BEDFORDSHIRE ESSEX AND HERTFORDSHIRE DISTRICT OF THE METHODIST CHURCH

England & Wales · Charity number 1133921

Details

Other names	BEH
Status	Registered
Legal form	Previously excepted
Registered	2010-02-01
Register	View on the Charity Commission register

Contact

Address	H17 Peek Business Centre Woodside Dunmow Road Bishop's Stortford Hertfordshire CM23 5RG
Phone	01279 657195
Email	beh34office@gmail.com
Website	www.behdistrict.org.uk

Activities

Objects: The purposes of the Methodist Church are and shall be deemed to have been since the date of union the advancement of -(a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;(b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;(c) any charitable purpose for the time being of any society or institution subsiduary or ancillary to the Methodist Church;(d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

Activities: Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Central Bedfordshire
- Essex
- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£711,975	£498,422	£1,567,743	6
2023-08-31	£503,406	£692,903	£1,336,398	7
2022-08-31	£466,501	£418,432	-	-
2021-08-31	£383,186	£340,250	-	-
2020-08-31	£362,055	£228,328	-	-

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Trustees

Name	Role	Appointed
Dr David Michael Chapman	Chair	2016-08-24
Angela Mary Turner		2023-09-01
DAVID ALAN GERMANY		2012-09-15
David Robert Edney		2024-09-14
ERIC JOHN SMART		2024-09-01
KEITH NORMAN		2014-01-13
Rev Caroline Wickens		2025-09-01
Rev Chris Sandy		2021-09-18
Rev Christine Pamela Preece		2022-09-17
Rev David Jebb		2022-09-01
Rev Mark Paul Hammond		2017-09-16
Rev Moses Agyam		2025-09-01
Rev Zena Frances Smith		2022-09-01
Stephen Mark Watson		2022-01-04
Steven William Thomas Rogers		2023-09-01
Stuart John Watkin		2022-03-15
Tony Robert Trevers		2024-09-01

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BEDFORDSHIRE ESSEX AND HERTFORDSHIRE DISTRICT OF THE METHODIST CHURCH

England & Wales - Charity number 1133921

Accounts

BEDS, ESSEX & HERTS
METHODIST DISTRICT

The TRUSTEES' ANNUAL REPORT and ACCOUNTS for the year ended 31 August 2024

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2024

Trustees' Annual Report

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Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities.
Church: a group of members from fewer than 10 to more than 300
Circuit: a group of Methodist Churches near each other, typically between 10 and 30
CMTF: Circuit Model Trust Fund
Connexion: The Methodist Church in GB which includes the Head Office in London at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain
District: a group of contiguous Circuits, usually between 15 and 30
DAF: District Advance Fund
DPC: District Policy Committee
FRS: Financial Reporting Standard
HMRC: Her Majesty's Revenue and Customs
MCF: Methodist Church Fund
MMPS: Methodist Ministers' Pension Scheme
PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church
SOFA: Statement of Financial Activities
SORP: Statement of Recommended Practice
TMCP: Trustees for Methodist Church Purposes, the Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Trustees' Annual Report

1 Objectives and Activities

The Bedfordshire, Essex and Hertfordshire Methodist District exists to serve the mission of the Methodist Church of Great Britain. The District comprises 146 local Methodist churches in these three counties, grouped into 11 circuits that are served by a ministerial team of 43.66 (full-time equivalent) `presbyters and deacons.

The District Synod is the principal governance body of the District, comprising the ministers stationed in the District plus a larger number of lay representatives appointed by the circuits. There are a number of District officers appointed to serve the work of the Synod in particular ways. The vast majority are lay and ordained volunteers, who undertake District responsibilities in addition to their other roles in the Church. The District officers are led by the District Chair, who is a presbyter appointed to serve the District full-time. The District employs two part-time Safeguarding Officers up to March 2024 and now one full-time Safeguarding Officer, part-time District Property Officer, part-time Finance Manager, full time District Discipleship Enabler and two part-time personal assistants to the District Chair.

The District serves the mission of the Methodist Church by supporting the work of its circuits and local churches and by exercising oversight over them, as specified under the *Constitutional Practice and Discipline of the Methodist Church of Great Britain*. Principal District activities include the deployment of ministers, ministerial development, continuing training for probationer ministers, strategic financial grants to circuits and local churches in support of their mission and ministry, and scrutiny of governance processes in the circuits.

The District Synod meets at least twice in each year to fulfil its governance and oversight responsibilities. As a registered charity, the Synod takes seriously its responsibilities to the Charity Commissioners and adheres closely to the published guidance on public benefit.

2. Achievements and Performance

During the church year ended 31 August 2024, the District Synod, together with the District Policy Committee acting as its executive body, has continued to discharge its constitutional governance responsibilities in accordance with the *Constitutional Practice and Discipline of the Methodist Church.* In addition, the District Policy Committee (DPC) has pursued specific objectives in accordance with the priorities outlined in the Trustees' Annual Report for 2022-23.

The District Synod met twice in representative session (comprising ministers and lay circuit representatives) during the year to conduct essential business: on 16 September 2023, hosted by the St Albans and Welwyn Circuit; on 20 April 2024, hosted by the North Hertfordshire Circuit. The Synod met in presbyteral session on 13 March 2024, hosted by the Chelmsford Circuit. The Vice-President of the Methodist Conference, Deacon Kerry Scarlett, was in attendance on this occasion as part of her official visit to the district. The deacons stationed in the district accepted an invitation to attend the Synod.

The District Policy Committee met four times during the year. On 7 September 2023 and on 12 June 2024 the DPC met in person at the district office. On 15 November 2023 and 7 March 2024, the DPC met via video conference. This pattern of meetings has proved effective and has reduced travel costs and carbon emissions in accordance with the district's environmental policy.

Trustees' Annual Report

The only change in district staff during the year has been the retirement of one of the part-time safeguarding officers. In addition to the District Chair's two part-time personal assistants based at the district office, the district now employs a full-time safeguarding officer, a full-time district discipleship enabler, a 0.6FTE district property officer and a district finance manager (10 hours per week). The DPC agreed to extend funding the property officer post at the conclusion of the initial two-year period. Throughout the year, the district staff provided valuable support and guidance to circuits and local churches in their respective areas of work.

The location and facilities of the district office in Bishop's Stortford have proved to be beneficial. A 6-year lease signed in 2022 has a break clause in 2025. The district office provides a suitable work base for the District Chair together with his personal assistants. The office is used for small meetings, including the annual induction in September of ministers newly stationed in the district.

On 1 September 2023, the number of circuits in the district was reduced from 12 to 11 when the Bishop's Stortford Circuit was absorbed into the Herts and Essex Border Ecumenical Area. This represents a sensible rationalisation of governance arrangements.

In September 2023, the district received an Eco-church bronze award in recognition of its achievements under the environmental policy. In pursuit of the goals of the environmental policy, the DPC has engaged in a substantial review of its grants policy to support circuit schemes to improve the energy efficiency of manses and church premises. Further work remains to be done.

A district visit by the President of the Methodist Conference, Rev. Gill Newton, in October 2023 included visits to two circuits to lead Sunday worship. The president also contributed to leading a day conference on the church's ministry of healing and a formational study day for probationer presbyters and ministers in the first ten years of ministry.

The effects of the Covid-19 pandemic continue to be reflected in the number of church closures, which is higher than would otherwise be expected. The DPC, on behalf of the Synod, gave permission for the closure and sale of seven local churches the year. In all cases, these closures were due to an insufficient number of church members to sustain their Sunday worship, mission, and governance. The grants budget has benefitted from an increase in funds through connexional levies placed on property sales. The district intends to encourage investment in upgrading buildings through its grants policy.

It is encouraging to report that all the circuits have met their financial assessment during the year with the result that the district has not suffered an unexpected loss of income. A subgroup of the DPC is reviewing the district budget with the intention of finding ways gradually to reduce the general fund deficit. The district reserves remain sufficient to cover a budget deficit for two to three years.

2.1 Plans for 2024-25

In addition to fulfilling its trustee responsibilities and discharging its governance functions, the District Synod with the District Policy Committee acting as its executive intends to:

(1) Arrange residential meetings for Circuit Superintendents twice during the year, and a residential retreat for ministers stationed in the district in the first 10 years of their ministry.
(2) Arrange an induction day for those ministers (presbyters and deacons) and probationers newly stationed in the district in 2024.
(3) Investigate the provision of Human Resources support to circuits.
(4) Develop and extend its grants policy to encourage circuits to invest in energy-saving schemes for local churches and manses.
(5) Provide grants to enable children and young people living in the district to participate in the 3Generate youth event to be held in October 2024.
(6) Progress the regional conversation with the East Anglia District to find ways of working together which will produce economies and lead to more effective ways of supporting circuits and local churches.
(7) Plan for the change in connexional policy whereby safeguarding officers are employed centrally rather than by the districts.

3 Financial Review

During the year the District received total income of £712k (2022-23: £503k) and dispersed £498k (2022-23: £693k). To the resulting Surplus was added net unrealised gains of £18k (2022-23: £-10k) on investments to produce a net surplus of £231k (2022-23: a deficit of £200k). Total funds carried forward are £1,568k (2022-23: £1,336k). It should be noted that the unrestricted reserves funded the purchase cost of the manse (£500k in 2006) which is now valued at £850k and, as a result, the unrestricted readily available reserves total £517k (2022-23: £279k, on a like-for-like basis) after taking account of commitments to future instalments of grant.

It should be noted that the net surplus of £231k has been largely a result of adjustments downwards of short and long-term grant commitments by £43k and unrealised gains of investments of £18k. During the year grants of £178k were awarded compared to £192k in 2022-23.

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.

The District continues to hold the one freehold property being the Chair's Manse in Bishop's Stortford.

The District has the following principal sources of funds:

- Interest on investments
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Assessments on Circuits within the District.
- Connectional Advance and Property Fund

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.

Trustees' Annual Report

3.1 Methodist Ministers' Pension Fund

Trustees are aware that the Methodist Ministers' Pension Scheme is treated as a group defined benefit plan. The net defined benefit cost is recognised by the sponsoring entity, The Methodist Church in Great Britain, as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities, such as the District. The District recognises a cost equal to its contributions payable for the period. Further details in respect of these pension arrangements are disclosed in the accounts of The Methodist Church in Great Britain.

3.2 Investment policy and performance

To comply with Methodist Standing Orders, 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 (individually 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 capital returns are close to tracking the movements in the FTSE100 index. The income mirrors the deposit rates available elsewhere. Both the Central Finance Board (CFB) and TMCP take into consideration social, environmental, and ethical considerations, both negatively and positively, in establishing investment policy.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

3.3 Reserves policy

The District has a reserves policy covering all its unrestricted funds which is reviewed annually. Although grants are made each year out of the District Advance Fund (DAF), it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. The trustees seek to ensure that there is sufficient in the DAF to meet these anticipated requests and show those sums payable in 2024-25 as a current liability and instalments due after the following year as long-term liabilities in the Balance Sheet. At the year end the unspent DAF balance designated, but not committed, for future grant-making amounted to £290k.

The minimum level of the General Fund is such as to pay for six months' budgeted expenditure for the following year. At 31 August 2024 this sum amounted to £144k (2022-23: £150k) and Unrestricted undesignated reserves at £517k. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTFs) is not secure and it is judged prudent to retain a buffer beyond the quantified need of £144k. Furthermore, some Circuits may find it difficult to meet their future assessments. As in some previous years, if the aggregate sum collected from the CMTFs is not all given out as grants in the same year, there could be a return of levy to the Circuits. It is always expected that the balance on the

DAF will decrease, year on year even though this year it has substantially increased. The existence of substantial designated and undesignated reserves at District level should be considered by Circuits within the District when they consider the need for their own reserves which we feel continue to be stretched in this current period.

3.4 The mix of funds

The reserves held at the end of the year were as follows:

	2023-24	2022-23
Unrestricted funds	£k	£k
General Fund	1,078	1,116
District Advance Fund	290	15
Total unrestricted funds	*1,368*	*1,131*
Rock Trust (a restricted fund)	175	151
District Disciple Enabler &Property Officer (a designated fund)	26	55
Total funds	**1,568**	**1,337**
Total unrestricted funds	1,368	1,131
Less: Tied up in freehold property/assets	(851)	(852)
Total readily available reserves	517	279

As a general policy Trustees have agreed to reduce the level of reserves gradually over the foreseeable future and to do this either by awarding, in year, grants in excess of the amount of the levies from the CMTFs and, possibly, by not increasing the circuit assessments by the amount necessary to meet the budgeted costs and to maintain the reserves. This year has been an exception due to more levies received. The Trustees will continue to monitor how this plays out in the future.

All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The year-end financial position of the District is healthy in that its resources are not only sufficient to meet future known liabilities but also sufficient for the District to carry out its plans for the following year.

3.5 Purposes of the funds

General Fund: this provides a reserve in case of major unforeseen expenditure in administering the District.

District Advance Fund: this provides much-needed grants to assist Circuits, Churches and individuals as well as the District in its work, much of which is with the wider community.

Rock Trust (a restricted fund): the trustees are able to spend the income, and they do so every year. It provides financial help to young people in part of the District and elsewhere

who wish to attend residential events. Both the TMCP (long-term investment) and Bank Funds (Current Asset) are under the control of the District Grants Committee.

Benevolence Fund: this is used to provide small sums of money to ministers and lay people in the District where it is believed that a financial gift would help relieve stress, of whatever form. The sums paid out in benevolence during the year exceeded sums received from donor organisations specifically for benevolence in the same period. When the restricted fund was fully dispersed, benevolence payments were made out of the general fund.

Designated Fund-This is an annual grant awarded to the District by the Connexion and District Grant Team on a 1:1 basis until February 2023 and from then on for the next two years to be wholly funded by DAF, for the employment of the District Discipleship Enabler. There is also a grant from DAF for the employment of the District Property Officer.

3.6 Collaborative arrangements with connected charities

One of the District's main sources of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted to £125k (2022-23: £125k). This has been kept the same for the last three years mainly to reduce the District Reserves which were on the higher side and to lessen the impact on Circuit and Church finances which were starting to recover from the covid-19 period.

Each year the District is allocated a sum by the London Mission Fund (LMF). In 2023-24 this amounted to £56k (2022-23: £56k) which can be used to pay for or contribute to the cost of certain activities within the District. This sum is now remitted to the District. Grants were awarded to various projects around the District.

