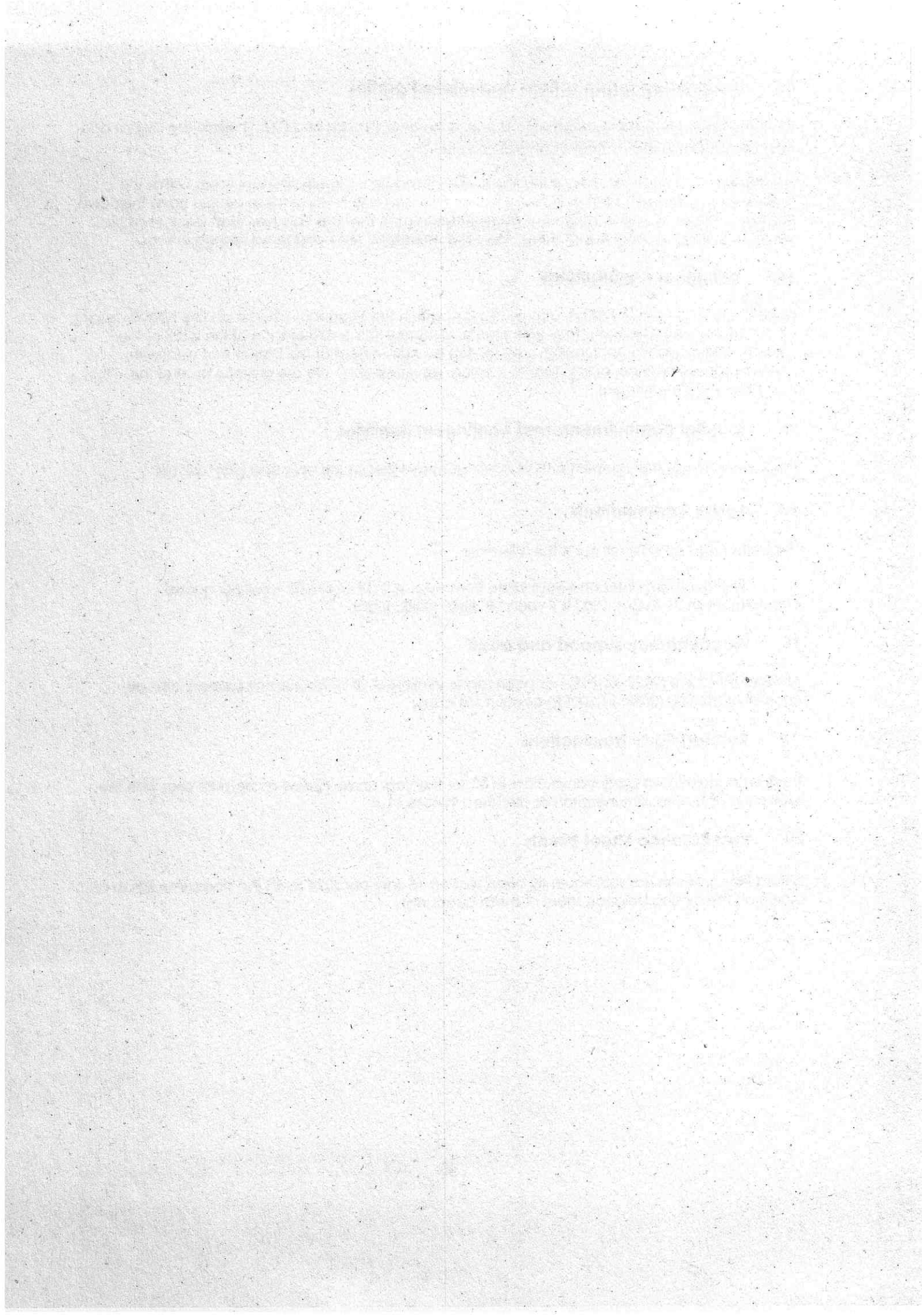
An accrual £2,220 (2022: £1,785) has been made in respect of accountancy support; also an accrual of £10,800 (2022: £7,200) to cover audit costs.

## **19 Related Party Transactions**

There were no related party transactions in either the year under review or the prior year with the exception of Trustee remuneration as disclosed in note 11.6.

## **20 Post Balance Sheet Events**

Oxford Place, Leeds has subsequently been sold on 15 January 2024 for £1.9m (the same figure as shown on the closing balance sheet of these accounts).



# YORKSHIRE WEST DISTRICT OF THE METHODIST CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF YORKSHIRE WEST DISTRICT OF THE METHODIST CHURCH

---

#### Opinion

We have audited the financial statements of The Methodist Church Yorkshire West District (the 'Charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



## **YORKSHIRE WEST DISTRICT OF THE METHODIST CHURCH**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF YORKSHIRE WEST DISTRICT OF THE METHODIST CHURCH**

---

##### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

##### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



**YORKSHIRE WEST DISTRICT OF THE METHODIST CHURCH**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE TRUSTEES OF THE YORKSHIRE WEST DISTRICT OF THE METHODIST CHURCH**

---

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Alison Whalley (Senior Statutory Auditor)**

**for and on behalf of Azets Audit Services Ltd**

**Chartered Accountants**

**Statutory Auditor**

Date: 23rd September 2021

Carlton House  
Grammar School Street  
Bradford  
BD1 4NS

Azets Audit Services is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