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional year (01 September). In 2023-24 this sum was £245k (2022-23: £131k) and was credited to the District Advance Fund (DAF). In addition to this figure there were General Receipts of £29k received during the year to bring the figure to £274k. The remaining £4k from the total figure of £278 was an overpayment which needs to refunded back to the DAF TMCP account. Furthermore, £20k was received for Warm Spaces Initiative grants under the Designated Funds of which £5k was refunded back to DAF.

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 received by the District as agent are not recognised as income or as an asset in the financial statements because the funds are not within the District's control. No fee is earned in respect of this agency arrangement and the District incurs no cost through providing this arrangement.

4 Trustees' Responsibilities

For each financial year ending on 31 August the 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 and to prepare an annual report for that year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed the applicable SORP and accounting standard, SORP(FRS102) as updated, including FRS102
- adopted the going concern basis.

The 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 are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and trustees' reports may differ from legislation in other jurisdictions.

5 Structure, Governance and Management

The District is an unincorporated association and is 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 1 February 2010.

5.1 Structure

Circuits are groups of Churches; Circuits pay the stipends of most ministers and may employ lay (unordained) staff to serve the Churches in the Circuit; most decisions are made at or ratified by the half yearly Circuit Meeting. A District is a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year and is the supreme governing body in the Church.

1. Overall control rests with the Methodist Conference.
2. 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.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the presbyter, the Church Stewards and other officers, and authority is delegated to Church Councils as Managing Trustees.

Trustees' Annual Report

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in Bedfordshire, Essex and Hertfordshire:

- by providing opportunities for Circuits to work together and support each other, and
- by offering to Circuits resources of finance, personnel and expertise.

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

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 Office at 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. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the District Policy Committee, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Policy Committee and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The District Policy Committee normally meets four times each year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District office, the District manse, stationing of ministers, safeguarding, authorisations to preside at communion, and extensions to local preacher training. It also liaises with The Learning Network.

5.4 Responsibilities of the District Policy Committee

i 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
ii to encourage inter-Circuit and ecumenical co-operation
iii to act in an executive capacity in matters remitted to the Committee by the Synod
iv to keep within its purview all District concerns not dealt with elsewhere
v to contribute and respond, as the case may be, 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
vi to be aware that the stipend of the Chair of the District is set – currently by reference to average wages and the change over a year in the Consumer Prices Index - by the Methodist Conference as for all ministers within the Connexion
vii constantly to be aware of the public benefit guidance issued by the Charity Commission.

6 Reference and Administrative Details

6.1 Name of the charity

The Bedfordshire, Essex and Hertfordshire District of the Methodist Church sometimes abbreviated to 'BEH District'.

6.2 Charity registration number

1133921, registered in England and Wales

6.3 Principal Office

H17, Peek Business Centre
Woodside, Dunmow Road
Bishop's Stortford
Herts CM23 5RG

01279 657 195
www.behdistrict.org.uk

6.4 Chair of the District

Rev Dr David M Chapman from 1 September 2016. Reappointed 1 September 2022.

6.5 Secretary of the Synod

Rev Zena Smith appointed from 1 September 2022.

6.6 Assistant Secretary of the Synod (Presbyteral)

Rev Caroline Weaver was appointed 01 September 2021.

Trustees' Annual Report

6.7 District Treasurer

No Replacement has yet been appointed but Mr Nichodimus Kawadza was appointed the District Finance Officer on 1 September 2019 and later to District Finance Manager on 1 April 2022 to look after all the District's finance activities.

6.8 Names of trustees

The following served as trustees throughout part or all of the year 2023-24 or were trustees at the time of this report being approved:

Mr Bob Butcher (Grants Secretary). Appointed 01 September 2007 to 12 June 2024.
Rev Dr David Chapman *ex officio* (Chair, *ex officio).* Appointed 01 September 2016. Reappointed 01 September 2022.
Mr David Germany (Synod Elected Lay Member - Beds). Appointed 01 September 2011.
Rev Mark Hammond (Synod Elected Ministerial Member - Herts). Appointed 01 September 2017.
Rev Zena Smith *ex officio* (Synod Secretary). Appointed 01 September 2022.
Mr Keith Norman (Lay Stationing Representative). Appointed 27 April 2013.
Rev Tom Osborne (District Ecumenical Officer - Essex). Appointed 01 September 2017.
Rev Rachael Hawkins (Deputy Chair of the District). Appointed 01 September 2022.
Rev Chris Sandy (Synod Elected Ministerial Member - Beds). Appointed 18 September 2021.
Mrs Jenny Harris (Synod Elected Lay Member - Herts). Appointed 01 September 2020 to 31 August 2024.
Mr Steve Watson (District Property Officer). Appointed 4 January 2022.
Rev Christine Preece (Synod Elected Ministerial Member - Essex). Appointed 17 September 2022.
Mrs Sheila Pollard (Methodist Council Representative). Appointed 01 September 2022 to 31 August 2024.
Rev David Jebb (District Ecumenical Officer - Herts). Appointed 01 September 2022.
Mr Stuart Watkin (Learning Network Officer). Appointed 15 March 2022.
Rev Cassandra Howes (District Ecumenical Officer - Beds). Appointed 01 September 2023.
Mrs Angela Brydon (District Discipleship Enabler). Appointed 01 September 2023.
Mr Steve Rogers (Secretary to DPC). Appointed 01 September 2023.
Mr Eric Smart (Synod Elected Lay Member – Essex). Appointed 16 September 2024.
Mr Tony Trevers (Grants Secretary). Appointed 12 June 2024.
Mr David Edney (Synod Elected Lay Member-Herts). Appointed 01 September 2024.

Most trustees attended all meetings of the DPC to which they were entitled to attend in the year and the attendance rate for all 19 trustees who served throughout the year and all four meetings of the DPC during the year was 84% (2022-23: 88%).

The Managing Trustees for the District are the members of the District Policy Committee.

No trustee claims exemption from disclosure of his or her name here.

6.9 Chair's PAs

Miss Carol Griggs & Mrs Sarah Sutherland

Trustees' Annual Report

6.10 Bankers

HSBC plc
Town Centre
Dane Street
Stevenage
Herts
SG1 1BY

Lloyds Bank
Victoria Branch
PO Box 1000
BX1 ILT

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

6.11 Investment managers and custodian trustees

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

6.12 Independent Examiner appointed 16 September 2014

Vincent Chandler FCA FCCA of Moore Green, Chartered Accountants
22 Friars Street
Sudbury
Suffolk
CO10 2AA

Approvals

The Trustees' Report and the Financial Statements were approved by the District Policy Committee on 13 MARCH 2025 and were, for information, presented to the Synod on 10 MAY 2025.

Rev Dr David M Chapman (signed)

Rev Dr David M Chapman
Chair of the District

Date: 18 March 2025

Steve Rogers (signed)

Steve Rogers
DPC Secretary

Date: 18 MARCH 2025.

Trustees' Annual Report

7 Financial Statements

The Financial Statements comprise:

- the Statement of Financial Activities for the year ended 31 August 2024 (page 15)
- the Balance Sheet as at 31 August 2024 (page 16)
- the Notes to the Accounts (pages 17 to 33).

Statement of Financial Activities for the year ended 31 August 2024

		Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds	Restricted Funds	Total 2023-24	Total 2022-23
			£	£	£	£	£	£
	Income and Endowments from:							
1	**Donations and legacies**	5	1,162			9,956	11,118	100
2	**Income from investments**		12,341	42,948		1,929	57,218	30,909
3	**Income from charitable activities**							
4	Assessments on circuits		110,801				110,801	125,013
5	From Circuit Model Trust Funds			277,734	102,000	8,570	388,304	177,288
6	Contribution to the cost of the Chair	4	51,778				51,778	45,723
7	Connexional Advance & Property Fund			91,064			91,064	83,286
8	Other income	5	1,692				1,692	41,087
9	**Total income**		**177,774**	**411,746**	**102,000**	**20,455**	**711,975**	**503,406**
	Expenditure on charitable activities:							
10	Grants and donations	6	1,904	135,541	15,000		152,445	392,993
11	Salaries and associated costs, inc Chair	7	240,062				240,062	220,130
12	Property	8	43,422				43,422	32,486
13	Office expenses	9	14,478	1,571		431	16,480	20,844
14	Synods, committees, Conference	10	14,020				14,020	11,320
15	Other outgoings	11	21,938		5000	5,055	31,993	15,130
16	**Total expenditure**		**335,824**	**137,112**	**20,000**	**5,486**	**498,422**	**692,903**
17	**Net unrealised gains on current assets**							
17	**Net unrealised gains/(losses) on investments**		**8,636**			**9,156**	17,792	**-10,200**
18	**Net income**		**-149,415**	**274,634**	**82,000**	**9,156**	**231,345**	**-199,698**
19	**Transfers between funds**	13	112,000		-112,0000	0	0	0
20	**Net movement in funds**		**-37,415**	**274,634**	**-30,000**	**24,126**	**231,345**	**-199,698**
	Reconciliation of funds:							
21	Total funds brought forward		1,115,599	15,181	54,549	151,069	1,336,398	1,536,096
22	**Total funds carried forward**		**1,078,184**	**289,815**	**24,549**	**175,195**	**1,567,743**	**1,336,398**

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2024

Balance Sheet as at 31 August 2024

		Notes to the Accounts	General Fund	District Advance Fund	Designated Fund	Restricted Fund	Total	Total 31/08/2023
			£	£	£	£	£	£
A	Fixed assets							
b	Tangible fixed assets	14	850,657				850,657	851,314
c	Investments with TMCP	15	137,851	779,079	0	160,226	1,077,156	827,556
d	**Total fixed assets**		**988,508**	**779,079**	**0**	**160,226**	**1,927,813**	**1,678,870**
e	**Current assets**							
f	Debtors and prepayments	16	11,245	0			11,245	16,498
G	Central Finance Board deposits	17	86,332	3,960	24,549		114,841	180,668
h	Cash at bank	17	7,956			14,969	22,926	8,544
i	**Total current assets**		**105,533**	**3,960**	**24,549**	**14,969**	**149,011**	**205,710**
	***Less:* Current liabilities**							
j	Creditors due in under one year	18	15,856	0	0		15,856	12,273
k	Grants payable in 2024-25	19		384,724			384,724	316,109
m	**Total current liabilities**		**15,856**	**384,724**			**400,580**	**328,382**
n	**Net current assets/liabilities**		**89,676**	**-380,764**	**24,549**	**14,969**	**-251,569**	**-122,672**
p	**Total assets less current liabilities**		**1,078,184**	**398,315**	**24,549**	**175,195**	**1,676,243**	**1,556,198**
	***Less:* Long term liabilities (due after more than one year)**							
q	Grants payable from 2025-26			108,500			108,500	219,800
r	**Net assets**		**1,078,184**	**289,815**	**24,549**	**175,195**	**1,567,743**	**1,336,398**
	Funds of the District							
s	General Fund (unrestricted)	20.1	1,078,184				1,078,184	1,115,599
t	District Advance Fund (unrestricted)			289,815			289,815	15,181
u	**Total unrestricted funds**						**1,367,999**	**1,130,780**
	Designated Funds	21			24,549		24,549	54,549
v	Restricted Fund	21				175,195	175,195	151,069
w	**Total Funds**		**1,078,184**	**289,815**	**24,549**	**175,195**	**1,567,743**	**1,336,398**

Under the authority of the trustees given at their meeting on 13 MARCH 2025

Signed by Rev Dr David M Chapman, Chair of District

David Chapman

Date of signing

18 March 2025

and signed by Steve Rogers, DPC Secretary

S.W.T. Rogers

Date of signing

18 MARCH 2025

Declarations and Scrutiny

1 Basis of Accounting and Accounting Policies

i Accounting standard

The financial statements have been prepared in accordance with SORP(FRS102) as updated, being the current version of *Accounting and Reporting by Charities: Statement of Recommended Practice*. See also ***v Accounting framework***, below.

ii Public benefit entity

The Bedfordshire, Essex and Hertfordshire (BEH) District meets the definition of a public benefit entity under FRS102. 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. The accruals basis has been used and trustees present accounts that 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. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

v Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice [SORP(FRS102)]* as amended, with the adoption of Section 1A of Financial Reporting Standard 102, in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

vi Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the District's financial viability for at least 12 months from the date of approval of these accounts.

vii Consolidation

The District oversees the work of ministers (presbyters and deacons) and lay workers in Churches and Circuits within the District but has no power to control Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which applied in the year. For this reason, the financial statements of Churches and Circuits within the District are not consolidated into these financial statements.

viii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming. 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 4. A similar figure appears in the Expenditure at Note 7.

Declarations and Scrutiny

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

The District acts as agent in three 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. These items are shown in the accounts-see Note 5.
- the collection taken at the Spring Synod on behalf of the Methodist Ministers' Children's Relief Association.

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

The value of time donated by volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure
This is recognised when incurred, regardless of the date of payment. Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources and that payment becomes probable. Until then, any material contingent liabilities are noted.

x Grants
Grants are made annually even when an application is for a recurrent grant over more than one year. A satisfactory report of substance from the individual or grantee body on the previous year's activities and outcomes is critically reviewed by the Grants Committee and is necessary to trigger payment of any further instalment. Grants that are payable in the future and were committed at 31 August 2024 are shown on the Balance Sheet either as a current liability (where the grants are payable by 31 August 2025) or in Long Term Liabilities (if payable after 31 August 2025).

xi VAT
Since the District is not VAT registered, expenditure is inclusive of VAT where charged by the supplier.

xii Tangible fixed assets
These are capitalised if they can be used for more than one year, and individually cost at least £1000. For the current year the property is shown at its revalued amount. No depreciation is provided because the trustees consider the residual value of the manse building is not less than cost and the depreciation would be immaterial. The property has been reviewed for impairment and none is provided.

Furniture and Fittings has been depreciated at 20% on a straight-line basis.

xiii 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. The unrealised gains/losses arising on investments at the end of the year are shown as income/expenditure in the SOFA and in Note 22 below.

Declarations and Scrutiny

xiv Debtors and Creditors; Bank and Cash
Debtors are stated at the amounts owed to the District or prepaid by the District. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or at the 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.

xv Loans
Where concessionary loans (*i.e.* free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid (or received), with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the SOFA.

xvi 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.

xvii Funds
The trustees have adopted a policy for all unrestricted reserves which is that, over the medium term, there should be a gradual diminution in the balance in each fund. This includes all unrestricted reserves (the General Fund and DAF) but not the restricted funds being The Rock Trust Fund and the Benevolence Fund. There is no Endowment Fund.

xviii Chair's manse costs
The District is required to provide residential accommodation for the Chair and his family. The District bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges for the Chair. Note 8 below discloses the aggregate cost to the District of these elements.

2 Assessments on Circuits

The District is made up of the following Circuits:

34-1	North Bedfordshire
34-4	South Bedfordshire
34-6	Colchester
34-7	Tendring
34-9	Chelmsford
34-10	Southend and Leigh
34-11	South Essex
34-12	Herts and Essex Border Ecumenical Area
34-13	St Albans and Welwyn
34-14	West Hertfordshire and Borders
34-15	North Hertfordshire
34-18	Bishop's Stortford-Until 31/08/2023

Declarations and Scrutiny

All Circuits paid their assessments to the District and to the MCF during the year. An assessment on Circuits is annually determined by Districts by reference to the number of staff (both stipendiary and lay workers involved in mission) in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay.

3 Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £526k (2022-23: £497k) all of which were collected and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

4 Cost of Chair and Trustees

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.

	2023-24 £	2022-23 £
Stipend of Chair of District, Rev Dr David Chapman	39,105	26,928
Employer's National Insurance Contributions	4,063	3,644
Employer's pension contributions	8,415	7,243
District Chair Allowance	0	6,732
Com in Mistry Allow	194	176
Once off Grant	0	1,000
Cash cost paid by the Connexion (see SOFA)	***51,778***	***45,723***
Chair's expenses	7,008	7,314
Total cost	**58,786**	**53,037**

Since the stipend-related costs above (*i.e., £51,778*; 2022-23: £45,723) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See *Note 7*). The aggregate expenses of the Chair's accommodation were £7,008 (See *Note 8*) making the total cost of his emoluments £58,786 (2022-23: £53,037). The Chair of District is the sole paid key management person and is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as he would continue to be paid during his sabbatical and there would be little additional cost incurred by those taking on the Chair's responsibilities in the short term.

Declarations and Scrutiny

4.1 Payments to trustees

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. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District, the District Property Officer and District Discipleship Enabler no member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

Two members of the trustees are employees of the District. Travel expenses have been reimbursed to some 7 (2022-23: six) trustees [members of the District Policy Committee (DPC)] who, in aggregate, have received the cost of travel incurred in attending meetings of the DPC and this amounted to £398 (2022-23: £285).

5 Donations and Other Income

The District does not undertake fundraising for its own purposes, other than as noted below.

a Donations

	2023-24 £	2022-23 £
Ministers Benevolent Fund	100	100
District Benevolent Fund	912	0
Ministers Training Fund	150	0
Total	**1,162**	**100**

Each year the District Synod invites donations from the members of Synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £0 (2022-23: £49).

b Other income **[£1,693 (2022-23: £1,087)] in the SOFA includes:**

	2023-24 £	2022-23 £
From MCF for costs of delegates from BEH attending the annual Methodist Conference	1,240	893
Probationers Retreat Refund	452	0
Thorley Parochial Church damage deposit refund	0	110
HSBC Refund	0	83
Total	**1,692**	**1,087**

Declarations and Scrutiny

6 Grants and Donations and Related Support Costs

Grants and donations of £152,445 were made during the year (2022-23: £392,993 in year).

			2023-24 £	2022-23 £
From General Fund	Benevolence	419		49
	Other	1,485	1,904	2,040
From DAF	In year grants	183,226		
	Refund	(5,000)	135,541	192,252
	Decrease in liabilities	(42,685)		166,652
From Restricted Funds	Rock Trust	0	0	0
From Designated Funds	Warm Spaces Grants	15,000	15,000	32,000
Total			**152,445**	**392,993**

The sum of the grants paid in the year through the DAF was £178,226(2022-23: £192,252). Adjusting for decrease in grant provision of £42,685 gives us a total figure of £135,541 shown above.

6.1 Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

	2023-24 £		2022-23 £
To Churches	Grants	39,051	
	Returns	0	
	Net	39,051	44,476
To Circuits	Grants	27,639	
	Returns	0	
	Net	27,639	57,460
To Institutions		*66,690*	*101,936*
To others	Grants	112,936	
	Returns	(5,000)	
	Net	107,936	89,016
To individuals	Grants	3,600	
	Net	3,600	1,300
Total		**178,226**	**192,252**

	2023-24 £		2022-23 £
For Projects		16,283	30,057
For Ministry		106,576	
	Ret	0	
	PIA	0	
	Net	106,576	85,879
For equipment		0	0
Other		55,367	76,316
		178,226	**192,252**

The income of the fund was £411,746 (2022-23: £244,271) during the year. The charge to the SOFA is the sum paid in grants during the year [£178,226; (2022-23: £192,252)] less the uplift in the aggregate liabilities (current and long term) for future instalments of grant [£42,685 (2022-23: £166,652)] to £493,224 (2022-23: £535,909).

Declarations and Scrutiny

Designated funds received of £102,000 even though shown separately, were received through District Advance Fund.

An amount of £82,000 (2022-23: £82,000) was used centrally within the District.

The Grants Committee is aware that grant applications must demonstrate public benefit.

The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

7 Salaries and Associated Costs

Gross salaries paid with effect from April 2024 for two full time and four part time staff (2022-23: seven) were as follows:

	2023-24 £	2022-23 £
Gross pay	145,382	142,201
Employer's National Insurance Contributions	14,372	10,734
Employer's pension contributions to defined contribution schemes and death in service benefit	27,466	20,523
Total costs of 6 (2022-23: 7) 4xpart time&2xfull time staff	**187,220**	**173,458**
Cost of Chair (see *Note 4*)	51,778	45,723
TPT DC Life Assurance	244	247
Apprenticeship levies	820	702
Total staff costs	**240,062**	**220,130**
Total weekly contracted hours for 4 part time staff and two full time staff (2023: seven)	148	148

No employee received employee benefits that totalled more than £60,000. 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.

Two of the six part time employees were engaged exclusively in safeguarding matters (with one full time since April 2024), two provided secretarial assistance at the District office and one dealt with all financial matters. One part time staff dealt with property matters in the District. One full time staff was the District Discipleship Enabler.

7.1 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.

Declarations and Scrutiny

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). This is a defined benefit scheme, and the employing Churches and Circuits contribute as employers to this scheme. All our employees contribute to pensions schemes not administered on behalf of the Methodist Church. The BEH District has received from The Pensions Regulator an acknowledgement of declaration of compliance in connection with the automatic enrolment duties.

The Connexion accounts for both Methodist pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS in deficit the previous years is now in surplus. It would be difficult to determine the liability that could fall on the BEH District and no attempt has been made to attempt this valuation.

8 Property Costs

	2023-24 £	2022-23 £
District office, rent and services	36,414	25,172
Chair's manse	7,008	7,314
Total	**43,422**	**32,486**

9 Office Expenses (General fund) and TMCP charges

	2023-24 £	2022-23 £
Printing, postage and stationery	2,451	2,201
Telephone	2,995	3,306
Insurance	1,576	1,489
Safeguarding	3,491	2,297
Independent examination	1,240	1,190
Other costs	2,279	3,652
TMCP Charges	357	362
Total charged to General Fund	**14,478**	**14,497**
TMCP charges/payments to Trustees	2,002	6,347
Total	**16,480**	**20,884**

Included in the other costs of £2,279 are website management costs of £942, Safeguarding IT Equipment of £300, Farewell luncheon and gift for one retiring safeguarding officer for £584, Annual Maintenance of the District Office Fire Protection of £252 and the rest on miscellaneous expenditure.

10 Synods, Committees, Conference

	2023-24 £	2022-23 £
Synods& Committees	3,575	3,049
The Methodist Conference expenses(reimbursed)	1,241	893
Chair's travel	7,691	6,209

District Policy Committee, as charged	1,513	1,169
Total	**14,020**	**11,320**

11 Other Outgoings

	2023-24 £	2022-23 £
Training	15,985	10,522
Other costs	3,311	3,253
Depreciation	657	657
District expenses	2,165	698
	22,118	**15,130**
Designated Fund		
Warm Spaces Grant refund	5,000	0
Restricted Fund		
Payment to Rock Trust trustees	4,875	0
Total	**31,993**	**15,130**

Included in the other costs of £3,311 are expenses for accounting software expenses (£165), Finance costs (£490), District Discipleship expenses (£1,363), Property Officer expenses (£1,154). District costs of £2,165 relate mostly to District Supervision session expenses (£1,360) with the rest to various district travel expenses claims.

12 Investment Management

During the year, the District paid £7,233 (2022-23: £6,709) to TMCP, the custodians of the District's investments (District Advance Fund, the Rock Trust and part of the General Fund). The sum of £7,233 was levied at 0.2% on the value of the funds at the end of the previous year and is shown as partly allocated to the DAF (£1,571), Rock funds (£5,305) and General Fund (£357): £2,002 as Office expenses and £4,875 as Other Outgoing expenses in the SOFA. (See *Note 9* above.)

The sum of £9,156 (2022-23: £5,249) represents a net unrealised gain on the invested funds of The Rock Trust. More information can be found in Note 21 *Restricted Fund.*
There was an unrealised gain of £8,636(2022-23: -£4,951) on part of the General Fund. The gross unrealised gains of £17,792 (2022-23: -£10,200).

13 Transfers between Funds

The transfer between funds shown on the SOFA represents sums that were transferred from one fund to another under the direction of the trustees.

During the year £82,000 (2022-23: £82,000) was withdrawn from the District Advance Fund to contribute to the funding of the following: training grants, district discipleship enabler, safeguarding and administrative assistance.

Within the £82,000 figure above there was transfer of £42,000 which was done to the General Fund to meet the salary/expenses of the District Discipleship Enabler.

Declarations and Scrutiny

A transfer of £30,000 was done from the Designated Fund to the General Fund to meet the District Properties Officer costs.

14 Tangible Fixed Assets

The value of the District manse, 1 Friars Wood, Bishop's Stortford, is believed to be considerably greater than its historical cost in 2006 shown in the accounts. The Trustees considered it prudent to show the property at its current market value of £850k, and a revaluation reserve has been created within the general fund to account for the increase in value from cost amounting to £350k. As the property has been revalued no depreciation is required. Depreciation of Furniture and Fittings is 20% on straight line basis.

	Land £	Buildings £	Plant and machinery £	Cost b/fwd £	Revaluation b/fwd £	Depreciation	Total £
Cost or valuation							
Property	180,000	300,000	20,000	500,000	350,000		850,000
Furniture & Fittings	-	-	-	3,286	0	2,629	657
Total	180.000	300,000	20,000	503,286	350,000	2,629	850,657

15 Investments with Trustees for Methodist Church Purposes

The funds that support part of the General Fund, the District Advance Fund and The Rock Trust are held by TMCP in the Trustees' Interest Fund or the Managed Mixed Fund on which interest and dividends are credited to the accounts. These are regarded as medium- and long-term investments and are shown on the Balance Sheet as Fixed assets.

TMCP is the Custodian Trustee of all Methodist Model Trust property and is held for and on behalf of local Managing Trustees (in BEH, the DPC) who are responsible for the day to day management of the property. TMCP ensures that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

15.1 Holdings at 31 August 2024 (2023)

	General	DAF	Rock	Total
Fund	£	£	£	£
Trustees' Interest Fund	17,588 (13,770)	779,079 (551,090)	32,720 (32,720)	829,387 (597,580)
Managed Mixed Fund	120,263 (116,627)	Nil (Nil)	127,506 (118,349)	247,769 (234,976)
Total	**137,851** **(125,397)**	**779,079** **(551,090)**	**160,226** **(151,069)**	**1,077,156** **(827,556)**

Declarations and Scrutiny

16 Debtors and Prepayments

All sums shown as Debtors on the General Fund at 1 September 2023 were received during the following year. All sums paid in advance at 1 September 2023 (with the exception of rent deposit) were for activities or services related to 2023-24 and were charged to the SOFA in that year. It is expected that payments in advance at 31 August 2024 will be expensed in 2024-25.

	2023-24 £	2022-23 £
Trade debtors		
Prepayments		
Insurance (116+114+60)	290	283
District Office rent	2,188	1,838
Probationary Retreat 2024-Share of costs	0	4,518
Training grants (583+1,200)	0	1,783
Retreat deposits (1,000+735+275)	2,010	1,776
Total prepayments	**4,488**	**10,198**
Peek deposit-new District Offices	**6,300**	6,300
Benevolence funds donation accrual	**456**	
Total debtors	**11,244**	**16,498**

17 Central Finance Board (CFB) Deposits and Cash at Bank

The District has two current accounts one at HSBC plc and the other at Lloyds bank, both authorised institutions. The sum held on this account is immediately available. In addition, the District has a deposit account at CFB, a common deposit fund. Interest is earned on this account and is credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The District has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

18 Creditors

	2023-24 £	2022-23 £
Creditors		
Independent examination	1,200	1,100
Salaries and consultant fees	386	103
Safeguarding	242	206
Manse expenses	61	137
Other DC	0	*18*
Postage & printing DC	80	*83*
Telephone	98	*103*
Synods/Committees	636	*48*
Travel- DC	765	*862*
District Discipleship Enabler expenses	86	*151*

Office expenses	6	*120*
TPT DC Life Assurance charges	0	*21*
District Offices-Electricity	137	*66*
Property Officer expenses	0	*33*
Training	3,032	0
Cleaning	90	0
Total trade creditors	**6,819**	**3,051**
Accruals/Provision		
Ecumenical grant	7,825	7,825
Pension contributions	0	185
Taxation and Social Security	452	452
Threadneedle credit	760	760
Total creditors	**15,856**	**12,273**

It is expected that all sums accrued at 31 August 2024 will be paid during the year to 31 August 2025.

19 Grant Commitments

Expenditure on charitable activities: District Advance Fund
Some grants are payable in annual instalments. The District expects to receive a report of the outcomes of the first (or subsequent) year's activities funded by the grant. Future instalments are shown as Current liabilities (if payable within one year of 31 August 2024) and as Long-term liabilities (where due after one year).

The following analyses are available:

	2023-24 £	2022-23 £
End of year commitments to pay one off grants or the first instalment in a future year	384,724	11,300
Anticipated second or subsequent instalments where the first instalment was paid in 2023-24 or earlier	108,500	524,609
Total anticipated commitment at 31 August 2024	**493,224**	**535,909**

Grants payable by year	2023-24 £	2022-23 £	£	£
2023-24	0	316.109		
2024-25	384,724	121,300		
2025-26	63,500	**63,500**		
2026-27	45,000	**35,000**		
	493,224	**535,909**	**493,224**	**535,909**
Total anticipated commitment at 31 August 2024			**493,224**	**535,909**

After recognising the liabilities for future grants payable through the DAF, there is a sum of £289,815 available for future grants. In the following year and subsequent years, further sums are expected to be credited to the DAF from the CMTF levies of those years.

Declarations and Scrutiny

The award of a grant by the District does not create a contractual relationship.

No individual or institution received grants of such a magnitude that they should be separately reported.

20 Unrestricted Funds

20.1 General Fund – balance £1,078,184 at 31 August 2024 (2023: £1,115,599)
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 79% of this fund is held as a freehold property, the District manse for the Chair of District which is based on its revalued amount of £850k (2023: Revalued £850k) included in the general funds balance above.

20.2 District Advance Fund – balance £289,815 at 31 August 2024 (2023: £15,181)
The purpose of the fund is to receive monies from investments and to pay grants by annual instalments on applications made. £3,960 of this balance was an overpayment which need to be refunded back to TMCP during 2024-25.

21.1 Restricted Funds - balance £175,195 at 31 August 2024 (2023: £151,069)

These Rock Trust funds are made up of TMCP investments and the Bank funds both managed by the District Grants committee. The funds at 31 August 2024 were:

	2023-24 £	2022-23 £
TMCP Held Funds	160,226	156,318
Bank Held Funds	14,969	0
Total	175,195	156,318

The Rock Trust, a restricted fund, exists to support residential and other activities undertaken by young people who currently live in the former London NE District of the Methodist Church. All the fund's assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the Rock Trust. Grants are awarded by the trustees of the Rock Trust, being the trustees of the District.

a Rock Trust Funds held by TMCP

Movements during the year were as follows:

	2023-24 £	2022-23 £
Market value at 01 September 2023	151,069	156,318
Investment income received during the year	5,306	4,684
Net unrealised gain (loss) on the value of investments at the year end	9,156	-5,249
Grants paid during the year	-4,875	-4,239
TMCP administration charge	-430	-445

Declarations and Scrutiny

Market value at 31 August 2024	**160,226**	**151,069**

This is made up as follows:		
CFB Managed Mixed Fund	127,506	118,349
Trustees' Interest Fund	32,720	32,720
Total	**160,226**	**151,069**

Market valuations have been provided by TMCP.

b Rock Trust Funds held at the Bank

These were brought under the control of the District Grants Committee during 2022-23 which again can only be used for the costs of young people attending residential events.

Movement during the year were as follows:

	2023-24 £	2022-23 £
Opening balance at 01 September 2023	9,956	0
Investment income received during the year	5,073	0
Total income	15,029	
Grants paid during the year Bank administration charge	-0 -60	
Balance at 31 August 2024	**14,969**	**0**

The Benevolence Fund which is now accounted for through the General Fund stands at £1,565(2023: £822) - provides financial support to ministers and lay people in the District in need of support. The Benevolence receipts and payments were processed through the General Fund. (See page 15 on Donations income and *Note 6* above on payments.)

21.2 Designated Fund

Designated Fund- balance £24,549 at 31 August 2024. (2023: £54,549)

This is made up as follows:	2023-24 £	2022-23 £
District Discipleship Enabler	20,549	20,549
District Property Officer	4,000	34,000
Total	**24,549**	**54,549**

These are designated funds received from District Grants Team for the employment of the District Discipleship Enabler and the employment of the District Property Officer.

Declarations and Scrutiny

22 Fund Movements

22.1 Summary of fund movements 2023-24

Fund	Restated Balance at 01-Sep-23 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities/ Gains	Balance at 31-Aug-2024
	£	£	£	£	£	£
General	1,115,599	177,774	-335,825	112,000	8,656	1,078,184
District Advance (See Note 1 below)	15,181	411,746	-137,112	-0	-0	289,815
Total unrestricted	***1,130,780***	***589,520***	***-472,937***	***112,000***	***8,656***	***1,367,999***
Rock Trust	151,069	20,455	-5,485		9,156	175,195
Designated Funds	54,549	102,000	-20,000	-112,000	**0**	24,549
Total restricted	**205,618**	***122,455***	***-25,485***	***-112,000***	***9,156***	***199,744***
Total Funds	**1,336,398**	**711,975**	**-498,422**	**0**	**17,792**	**1,567,743**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2024 was £493,224 being a decrease of £42,685 over the provision brought forward.
Note 2 The amount of £177,774 excludes £8,656 of net unrealised gains; the amount of £20,455 excludes £9,156 of net unrealised gains; the amount of £711,975 excludes £17,792 of net unrealised gains.

22.2 Summary of fund movements 2022-23

Fund	Restated Balance at 01-Sep-22 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities/ Gains	Balance at 31-Aug-2023
	£	£	£	£	£	£
General	1,123,009	181,894	-295,653	111,300	-4,951	1,115,599
District Advance (See Note 1 below)	214,220	244,827	-193,914	-83,300	-166,652	15,181
Total unrestricted	***1,337,229***	***426,721***	***-489,567***	***28,000***	***-171,603***	***1,130.780***
Rock Trust	156,318	4,684	-4,684		-5,249	151,069
Designated Funds	42,549	72,000	-32,000	-28,000	**0**	54,549
Total restricted	**198,868**	***76,684***	***-36,684***	***-28,000***	***-5,249***	***205,618***
Total Funds	**1,536,096**	**503,405**	**-526,251**	**0**	**-176,852**	**1,336,398**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2023 was £535,909 being an increase of £166,652 over the provision brought forward.
Note 2 The amount of £181,894 excludes £4,951 of net unrealised losses; the amount of £4,684 excludes £5,249 of net unrealised losses; the amount of £503,405 excludes £10,200 of net unrealised losses.

Declarations and Scrutiny

23 Analysis of Net Assets among Funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted general and designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	850,657		850,657
Fixed asset investments	916,930	160,226	1,077,156
Current assets	134,041	14,969	149,010
Current liabilities	(400,580)		(400,580)
Payables due after one year	(108,500)		(108,500)
Total	**1,392,548**	**175,195**	**1,567,743**

24 Related Parties

None of the District trustees made donations direct to the District during the year or in the preceding year. 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.

Related parties include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Fund, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors. The following table shows the receipts from and payments to related parties during 2023-24.

Names of Connected Organisations	2023-24 Receipts £	2023-24 Payments £	2022-23 Receipts £	2022-23 Payments £
Donee: Methodist Church Fund		(525,819)		(497,387)
Donee: TMCP	9,290	(14,290)		(8,743)
Donor: Northampton District Methodist Church	20,451			
Donor: Methodist Church Connexion			8,743	
Donor: Circuits within BEH (assessments)	636,620		622,400	
Donor: Circuits within BEH (levies)	91,064		83,286	
Donor: Churches within BEH	100		100	
Donor: Circuits within BEH	20,451			
Donee: Circuits within BEH				(57,460)
Donee: Churches within BEH				(44,476)
Donee: Individuals (*re* 3 Generate)				1,060

Information about payments to trustees appears in Note 4.1.

Declarations and Scrutiny

25 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. At the BEH District the principal contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this District to value the non-monetary contributions to the District in monetary terms.

26 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2022-23: Nil).

27 Lease Commitments

The District has contracts or obligations for the following:

- New Office accommodation rent to be reviewed at the end of the third-year c.£17,000pa plus VAT first year rent (2021-22), £21,000pa plus VAT second year rent (2022-23) and £25,000pa plus Vat third year rent (23-24). This is due for review in May 2025.

In addition, there are short term obligations as follows:

- Reprographic equipment at the District office c.£76/month
- Telephones at the District office and the District manse c.£250/month
- Security alarm system at the manse c.£28/month
- Membership of the Friars Wood Residents' Association c.£60/month

The total liability of these is not considered material.

28 Independent Examiner

An accrual has been made for the fee of the independent examiner in the sum of £1,200 for the year (2022-23: £1,100). The charge in the SOFA represents the provision for this year's fee.

No additional services have been sought from or provided by the independent examiner during the year.

Declarations and Scrutiny

I confirm that these accrual-based accounts for the year ended 31 August 2024 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee, being the trustees of the District.

Signed: [signature] Date: 18th March 2025

Nichodimus Kawadza, District Finance Manager

Presentation to the District Policy Committee for approval

I confirm that the Trustees Annual Report, the Statement of Financial Activities, the Balance Sheet and the Notes to the Accounts for the year ended 31 August 2024 were presented to the District Policy Committee at its meeting on 13 MARCH 2025.

Signed: David Chapman Date: 18 March 2025

Rev Dr David M Chapman, Chair of District

Independent examiner's report to the Trustees of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church for the year ended 31 August 2024

The trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the District's income and expenditure for the year and of the assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under s144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under s145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under s145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosure in the accounts seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Declarations and Scrutiny

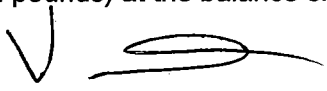
Independent examiner's statement

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.

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed:  Date: 19/03/2025

Vincent Chandler FCA FCCA
Independent examiner
Moore Green
22 Friars Street
Sudbury
Suffolk CO10 2AA

BEDFORDSHIRE ESSEX AND HERTFORDSHIRE DISTRICT OF THE METHODIST CHURCH

England & Wales - Charity number 1133921

Accounts

BEDS, ESSEX & HERTS
METHODIST DISTRICT

The

TRUSTEES' ANNUAL REPORT

and

ACCOUNTS

for the
year ended

31 August 2023

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2023

Trustees' Annual Report

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Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities.
Church: a group of members from fewer than 10 to more than 300
Circuit: a group of Methodist Churches near each other, typically between 10 and 30
CMTF: Circuit Model Trust Fund
Connexion: The Methodist Church in GB which includes the Head Office in London at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain
District: a group of contiguous Circuits, usually between 15 and 30
DAF: District Advance Fund
DPC: District Policy Committee
FRS: Financial Reporting Standard
HMRC: Her Majesty's Revenue and Customs
MCF: Methodist Church Fund
MMPS: Methodist Ministers' Pension Scheme
PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church
SOFA: Statement of Financial Activities
SORP: Statement of Recommended Practice
TMCP: Trustees for Methodist Church Purposes, the Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Trustees' Annual Report

1 Objectives and Activities

The Bedfordshire, Essex and Hertfordshire Methodist District exists to serve the mission of the Methodist Church of Great Britain. The District comprises 155 local Methodist churches in these three counties, grouped into 12 circuits that are served by a ministerial team of nearly 42.25 (full-time equivalent) presbyters and deacons.

The District Synod is the principal governance body of the District, comprising the ministers stationed in the District plus a larger number of lay representatives appointed by the circuits. There are a number of District officers appointed to serve the work of the Synod in particular ways. The vast majority are lay and ordained volunteers, who undertake District responsibilities in addition to their other roles in the Church. The District officers are led by the District Chair, who is a presbyter appointed to serve the District full-time. The District employs two part-time Safeguarding Officers, part-time Finance Manager, full time District Discipleship Enabler, two part-time personal assistants and District Property Officer to the District Chair.

The District serves the mission of the Methodist Church by supporting the work of its circuits and local churches and by exercising oversight over them, as specified under the *Constitutional Practice and Discipline of the Methodist Church of Great Britain*. Principal District activities include the deployment of ministers, ministerial development, continuing training for probationer ministers, strategic financial grants to circuits and local churches in support of their mission and ministry, and scrutiny of governance processes in the circuits.

The District Synod meets at least twice in each year to fulfil its governance and oversight responsibilities. As a registered charity, the Synod takes seriously its responsibilities to the Charity Commissioners and adheres closely to the published guidance on public benefit.

2. Achievements and Performance

During the church year ended 31 August 2023, the District Synod, together with the District Policy Committee (DPC) acting as its executive body, has continued to discharge its governance responsibilities in accordance with the *Constitutional Practice and Discipline of the Methodist Church.* In addition, the District Synod has pursued specific objectives in accordance with the priorities outlined in the Trustees' Annual Report for 2021-22.

The District Synod met twice in representative session (comprising ministers and lay people) during the year to conduct essential business: in September 2022, hosted by the Bishop's Stortford Circuit; in April 2023, hosted by the South Bedfordshire Circuit. The Synod met in presbyteral session in March 2023, hosted by the Bishop's Stortford Circuit.

The District Policy Committee met four times during the year. In September 2022 and June 2023, the DPC met in person at the district office. In November 2022 and March 2023, the DPC met via video conference. This pattern of meetings is intended to reduce travel costs and carbon emissions in accordance with the district's environmental policy, which was adopted by the Synod in September 2023.

The District environmental policy commits the District to work towards attaining the Methodist Church's goal of Net Zero by 2030. Accordingly, the DPC has revised the grants

policy to provide for grants to circuits and local churches for schemes to improve the energy efficiency of manses and church premises.

In addition to the District Chair's two part-time personal assistants based at the district office, the District has continued to employ two part-time safeguarding officers, a full-time district discipleship enabler, a 0.6FTE district property officer and a district finance manager (10 hours per week). Throughout the year, the district staff provided valuable support and guidance to circuits and local churches in their respective areas of work.

Following the relocation of the district office in July 2022, this has been the first year in which the District Chair and his personal assistants have worked from the Peek Business Centre, Woodside, Dunmow Road, Bishop's Stortford. The office is conveniently located close to Junction 8 of the M11 motorway and a 10-minute walk from the District Chair's manse. The office facilities are modern and spacious, allowing larger meetings to be held without the cost of hiring additional meeting rooms.

All the circuits have met their financial assessment during the year with the result that the District has not suffered an unexpected loss of income. Circuits and local churches have mostly fully recovered from the effects of lost income from voluntary subscriptions and the letting of premises caused by the Covid-19 pandemic.

The DPC, on behalf of the Synod, gave permission for six local churches to close during the year. In all cases, these closures were due to an insufficient number of church members to sustain their Sunday worship, mission, and governance.

The Methodist Conference meeting in Birmingham in June 2023 gave permission for the Bishop's Stortford Circuit to be subsumed into the Herts and Essex Border Ecumenical Area with effect from 1 September 2023. This represents a sensible rationalisation of governance arrangements.

2.1 Plans for 2023-24

In addition to fulfilling its trustee responsibilities and discharging its governance functions, the District Synod with the District Policy Committee acting as its executive intends to:

(1) Arrange residential meetings for Circuit Superintendents twice during the year, and a residential retreat for ministers stationed in the District in the first 10 years of their ministry.
(2) Arrange an induction day for those ministers (presbyters and deacons) and probationers newly stationed in the District in 2023.
(3) Become only the second Methodist district to have achieved an Eco-church bronze award.
(4) Review the District environmental policy.
(5) Review the post of district property officer.
(6) Provide grants to enable children and young people living in the District to participate in the 3Generate youth event to be held in October 2023.
(7) Engage in a regional conversation with the East Anglia District to find ways of working together which will produce economies and lead to more effective ways of supporting circuits and local churches.
(8) Plan for the transition to a single full-time post of District Safeguarding Officer on the retirement of one of the part-time safeguarding officers in March 2024.

3 Financial Review

During the year the District received total income of £503k (2021-22: £467k) and dispersed £693k (2021-22: £418k). To the resulting Deficit was deducted net unrealised loss of £-10k (2021-22: £-16k) on investments to produce a net deficit of £200k (2021-22: an excess of £32k). Total funds carried forward are £1,336k (2021-22: £1,536k). It should be noted that the unrestricted reserves funded the purchase cost of the manse (£500k in 2006) which is now valued at £850k and, as a result, the unrestricted readily available reserves total £279k (2021-22: £487k, on a like-for-like basis) after taking account of commitments to future instalments of grant.

It should be noted that the deficit of £200k has been largely a result of adjustments upwards of short and long-term grant commitments by £167k and unrealised losses of investments of £10k. During the year grants of £192k were awarded compared to £83k in 2021-22.

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.

The District continues to hold the one freehold property being the Chair's Manse in Bishop's Stortford.

The District has the following principal sources of funds:

- Interest on investments
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Assessments on Circuits within the District.

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 Methodist Ministers' Pension Fund

Trustees are aware that the Methodist Ministers' Pension Scheme is treated as a group defined benefit plan. The net defined benefit cost is recognised by the sponsoring entity, The Methodist Church in Great Britain, as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities, such as the District. The District recognises a cost equal to its contributions payable for the period. Further details in respect of these pension arrangements are disclosed in the accounts of The Methodist Church in Great Britain.

3.2 Investment policy and performance

To comply with Methodist Standing Orders, 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 (individually 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 capital returns are close to tracking the

movements in the FTSE100 index. The income mirrors the deposit rates available elsewhere. Both the Central Finance Board (CFB) and TMCP take into consideration social, environmental, and ethical considerations, both negatively and positively, in establishing investment policy.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

3.3 Reserves policy

The District has a reserves policy covering all its unrestricted funds which is reviewed annually. Although grants are made each year out of the District Advance Fund (DAF), it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. The trustees seek to ensure that there is sufficient in the DAF to meet these anticipated requests and show those sums payable in 2023-24 as a current liability and instalments due after the following year as long-term liabilities in the Balance Sheet. At the year end the unspent DAF balance designated, but not committed, for future grant-making amounted to only £15k.

The minimum level of the General Fund is such as to pay for six months' payroll costs, and closing costs of staff redundancies, rent and the like expenditure. At 31 August 2023 this sum amounted to £150k (2021-22: £124k) and Unrestricted undesignated reserves at £279k. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTFs) is not secure and it is judged prudent to retain a buffer beyond the quantified need of £150k. Furthermore, some Circuits may find it difficult to meet their future assessments. As in some previous years, if the aggregate sum collected from the CMTFs is not all given out as grants in the same year, there could be a return of levy to the Circuits. It is always expected that the balance on the DAF will decrease, year on year. The existence of substantial designated and undesignated reserves at District level should be considered by Circuits within the District when they consider the need for their own reserves which we feel continue to be stretched in this current period.

3.4 The mix of funds

The reserves held at the end of the year were as follows:

	2022-23	2021-22
Unrestricted funds	£k	£k
General Fund	1,116	1,123
District Advance Fund	15	214
Total unrestricted funds	*1,131*	*1,337*
Rock Trust (a restricted fund)	151	156
District Disciple Enabler &Property Officer (a designated fund)	55	43

Total funds	**1,337**	**1,536**
Total unrestricted funds	1,131	1,337
Less: Tied up in freehold property/assets	(852)	(850)
Total readily available reserves	279	487

As a general policy Trustees have agreed to reduce the level of reserves gradually over the foreseeable future and to do this either by awarding, in year, grants in excess of the amount of the levies from the CMTFs and, possibly, by not increasing the circuit assessments by the amount necessary to meet the budgeted costs and to maintain the reserves. The Trustees will continue to monitor how this plays out during the post Covid-19 pandemic period.

All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The year-end financial position of the District is healthy in that its resources are not only sufficient to meet future known liabilities but also sufficient for the District to carry out its plans for the following year.

3.5 Purposes of the funds

General Fund: this provides a reserve in case of major unforeseen expenditure in administering the District.

District Advance Fund: this provides much-needed grants to assist Circuits, Churches and individuals as well as the District in its work, much of which is with the wider community.

Rock Trust (a restricted fund): the trustees are able to spend the income and they do so every year. It provides financial help to young people in part of the District and elsewhere who wish to attend residential events.

Benevolence Fund: this is used to provide small sums of money to ministers and lay people in the District where it is believed that a financial gift would help relieve stress, of whatever form. The sums paid out in benevolence during the year exceeded sums received from donor organisations specifically for benevolence in the same period. When the restricted fund was fully dispersed, benevolence payments were made out of the general fund.

Designated Fund-This is an annual grant awarded to the District by the Connexion and District Grant Team on a 1:1 basis until February 2023 and from then on for the next three years to be wholly funded by the District Grant Team, for the employment of the District Discipleship Enabler. There is also a grant from London Mission Fund for the employment of the District Property Officer for two years which began in 2022.

3.6 Collaborative arrangements with connected charities

One of the District's main sources of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted to £125k (2021-22: £127k).

Each year the District is allocated a sum by the London Mission Fund (LMF). In 2022-23 this amounted to £56k (2021-22: £56k) which can be used to pay for or contribute to the cost of certain activities within the District. This sum is not remitted to the District and does not appear in the accounts of the District because the District acts as agent for the LMF. Instead, the District nominates some grant applications which can be met by the LMF and passes these to the LMF so that the LMF can pay the grant directly to the grantee. Grants were awarded to various projects around the District.

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional year (01 September). In 2022-23 this sum was £131k (2021-22: £108k) and was credited to the District Advance Fund. In addition to this figure there were General Receipts of 10k received during the year to bring the figure to £141k. Furthermore, £32k was received for Warm Spaces Initiative grants under the Designated Funds

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 received by the District as agent are not recognised as income or as an asset in the financial statements because the funds are not within the District's control. No fee is earned in respect of this agency arrangement and the District incurs no cost through providing this arrangement.

4 Trustees' Responsibilities

For each financial year ending on 31 August the 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 and to prepare an annual report for that year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed the applicable SORP and accounting standard, SORP(FRS102) as updated, including FRS102
- adopted the going concern basis.

The 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 are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and trustees' reports may differ from legislation in other jurisdictions.

5 Structure, Governance and Management

The District is an unincorporated association and is 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 1 February 2010.

5.1 Structure

Circuits are groups of Churches; Circuits pay the stipends of most ministers and may employ lay (unordained) staff to serve the Churches in the Circuit; most decisions are made at or ratified by the half yearly Circuit Meeting. A District is a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year and is the supreme governing body in the Church.

1. Overall control rests with the Methodist Conference.
2. 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.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the presbyter, the Church Stewards and other officers, and authority is delegated to Church Councils as Managing Trustees.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in Bedfordshire, Essex and Hertfordshire:

- by providing opportunities for Circuits to work together and support each other, and
- by offering to Circuits resources of finance, personnel and expertise.

Trustees' Annual Report

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

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 Office at 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. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the District Policy Committee, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Policy Committee and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The District Policy Committee normally meets four times each year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District office, the District manse, stationing of ministers, safeguarding, authorisations to preside at communion, and extensions to local preacher training. It also liaises with the East of England Learning Network.

5.4 Responsibilities of the District Policy Committee

i 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
ii to encourage inter-Circuit and ecumenical co-operation
iii to act in an executive capacity in matters remitted to the Committee by the Synod
iv to keep within its purview all District concerns not dealt with elsewhere
v to contribute and respond, as the case may be, 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
vi to be aware that the stipend of the Chair of the District is set – currently by reference to average wages and the change over a year in the Consumer Prices Index - by the Methodist Conference as for all ministers within the Connexion
vii constantly to be aware of the public benefit guidance issued by the Charity Commission.

6 Reference and Administrative Details

6.1 Name of the charity

The Bedfordshire, Essex and Hertfordshire District of the Methodist Church sometimes abbreviated to 'BEH District'.

6.2 Charity registration number

1133921, registered in England and Wales

6.3 Principal Office

H17, Peek Business Centre
Woodside, Dunmow Road
Bishop's Stortford
Herts CM23 5RG

01279 657 195
www.behdistrict.org.uk

6.4 Chair of the District

Rev Dr David M Chapman from 1 September 2016. Reappointed 1 September 2022.

6.5 Secretary of the Synod

Rev Zena Smith appointed from 1 September 2022.

6.6 Assistant Secretary of the Synod (Presbyteral)

Rev Caroline Weaver was appointed 01 September 2021.

6.7 District Treasurer

No Replacement has yet been appointed but Mr Nichodimus Kawadza was appointed the District Finance Officer on 1 September 2019 and later to District Finance Manager on 1 April 2022 to look after all the District's finance activities.

Trustees' Annual Report

6.8 Names of trustees

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

Mr Bob Butcher (Grants Secretary). Appointed 01 September 2007
Rev Dr David Chapman *ex officio* (Chair, *ex officio),* Appointed 01 September 2016. Reappointed 01 September 2022
Mr David Germany (County Representative Beds). Appointed 01 September 2011
Rev Mark Hammond (County Representative Herts). Appointed 01 September 2017
Rev Zena Smith *ex officio* (Synod Secretary). Appointed 01 September 2022
Miss Marion Mear (Secretary to DPC). Appointed 02 January 2018 to 31 August 2023
Mr Keith Norman (Lay Stationing Representative). Appointed 27 April 2013
Rev Tom Osborne (Ecumenical Officer to Essex). Appointed 01 September 2017
Rev Rachael Hawkins (Deputy Chair of the District). Appointed 01 September 2022.
Rev Chris Sandy (County Representative Beds). Appointed 18 September 2021.
Mrs Jenny Harris (County Representative Herts). Appointed 01 September 2020.
Mr Steve Watson (District Property Officer). Appointed 4 January 2022.
Rev Christine Preece (Synod Elected Member-Essex). Appointed 17 September 2022
Mrs Sheila Pollard (Methodist Council Representative). Appointed 01 September 2022.
Rev David Jebb (Ecumenical Officer Hertfordshire). Appointed 01 September 2022.
Mrs Ann Howlett-Foster (Eastern England Learning Network Regional Officer). Appointed 15 March 2022 to 31 August 2023.
Mr Stuart Watkins (Learning and Development Officer). Appointed 15 March 2022.
Rev Cassandra Howes (Ecumenical Officer to Beds). Appointed 1 September 2023.
Mrs Angela Brydon (District Discipleship Enabler). Appointed 1 September 2023.
Mr Steve Rogers (Secretary to DPC). Appointed 1 September 2023.

Most trustees attended all meetings of the DPC to which they were entitled to attend in the year and the attendance rate for all 17 trustees who served throughout the year and all four meetings of the DPC during the year was 88% (2021-22: 86%).

The Managing Trustees for the District are the members of the District Policy Committee.

No trustee claims exemption from disclosure of his or her name here.

6.9 Chair's PAs

Miss Carol Griggs & Mrs Sarah Sutherland

6.10 Bankers

HSBC plc
Town Centre
Dane Street
Stevenage
Herts
SG1 1BY

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

Trustees' Annual Report

6.11 Investment managers and custodian trustees

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

6.12 Independent Examiner appointed 16 September 2014

Vincent Chandler FCA FCCA of Moore Green, Chartered Accountants
22 Friars Street
Sudbury
Suffolk
CO10 2AA

Approvals

The Trustees' Report and the Financial Statements were approved by the District Policy Committee on 7 March 2024 and were, for information, presented to the Synod on 2024.

Rev Dr David M Chapman (signed)

David Chapman

Rev Dr David M Chapman
Chair of the District

Date: 11 March

Rev Zena Smith (signed)

Rev Zena Smith
Synod Secretary

Date: 12.3.2024.

Trustees' Annual Report

7 Financial Statements

The Financial Statements comprise:

- the Statement of Financial Activities for the year ended 31 August 2023 (page 15)
- the Balance Sheet as at 31 August 2023 (page 16)
- the Notes to the Accounts (pages 17 to 33).

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2023

Statement of Financial Activities for the year ended 31 August 2023

		Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds	Restricted Funds	Total 2022-23	Total 2021-22
			£	£	£	£	£	£
	Income and Endowments from:							
1	**Donations and legacies**		100				100	306
2	**Income from investments**		9,471	20,400		1,038	30,909	7,034
3	**Income from charitable activities**							
4	Assessments on circuits		125,013				125,013	127,033
5	From Circuit Model Trust Funds		500	141,142	32,000	3,646	177,288	129,283
6	Contribution to the cost of the Chair	4	45,723				45,723	42,740
7	Connexional Advance & Property Fund			83,286			83,286	116,477
8	Other income	5	1,087		40,000		41,087	43,628
9	**Total income**		**181,894**	**244,828**	**72,000**	**4,684**	**503,406**	**466,501**
	Expenditure on charitable activities:							
10	Grants and donations	6	2,089	358,904	32,000		392,993	136,116
11	Salaries and associated costs, inc Chair	7	220,130				220,130	192,613
12	Property	8	32,486				32,486	27,466
13	Office expenses	9	14,497	1,663		4,684	20,844	26,489
14	Synods, committees, Conference	10	11,320				11,320	12,361
15	Other outgoings	11	15,130				15,130	23,387
16	**Total expenditure**		**295,652**	**360,567**	**32,000**	**4,684**	**692,903**	**418,432**
17	**Net unrealised gains on fixed assets**		**0**				**0**	**0**
17	**Net unrealised gains/(losses) on investments**		**-4,951**			**-5,249**	**-10,200**	**-16,100**
18	**Net income**		**-118,709**	**-115,739**	**40,000**	**-5,249**	**-199,698**	**31,969**
19	**Transfers between funds**	13	111,300	-83,300	-28,000	0	0	0
20	**Net movement in funds**		**-7,409**	**-199,039**	**12,000**	**-5,249**	**-199,698**	**31,969**
	Reconciliation of funds:							
21	Total funds brought forward		1,123,009	214,220	42,549	156,318	1,536,096	1,504,127
22	**Total funds carried forward**		**1,115,599**	**15,181**	**54,549**	**151,069**	**1,336,398**	**1,536,096**

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2023

Balance Sheet as at 31 August 2023

		Notes to the Accounts	General Fund	District Advance Fund	Designated Fund	Restricted Fund	Total	Total 31/08/2022
			£	£	£	£	£	£
A	Fixed assets							
b	Tangible fixed assets	14	851,314				851,314	851,972
c	Investments with TMCP	15	125,397	551,090	0	151,069	827,556	866,692
d	**Total fixed assets**		**976,711**	**551,090**	**0**	**151,069**	**1,678,870**	**1,718,664**
e	**Current assets**							
f	Debtors and prepayments	16	16,498	0			16,498	9,284
G	Central Finance Board deposits	17	126,118	0	54,549		180,668	186,633
h	Cash at bank	17	8,544				8,544	3,991
i	**Total current assets**		**151,161**	**0**	**54,549**		**205,710**	**199,908**
	***Less:* Current liabilities**							
j	Creditors due in under one year	18	12,273	0	0		12,273	13,219
k	Grants payable in 2023-24	19		316,109			316,109	217,257
m	**Total current liabilities**		**12,273**	**316,109**			**328,382**	**230,476**
n	**Net current assets/liabilities**		**138,888**	**-316,109**	**54,549**		**-122,672**	**-30,556**
p	**Total assets less current liabilities**		**1,115,599**	**234,981**	**54,549**	**151,069**	**1,556,198**	**1,688,096**
	***Less:* Long term liabilities (due after more than one year)**							
q	Grants payable from 2024-25			219,800			219,800	152,000
r	**Net assets**		**1,115,599**	**15,181**	**54,549**	**151,069**	**1,336,398**	**1,536,096**
	Funds of the District							
s	General Fund (unrestricted)	20.1	1,115,599				1,115,599	1,123,009
t	District Advance Fund (unrestricted)			15,181			15,181	214,219
u	**Total unrestricted funds**						**1,130,780**	**1,337,228**
	Designated Funds	21			54,549		54,549	42,549
v	Restricted Fund	21				151,069	151,069	156,319
w	**Total Funds**		**1,115,599**	**15,181**	**54,549**	**151,069**	**1,336,398**	**1,536,096**

Under the authority of the trustees given at their meeting on 7 March 2024

Signed by Rev Dr David M Chapman, Chair of District

David Chapman

Date of signing

11 March 2024

and signed by Rev Zena Smith, Synod Secretary

Date of signing

12.3.2024.

Declarations and Scrutiny

1 Basis of Accounting and Accounting Policies

i Accounting standard

The financial statements have been prepared in accordance with SORP(FRS102) as updated, being the current version of *Accounting and Reporting by Charities: Statement of Recommended Practice*. See also ***v Accounting framework***, below.

ii Public benefit entity

The Bedfordshire, Essex and Hertfordshire (BEH) District meets the definition of a public benefit entity under FRS102. 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. The accruals basis has been used and trustees present accounts that 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. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

v Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice [SORP(FRS102)]* as amended, with the adoption of Section 1A of Financial Reporting Standard 102, in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

vi Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the District's financial viability for at least 12 months from the date of approval of these accounts.

vii Consolidation

The District oversees the work of ministers (presbyters and deacons) and lay workers in Churches and Circuits within the District but has no power to control Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which applied in the year. For this reason, the financial statements of Churches and Circuits within the District are not consolidated into these financial statements.

viii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming. 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 4. A similar figure appears in the Expenditure at Note 7.

Declarations and Scrutiny

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

The District acts as agent in three 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. These items are shown in the accounts-see Note 5.
- the collection taken at the Spring Synod on behalf of the Methodist Ministers' Children's Relief Association.

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

The value of time donated by volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure
This is recognised when incurred, regardless of the date of payment. Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources and that payment becomes probable. Until then, any material contingent liabilities are noted.

x Grants
Grants are made annually even when an application is for a recurrent grant over more than one year. A satisfactory report of substance from the individual or grantee body on the previous year's activities and outcomes is critically reviewed by the Grants Committee and is necessary to trigger payment of any further instalment. Grants that are payable in the future and were committed at 31 August 2023 are shown on the Balance Sheet either as a current liability (where the grants are payable by 31 August 2024) or in Long Term Liabilities (if payable after 31 August 2024).

xi VAT
Since the District is not VAT registered, expenditure is inclusive of VAT where charged by the supplier.

xii Tangible fixed assets
These are capitalised if they can be used for more than one year, and individually cost at least £1000. For the current year the property is shown at its revalued amount. No depreciation is provided because the trustees consider the residual value of the manse building is not less than cost and the depreciation would be immaterial. The property has been reviewed for impairment and none is provided.

Furniture and Fittings has been depreciated at 20% on a straight-line basis.

xiii 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. The unrealised gains/losses arising on investments at the end of the year are shown as income/expenditure in the SOFA and in Note 22 below.

Declarations and Scrutiny

xiv Debtors and Creditors; Bank and Cash

Debtors are stated at the amounts owed to the District or prepaid by the District. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or at the 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.

xv Loans

Where concessionary loans (*i.e.* free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid (or received), with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the SOFA.

xvi 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.

xvii Funds

The trustees have adopted a policy for all unrestricted reserves which is that, over the medium term, there should be a gradual diminution in the balance in each fund. This includes all unrestricted reserves (the General Fund and DAF) but not the restricted funds being The Rock Trust Fund and the Benevolence Fund. There is no Endowment Fund.

xviii Chair's manse costs

The District is required to provide residential accommodation for the Chair and his family. The District bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges for the Chair. Note 8 below discloses the aggregate cost to the District of these elements.

2 Assessments on Circuits

The District is made up of the following Circuits:

34-1	North Bedfordshire
34-4	South Bedfordshire
34-6	Colchester
34-7	Tendring
34-9	Chelmsford
34-10	Southend and Leigh
34-11	South Essex
34-12	Herts and Essex Border Ecumenical Area
34-13	St Albans and Welwyn
34-14	West Hertfordshire and Borders
34-15	North Hertfordshire
34-18	Bishop's Stortford-Until 31/08/2023

Declarations and Scrutiny

All Circuits paid their assessments to the District and to the MCF during the year. An assessment on Circuits is annually determined by Districts by reference to the number of staff (both stipendiary and lay workers involved in mission) in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay.

3 Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £497k (2021-22: £500k) all of which were collected and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

4 Cost of Chair and Trustees

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, Rev Dr David Chapman	26,928	25,824
Employer's National Insurance Contributions	3,644	3,343
Employer's pension contributions	7,243	6,947
District Chair Allowance	6,732	6,456
Com in Mistry Allow	176	171
Once off Grant	1,000	0
Cash cost paid by the Connexion (see SOFA)	***45,723***	***42,740***
Chair's expenses	7,314	6,122
Total cost	**53,037**	**48,862**

Since the stipend-related costs above (*i.e., £45,723*; 2021-22: £42,740) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See *Note 7*). The aggregate expenses of the Chair's accommodation were £7,314 (See *Note 8*) making the total cost of his emoluments £53,037 (2021-22: £48,862). The Chair of District is the sole paid key management person and is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as he would continue to be paid during his sabbatical and there would be little additional cost incurred by those taking on the Chair's responsibilities in the short term.

Declarations and Scrutiny

4.1 Payments to trustees

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. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District and the District Property Officer no member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

One member of the trustees is an employee of the District. Travel expenses have been reimbursed to some 6 (2021-22: five) trustees [members of the District Policy Committee (DPC)] who, in aggregate, have received the cost of travel incurred in attending meetings of the DPC and this amounted to £285 (2021-22: £391).

5 Other Income

The District does not undertake fundraising for its own purposes, other than as noted below.

Other income [£1,087 (2021-22: £3,628)] in the SOFA includes:

	2022-23 £	2021-22 £
From MCF for costs of delegates from BEH attending the annual Methodist Conference	893	1,999
Thorley Parochial Church damage deposit refund	110	1,564
HSBC Refund	83	65
Total	**1,087**	**3,628**

Each year the District Synod invites donations from the members of Synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £49 (2021-22: £0).

Designated Fund-A grant of £40,000 was received from the London Mission Fund for the employment of the District Property Officer.

Declarations and Scrutiny

6 Grants and Donations and Related Support Costs

Grants and donations of £392,993 were made during the year (2021-22: £136,116 in year).

			2022-23 £	2021-22 £
From General Fund	Benevolence	49		258
	Other	2,040	2,089	0
From DAF	In year grants	192,252		132,968
	Increase in liabilities	166,652	358,904	
From Restricted Funds	Rock Trust	0	0	2,890
From Designated Funds	Warm Spaces Grants	32,000	32,000	
Total			**392,993**	**136,116**

The sum of the grants paid in the year through the DAF was £192,252 (2021-22: £83,155). Adjusting for increase in grant provision of £166,652 gives us a total figure of £358,904 shown above.

6.1 Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

	2022-23 £		2021-22 £
To Churches	Grants	44,476	
	Returns	0	
	Net		
	44,476		12,688
To Circuits	Grants	57,460	
	Returns	0	
	Net	57,460	19,500
To Institutions		*101,936*	*32,188*
To others	Grants	92,016	
	Returns	3,000	
	Net	89,016	46,647
To individuals	Grants	1,300	
	Net	1,300	4,320
Total		**192,252**	**83,155**

		2022-23 £	2021-22 £
For Projects		30,057	0
For Ministry		85,879	
	Ret	0	
	PIA	0	
	Net	85,879	77,848
For equipment		0	0
Other		76,316	5,307
		192,252	**83,155**

The income of the fund was £244,828 (2021-22: £244,312) during the year. The charge to the SOFA is the sum paid in grants during the year [£192,252; (2021-22: £83,155)] add the uplift in the aggregate liabilities (current and long term) for future instalments of grant [£166,652 (2021-22: £49,813)] to £535,909 (2021-22: £369,257).

Declarations and Scrutiny

Designated funds received of £32,000 even though shown separately, were received through District Advance Fund.

An amount of £82,000 (2021-22: £50,549) was used centrally within the District.

The Grants Committee is aware that grant applications must demonstrate public benefit.

The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

7 Salaries and Associated Costs

Gross salaries paid to six part time and one full time employees (2021-22: seven) were as follows:

	2022-23 £	2021-22 £
Gross pay	142,201	129,961
Employer's National Insurance Contributions	10,734	8,723
Employer's pension contributions to defined contribution schemes and death in service benefit	20,523	10,261
Total costs of 7 (2020-21: 6)6xpart time&1xfull time staff	**173,458**	**148,945**
Cost of Chair (see *Note 4*)	45,723	42,740
CFB charges	0	0
TPT DC Life Assurance	247	246
Apprenticeship levies	702	632
Total staff costs	**220,130**	**192,613**

Total weekly contracted hours for 6 part time staff (2022: seven) And one full time staff	148	148

No employee received employee benefits that totalled more than £60,000. 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.

Two of the six part time employees were engaged exclusively in safeguarding matters, two provided secretarial assistance at the District office and one dealt with all financial matters. One part time staff dealt with property matters in the District. One full time staff was the District Discipleship Enabler.

7.1 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.

Declarations and Scrutiny

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). This is a defined benefit scheme, and the employing Churches and Circuits contribute as employers to this scheme. All our employees contribute to pensions schemes not administered on behalf of the Methodist Church. The BEH District has received from The Pensions Regulator an acknowledgement of declaration of compliance in connection with the automatic enrolment duties.

The Connexion accounts for both Methodist 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 is being implemented. It would be difficult to determine the liability that could fall on the BEH District and no attempt has been made to attempt this valuation.

8 Property Costs

	2022-23 £	2021-22 £
District office, rent and services	25,172	21,344
Chair's manse	7,314	6,122
Total	**32,486**	**27,466**

9 Office Expenses (General fund) and TMCP charges

	2022-23 £	2021-22 £
Printing, postage and stationery	2,201	2,619
Telephone	3,306	3,559
Insurance	1,489	1,437
Safeguarding	2,297	3,301
Independent examination	1,190	990
Office relocation and partitioning costs	0	10,424
Other costs	3,652	1,962
TMCP Charges	362	
Total charged to General Fund	**14,497**	**24,668**
TMCP charges/payments to Trustees	6,347	2,197
Total	**20,884**	**26,489**

Included in the other costs of £3,652 are website management costs of £831, Laptop data transfers costs for £180, District Office electrical works and plumbing repairs of £1,171, Shredding fees for £165, District Office Stort Blinds and Shutters for £668, purchase of District fans for £190, Norwich Books and Music for £237 and the rest on miscellaneous expenditure.

Declarations and Scrutiny

10 Synods, Committees, Conference

	2022-23 £	2021-22 £
Synods& Committees	3,049	3,053
The Methodist Conference		
Conference expenses reimbursed	893	1,999
Chair's travel	6,209	7,075
District Policy Committee, as charged	1,169	234
Total	**11,320**	**12,361**

11 Other Outgoings

	2022-23 £	2021-22 £
Training	10,522	13,772
Other costs	3,253	3,993
Depreciation	657	657
District expenses	698	
Professional services	0	4,965
Total	**15,130**	**23,387**

Professional services relate to all the fees for the new District Offices lease and the break notice fees for the Stansted offices.

Included in the other costs of £3,254 are expenses for accounting software expenses (£180), Finance costs (£484), District Discipleship expenses (£1,258), Property Officer expenses (£1,204).

12 Investment Management

During the year, the District paid £6,709 (2021-22: £2,197) to TMCP, the custodians of the District's investments (District Advance Fund, the Rock Trust and part of the General Fund). The sum of £6,709 was levied at 0.2% on the value of the funds at the end of the previous year and is shown as partly allocated to the DAF (£1,663), Rock funds (£4,684) and General Fund (£362): £1,663 and £4,684 as Office Expenses in the SOFA. (See *Note 9* above.)

The sum of £5,249 (2021-22: £8,285) represents a net unrealised loss on the invested funds of The Rock Trust. More information can be found in Note 21 *Restricted Fund.*
There was an unrealised loss of £4,951(2021-22: £7,815) on part of the General Fund. The gross unrealised losses of -£10,200 (2021-22: -£16,100).

13 Transfers between Funds

The transfer between funds shown on the SOFA represents sums that were transferred from one fund to another under the direction of the trustees.

Declarations and Scrutiny

During the year £82,000 (2021-22: £50,549) was withdrawn from the District Advance Fund to contribute to the funding of the following: training grants, district discipleship enabler, safeguarding and administrative assistance.

Within the £82,000 figure above there was transfer of £42,000 which was done to the General Fund to meet the salary/expenses of the District Discipleship Enabler.

A transfer of £28,000 was done from the Designated Fund to the General Fund to meet the District Properties Officer costs. £1,300 was also transferred from the District Advance Fund to the General Fund for specific training grants.

14 Tangible Fixed Assets

The value of the District manse, 1 Friars Wood, Bishop's Stortford, is believed to be considerably greater than its historical cost in 2006 shown in the accounts. The Trustees considered it prudent to show the property at its current market value of £850k, and a revaluation reserve has been created within the general fund to account for the increase in value from cost amounting to £350k. As the property has been revalued no depreciation is required. Depreciation of Furniture and Fittings is 20% on straight line basis.

	Land £	Buildings £	Plant and machinery £	Cost b/fwd £	Revaluation b/fwd £	Depreciation	Total £
Cost or valuation							
Property	180,000	300,000	20,000	500,000	350,000		850,000
Furniture & Fittings	-	-	-	3,286	0	1,972	1,314
Total	180.000	300,000	20,000	503,286	350,000	1,972	851,314

15 Investments with Trustees for Methodist Church Purposes

The funds that support part of the General Fund, the District Advance Fund and The Rock Trust are held by TMCP in the Trustees' Interest Fund or the Managed Mixed Fund on which interest and dividends are credited to the accounts. These are regarded as medium- and long-term investments and are shown on the Balance Sheet as Fixed assets.

TMCP is the Custodian Trustee of all Methodist Model Trust property and is held for and on behalf of local Managing Trustees (in BEH, the DPC) who are responsible for the day to day management of the property. TMCP ensures that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

Declarations and Scrutiny

15.1 Holdings at 31 August 2023 (2022)

	General	DAF	Rock	Total
Fund	£	£	£	£
Trustees Investment Fund	13,770 (10,320)	551,090 (583,476)	32,720 (32,721)	597,580 (626,517)
Managed Mixed Fund	116,627 (116,577)	Nil (Nil)	118,349 (123,598)	234,976 (240,175)
Total	**125,397** **(126,897)**	**551,090** **(583,476)**	**151,069** **(156,319)**	**827,556** **(866,692)**

16 Debtors and Prepayments

All sums shown as Debtors on the General Fund at 1 September 2022 were received during the following year. All sums paid in advance at 1 September 2022 (with the exception of rent deposit) were for activities or services related to 2022-23 and were charged to the SOFA in that year. It is expected that payments in advance at 31 August 2023 will be expensed in 2023-24.

	2022-23 £	2021-22 £
Trade debtors		
Prepayments		
Thorley Church-Synod Hire deposit	0	200
Insurance (108+114+61)	283	218
Thorley Church-Synod Hire Charges	0	567
District Office rent	1,838	0
Probationary Retreat 2024-Share of costs	4,518	0
Training grants (583+1,200)	1,783	
Retreat deposits (617+248+157+618+136)	1,776	
Total prepayments	**10,198**	**985**
MCF 22 Conference reimbursement	**0**	1,999
Peek deposit-new District Offices	**6,300**	6,300
Total debtors	**16,498**	**9,284**

17 Central Finance Board (CFB) Deposits and Cash at Bank

The District has one current account at HSBC plc, an authorised institution. The sum held on this account is immediately available. In addition, the District has a deposit account at CFB, a common deposit fund. Interest is earned on this account and is credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The District has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

Declarations and Scrutiny

18 Creditors

	2022-23 £	2021-22 £
Creditors		
Independent examination	1,100	960
Salaries and consultant fees	103	103
Safeguarding	206	2,182
Manse expenses	137	26
Other DC	18	*82*
Postage & printing DC	83	*90*
Telephone	103	*102*
Synods/Committees	48	*142*
Travel- DC	*862*	*733*
District Discipleship Enabler expenses	*151*	*159*
Office expenses	*120*	*49*
TPT DC Life Assurance charges	*21*	*93*
District Offices-Electricity	*66*	
Property Officer expenses	*33*	*56*
Total trade creditors	***3,051***	***4,777***
Accruals/Provision		
Ecumenical grant	7,825	7,825
Pension contributions	185	165
Taxation and Social Security	*452*	*452*
Threadneedle credit	*760*	
Total creditors	**12,273**	**13,219**

It is expected that all sums accrued at 31 August 2023 will be paid during the year to 31 August 2024.

Declarations and Scrutiny

19 Grant Commitments

Expenditure on charitable activities: District Advance Fund
Some grants are payable in annual instalments. The District expects to receive a report of the outcomes of the first (or subsequent) year's activities funded by the grant. Future instalments are shown as Current liabilities (if payable within one year of 31 August 2023) and as Long-term liabilities (where due after one year).

The following analyses are available:

	2022-23 £	2021-22 £
End of year commitments to pay one off grants or the first instalment in a future year	11,300	80,000
Anticipated second or subsequent instalments where the first instalment was paid in 2022-23 or earlier	524,609	289,257
Total anticipated commitment at 31 August 2023	**535,909**	**369,257**

Grants payable by year	2022-23 £	2021-22 £	£	£
2023-24	316,109	217,257		
2024-25	121,300	47,000		
2025-26	63,500	**37,500**		
2026-27	35,000	**37,500**		
2027-28	0	**30,000**		
	535,909	**369,257**	**535,909**	**369,257**
Total anticipated commitment at 31 August 2023			**535,909**	**369,257**

After recognising the liabilities for future grants payable through the DAF, there is only a sum of £15k available for future grants. In the following year and subsequent years, further sums are expected to be credited to the DAF from the CMTF levies of those years.

The award of a grant by the District does not create a contractual relationship.

No individual or institution received grants of such a magnitude that they should be separately reported.

20 Unrestricted Funds

20.1 General Fund – balance £1,115,599 at 31 August 2023 (2022: £1,123,009)

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 76% of this fund is held as a freehold property, the District manse for the Chair of District which is based on its revalued amount of £850k (2022: Revalued £850k) included in the general funds balance above.

Declarations and Scrutiny

20.2 District Advance Fund – balance £15,181 at 31 August 2023 (2022: £214,219)
The purpose of the fund is to receive monies from investments and to pay grants by annual instalments on applications made.

21.1 Restricted Funds - balance £151,069 at 31 August 2023 (2022: £156,319)

The Rock Trust, a restricted fund, exists to support residential and other activities undertaken by young people who currently live in the former London NE District of the Methodist Church. All the fund's assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the Rock Trust. Grants are awarded by the trustees of the Rock Trust, being the trustees of the District.

Movements during the year were as follows:

	2022-23 £	2021-22 £
Market value at 01 September 2022	156,318	164,608
Investment income received during the year	4,684	3,355
Net unrealised (loss)gain on the value of investments at the year end	-5,249	-8,285
Grants paid during the year TMCP administration charge Reversal of adjustment to bid price	-4,239 -445	-2,890 -469
Market value at 31 August 2023	**151,069**	**156,319**

This is made up as follows:		
CFB Managed Mixed Fund	118,349	123,598
Trustees' Interest Fund	32,720	32,721
Total	**151,069**	**156,319**

Market valuations have been provided by TMCP.

The Benevolence Fund which is now accounted for through the General Fund stands at £822 (2022: £771) - provides financial support to ministers and lay people in the District in need of support. The Benevolence receipts and payments were processed through the General Fund. (See page 15 on Donations income and *Note 6* above on payments.)

21.2 Designated Fund

Designated Fund- balance £54,549 at 31 August 2023. (2022: £42,549)

This is made up as follows:	2022-23 £	2021-22 £
District Discipleship Enabler	20,549	20,549
District Property Officer	34,000	22,000
Total	**54,549**	**42,549**

Declarations and Scrutiny

These are designated funds received from Methodist Connexion and District Grants Team for the employment of the District Discipleship Enabler and from London Mission Fund for the employment of the District Property Officer.

22 Fund Movements

22.1 Summary of fund movements 2022-23

Fund	Restated Balance at 01-Sep-22 (Note 1)	Income (Note 2)	Expenditure	Transfers	**Change in Liabilities/** Gains	Balance at 31-Aug-2023
	£	£	£	£	£	£
General	1,123,009	181,894	-295,653	111,300	-4,951	1,115,599
District Advance (See Note 1 below)	214,220	244,827	-193,914	-83,300	-166,652	15,181
Total unrestricted	***1,337,229***	***426,721***	***-489,567***	***28,000***	***-171,603***	***1,130.780***
Rock Trust	156,318	4,684	-4,684		-5,249	151,069
Designated Funds	42,549	72,000	-32,000	-28,000	**0**	54,549
Total restricted	**198,868**	***76,684***	***-36,684***	***-28,000***	***-5,249***	***205,618***
Total Funds	**1,536,096**	**503,405**	**-526,251**	**0**	**-176,852**	**1,336,398**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2023 was £535,909 being an increase of £166,652 over the provision brought forward.
Note 2 The amount of £181,894 excludes £4,951 of net unrealised losses; the amount of £4,684 excludes £5,249 of net unrealised losses; the amount of £503,405 excludes £10,200 of net unrealised losses.

22.2 Summary of fund movements 2021-22

Fund	Restated Balance at 01-Sep-21 (Note 1)	Income (Note 2)	Expenditure	Transfers	**Change in Liabilities/** Gains	Balance at 31-Aug-2022
	£	£	£	£	£	£
General	1,143,645	178,834	-280,753	89,098	-7,815	1,123,009
District Advance (See Note 1 below)	154,776	244,312	-84,507	-50,549	-49,813	214,219
Total unrestricted	***1,298,421***	***423,146***	***-365,260***	***38,549***	***-57,628***	***1,337,228***
Rock Trust	164,608	3,355	-3,359		-8,285	156,319
District Enabler	41,098	40,000		-38,549	**0**	42,549
Total restricted	**205,706**	***43,355***	***-3,359***	***-38,549***	***-8,285***	***198,868***
Total Funds	**1,504,127**	**466,501**	**-368,619**	**0**	**-65,913**	**1,536,096**

Declarations and Scrutiny

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2022 was £369,257 being an increase of £49,813 over the provision brought forward.

Note 2 The amount of £178,835 excludes £7,815 of net unrealised losses; the amount of £3,355 excludes £8,285 of net unrealised losses; the amount of £466,502 excludes £16,100 of net unrealised losses.

23 Analysis of Net Assets among Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted general and designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	851,314		851,314
Fixed asset investments	676,487	151,069	827,556
Current assets	205,710		151,161
Current liabilities	(328,382)		(328,382)
Payables due after one year	(219,800)		(219,800)
Total	**1,185,329**	**151,069**	**1,336,398**

24 Related Parties

None of the District trustees made donations direct to the District during the year or in the preceding year. 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.

Related parties include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Fund, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors. The following table shows the receipts from and payments to related parties during 2022-23.

Names of Connected Organisations	2022-23 Receipts £	2022-23 Payments £	2021-22 Receipts £	2021-22 Payments £
Donee: Methodist Church Fund		(497,387)		(499,731)
Donee: TMCP		(8,743)		
Donor: Methodist Church Connexion	8,743			
Donor: Circuits within BEH (assessments)	622,400		626,764	
Donor: Circuits within BEH (levies)	83,286		116,477	
Donor: Churches within BEH	100		306	
Donee: Circuits within BEH		(57,460)		(19,500)

Declarations and Scrutiny

Donee: Churches within BEH		(44,476)		(12,688)
Donee: Individuals (*re* 3 Generate)		(1,300)		1,060

Information about payments to trustees appears in Note 4.1.

25 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. At the BEH District the principal contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this District to value the non-monetary contributions to the District in monetary terms.

26 Capital Commitments and Contingent Liabilities

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

27 Lease Commitments

The District has contracts or obligations for the following:

- New Office accommodation rent to be reviewed at the end of the third-year c.£17,000pa first year rent (2021-22), £21,000pa second year rent (2022-23) and £25,000pa third year rent (23-24).

In addition, there are short term obligations as follows:

- Reprographic equipment at the District office c.£88/month
- Telephones at the District office and the District manse c.£276/month
- Security alarm system at the manse c.£26/month
- Membership of the Friars Wood Residents' Association c.£60/month

The total liability of these is not considered material.

28 Independent Examiner

An accrual has been made for the fee of the independent examiner in the sum of £1,100 for the year (2021-22: £960). The charge in the SOFA represents the provision for this year's fee.

No additional services have been sought from or provided by the independent examiner during the year.

BEDFORSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2023

Declarations and Scrutiny

I confirm that these accrual-based accounts for the year ended 31 August 2023 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee, being the trustees of the District.

Signed: [signature] Date: 4 March 2024

Nichodimus Kawadza, District Finance Manager

Presentation to the District Policy Committee for approval

I confirm that the Trustees Annual Report, the Statement of Financial Activities, the Balance Sheet and the Notes to the Accounts for the year ended 31 August 2023 were presented to the District Policy Committee at its meeting on 7 March 2024.

Signed: [signature] Date: 11 March 2024

Rev Dr David M Chapman, Chair of District

Independent examiner's report to the Trustees of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church for the year ended 31 August 2023

The trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the District's income and expenditure for the year and of the assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under s144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under s145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under s145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosure in the accounts seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Declarations and Scrutiny

Independent examiner's statement

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.

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed: Date: 13.03.2024

Vincent Chandler FCA FCCA
Independent examiner
Moore Green
22 Friars Street
Sudbury
Suffolk CO10 2AA

BEDFORDSHIRE ESSEX AND HERTFORDSHIRE DISTRICT OF THE METHODIST CHURCH

England & Wales - Charity number 1133921

Accounts

BEDS, ESSEX & HERTS
METHODIST DISTRICT

The TRUSTEES' ANNUAL REPORT and ACCOUNTS for the year ended 31 August 2022

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2022

Trustees' Annual Report

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Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities
Church: a group of members from fewer than 10 to more than 300
Circuit: a group of Methodist Churches near each other, typically between 10 and 30
CMTF: Circuit Model Trust Fund
Connexion: The Methodist Church in GB which includes the Head Office in London at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain
District: a group of contiguous Circuits, usually between 15 and 30
DAF: District Advance Fund
DPC: District Policy Committee
FRS: Financial Reporting Standard
HMRC: Her Majesty's Revenue and Customs
MCF: Methodist Church Fund
MMPS: Methodist Ministers' Pension Scheme
PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church
SOFA: Statement of Financial Activities
SORP: Statement of Recommended Practice
TMCP: Trustees for Methodist Church Purposes, the Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Trustees' Annual Report

1 Objectives and Activities

The Bedfordshire, Essex and Hertfordshire Methodist District exists to serve the mission of the Methodist Church of Great Britain. The District comprises 155 local Methodist churches in these three counties, grouped into 12 circuits that are served by a ministerial team of nearly 42.25 (full-time equivalent) presbyters and deacons.

The District Synod is the principal governance body of the District, comprising the ministers stationed in the District plus a larger number of lay representatives appointed by the circuits. There are a number of District officers appointed to serve the work of the Synod in particular ways. The vast majority are lay and ordained volunteers, who undertake District responsibilities in addition to their other roles in the Church. The District officers are led by the District Chair, who is a presbyter appointed to serve the District full-time. The District employs two part-time Safeguarding Officers, part-time Finance Officer, full time District Discipleship Enabler and two part-time personal assistants to the District Chair.

The District serves the mission of the Methodist Church by supporting the work of its circuits and local churches and by exercising oversight over them, as specified under the *Constitutional Practice and Discipline of the Methodist Church of Great Britain*. Principal District activities include the deployment of ministers, ministerial development, continuing training for probationer ministers, strategic financial grants to circuits and local churches in support of their mission and ministry, and scrutiny of governance processes in the circuits.

The District Synod meets at least twice in each year to fulfil its governance and oversight responsibilities. As a registered charity, the Synod takes seriously its responsibilities to the Charity Commissioners and adheres closely to the published guidance on public benefit.

2. Achievements and Performance

During the church year ended 31 August 2022, the District Synod, together with the District Policy Committee (DPC) acting as its executive body, has continued to discharge its governance responsibilities in accordance with the *Constitutional Practice and Discipline of the Methodist Church*. In addition, the District Synod has pursued specific objectives in accordance with the priorities outlined in the Trustees' Annual Report for 2020-21.

One of the highlights of the year was a visit by the President of Conference, Rev. Sonia Hicks, in October 2021. The president was the keynote speaker at a district event held at High Leigh Conference Centre to launch the Methodist Church's national policy to promote Equality, Diversity and Inclusion (EDI), entitled 'Justice, Dignity and Solidarity'. All the circuits were represented at the event. During her visit to the district, the president led Sunday morning and evening worship in local churches and met with supernumeraries. She also made a visit to Queenswood School (Methodist independent day and boarding school for girls), where she met staff and students, observed lessons, and was interviewed before the whole school as a woman in leadership. The visit took place during black history month, which was marked in various ways across the curriculum and in library displays.

In January 2022, the District appointed a part time (0.6FTE) property officer as part of its strategy to provide circuits with enhanced property support. The property officer has been able to advise circuits in relation to the missional use of church buildings and the disposal of surplus property.

Trustees' Annual Report

Despite the continuing presence of Covid-19 in the wider community, the District Synod met in person in representative session in September 2021 and April 2022 and in presbyteral session in March 2022. The DPC met twice in person (September 2021 and June 2022) and twice via video conference (November 2021 and March 2022). This pattern was judged to be successful and will continue in future.

A major development this year has been the relocation of the district office. In February 2022, the DPC received notification of a proposed redevelopment of the Stansted Airport business park and decided not to continue with the renegotiation of the lease. The district property officer investigated alternative options and the DPC agreed to terminate the lease on the office at Stansted Airport and lease an office in the business park in Dunmow Road, Bishop's Stortford. The move was completed in July 2022. The new office is more spacious and centrally located in the district for ease of access.

All the circuits have again met their financial assessment during the year with the result that the District has not suffered an unexpected loss of income. Nevertheless, circuits and local churches have yet to recover fully from the effects of lost income from voluntary subscriptions and the letting of premises.

The district remains committed to maintaining effective ecumenical relationships and joint work where possible. In June 2022, the district became party to a memorandum of understanding with the University of Hertfordshire, the Diocese of St Albans, the Central Baptist Association and the Thames North Synod of the United Reformed Church concerning the ecumenical chaplaincy.

2.1 Plans for 2022-23

In addition to fulfilling its trustee responsibilities and discharging its governance functions, the District Synod with the District Policy Committee acting as its executive intends to:

(1) Arrange residential meetings for Circuit Superintendents twice a year, and a residential retreat for ministers stationed in the District in the first 10 years of their ministry.
(2) Arrange an induction day for those ministers (presbyters and deacons) and probationers newly stationed in the District in 2022.
(3) Review the district grants policy to allow applications from circuits for work towards making manses more energy efficient.
(4) Adopt a District environmental policy and establish a monitoring group to promote ways in which the district, circuits and local churches can reduce their detrimental impact on the environment.
(5) Review the post of district discipleship enabler.
(6) Provide grants to enable young people in the district to participate in the 3Generate youth event to be held in the autumn of 2022.
(7) Engage in a regional conversation with neighbouring districts to consider whether and how restructuring districts in the period 2024-27 may produce economies and more effective ways of supporting circuits and local churches.

3 Financial Review

During the year the District received total income of £467k (2020-21: £383k) and dispersed £418k (2020-21: £335k). To the resulting surplus was deducted net unrealised loss of £-16k (2020-21: £40k) on investments and £Nil (2020-21: £130k) on revaluation of the Manse to produce a net surplus of £32k (2020-21: an excess of £218k). Total funds carried forward are £1,536k (2020-21: £1,504k). It should be noted that the unrestricted reserves funded the purchase cost of the manse (£500k in 2006) which is now valued at £850k and, as a result, the unrestricted readily available reserves total £487k. (2020-21: £443k, on a like-for-like basis) after taking account of commitments to future instalments of grant.

It should be noted that the small surplus of £32k has been a result of adjustments down of short and long-term grant commitments by £50k and unanticipated relocation expenditure to the new District offices of £20k.

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.

The District continues to hold the one freehold property being the Chair's Manse in Bishop's Stortford.

The District has the following principal sources of funds:

- Interest on investments
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Assessments on Circuits within the District.

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 Methodist Ministers' Pension Fund

Trustees are aware that the Methodist Ministers' Pension Scheme is treated as a group defined benefit plan. The net defined benefit cost is recognised by the sponsoring entity, The Methodist Church in Great Britain, as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities, such as the District. The District recognises a cost equal to its contributions payable for the period. Further details in respect of these pension arrangements are disclosed in the accounts of The Methodist Church in Great Britain.

3.2 Investment policy and performance

To comply with Methodist Standing Orders, 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 (individually 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 capital returns are close to tracking the movements in the FTSE100 index. The income mirrors the deposit rates available

elsewhere. Both the Central Finance Board (CFB) and TMCP take into consideration social, environmental and ethical considerations, both negatively and positively, in establishing investment policy.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

3.3 Reserves policy

The District has a reserves policy covering all its unrestricted funds which is reviewed annually. Although grants are made each year out of the District Advance Fund (DAF), it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. The trustees seek to ensure that there is sufficient in the DAF to meet these anticipated requests and show those sums payable in 2022-23 as a current liability and instalments due after the following year as long-term liabilities in the Balance Sheet. At the year end the unspent DAF balance designated, but not committed, for future grant-making amounted to £214k.

The minimum level of the General Fund is such as to pay for six months' payroll costs, and closing costs of staff redundancies, rent and the like expenditure. At 31 August 2022 this sum amounted to £124k (2020-21: £100k). Unrestricted undesignated reserves, at £487k, were substantially in excess of this amount at the end of the year. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTFs) is not secure and it is judged prudent to retain a buffer beyond the quantified need of £124k. Furthermore, some Circuits may find it difficult to meet their future assessments. As in some previous years, if the aggregate sum collected from the CMTFs is not all given out as grants in the same year, there could be a return of levy to the Circuits. It is always expected that the balance on the DAF will decrease, year on year, but this year it has increased since the Trustees have found it prudent to put in place contingent grant measures considering the Covid-19 pandemic effects that still linger on. The existence of substantial designated and undesignated reserves at District level should be considered by Circuits within the District when they consider the need for their own reserves which we feel continue to be stretched in this current period.

3.4 The mix of funds

The reserves held at the end of the year were as follows:

	£k
Unrestricted funds	
General Fund	1,123
District Advance Fund	214
Total unrestricted funds	*1,337*
Rock Trust (a restricted fund)	156

District Disciple Enabler &Property Officer (a designated fund)	43
Total funds	**1,536**
Total unrestricted funds	1,337
Less: Tied up in freehold property/assets	(850)
Total readily available reserves	487

As a general policy Trustees have agreed to reduce the level of reserves gradually over the foreseeable future and to do this either by awarding, in year, grants in excess of the amount of the levies from the CMTFs and, possibly, by not increasing the circuit assessments by the amount necessary to meet the budgeted costs and to maintain the reserves. The Trustees will continue to monitor how this plays out during the post Covid-19 pandemic period.

All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The year-end financial position of the District is healthy in that its resources are not only sufficient to meet future known liabilities but also sufficient for the District to carry out its plans for the following year.

3.5 Purposes of the funds

General Fund: this provides a reserve in case of major unforeseen expenditure in administering the District.

District Advance Fund: this provides much-needed grants to assist Circuits, Churches and individuals as well as the District in its work, much of which is with the wider community.

Rock Trust (a restricted fund): the trustees are able to spend the income and they do so every year. It provides financial help to young people in part of the District and elsewhere who wish to attend residential events.

Benevolence Fund: this is used to provide small sums of money to ministers and lay people in the District where it is believed that a financial gift would help relieve stress, of whatever form. The sums paid out in benevolence during the year exceeded sums received from donor organisations specifically for benevolence in the same period. When the restricted fund was fully dispersed, benevolence payments were made out of the general fund.

Designated Fund-This is an annual grant awarded to the District by the Connexion and District Grant Team on a 1:1 basis, for the employment of the District Discipleship Enabler for the three years up to February 2023. There is also a grant from London Mission Fund for the employment of the District Property Officer for two years.

3.6 Collaborative arrangements with connected charities

One of the District's main sources of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this

was used to defray most of the cost of administering the District. This sum amounted to £127k (2020-21: £145k).

Each year the District is allocated a sum by the London Mission Fund (LMF). In 2021-22 this amounted to £56k (2020-21: £56k) which can be used to pay for or contribute to the cost of certain activities within the District. This sum is not remitted to the District and does not appear in the accounts of the District because the District acts as agent for the LMF. Instead, the District nominates some grant applications which can be met by the LMF and passes these to the LMF so that the LMF can pay the grant directly to the grantee. Grants were awarded to various projects around the District.

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional year (01 September). In 2021-22 this sum was £108k (2020-21: £93k) and was credited to the District Advance Fund. In addition to this figure there were grants of 8k and 9k received for Poverty and Justice and the repayment of grant from one of the churches for youth work project respectively to bring the figure to £125k.

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 received by the District as agent are not recognised as income or as an asset in the financial statements because the funds are not within the District's control. No fee is earned in respect of this agency arrangement and the District incurs no cost through providing this arrangement.

4 Trustees' Responsibilities

For each financial year ending on 31 August the 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 and to prepare an annual report for that year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed the applicable SORP and accounting standard, SORP(FRS102) as updated, including FRS102
- adopted the going concern basis.

The 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 are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and trustees' reports may differ from legislation in other jurisdictions.

5 Structure, Governance and Management

The District is an unincorporated association and is 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 1 February 2010.

5.1 Structure

Circuits are groups of Churches; Circuits pay the stipends of most ministers and may employ lay (unordained) staff to serve the Churches in the Circuit; most decisions are made at or ratified by the half yearly Circuit Meeting. A District is a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year and is the supreme governing body in the Church.

1. Overall control rests with the Methodist Conference.
2. 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.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the presbyter, the Church Stewards and other officers, and authority is delegated to Church Councils as Managing Trustees.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in Bedfordshire, Essex and Hertfordshire:

- by providing opportunities for Circuits to work together and support each other, and
- by offering to Circuits resources of finance, personnel and expertise.

Trustees' Annual Report

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

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 Office at 25 Marylebone Road, London NW1 5JR 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. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the District Policy Committee, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Policy Committee and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The District Policy Committee normally meets four times each year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District office, the District manse, stationing of ministers, safeguarding, authorisations to preside at communion, and extensions to local preacher training. It also liaises with the East of England Learning Network.

5.4 Responsibilities of the District Policy Committee

i 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
ii to encourage inter-Circuit and ecumenical co-operation
iii to act in an executive capacity in matters remitted to the Committee by the Synod
iv to keep within its purview all District concerns not dealt with elsewhere
v to contribute and respond, as the case may be, 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
vi to be aware that the stipend of the Chair of the District is set – currently by reference to average wages and the change over a year in the Consumer Prices Index - by the Methodist Conference as for all ministers within the Connexion
vii constantly to be aware of the public benefit guidance issued by the Charity Commission.

Trustees' Annual Report

6 Reference and Administrative Details

6.1 Name of the charity

The Bedfordshire, Essex and Hertfordshire District of the Methodist Church sometimes abbreviated to 'BEH District'.

6.2 Charity registration number

1133921, registered in England and Wales

6.3 Principal Office

Room 1
Stansted House
Third Avenue
Stansted Airport
Essex
CM23 1AE

01279 681 976
www.behdistrict.org.uk
(Up to 17 July 2022)

H17, Peek Business Centre
Woodside, Dunmow Road
Bishop's Stortford
Herts CM23 5RG

01279 657 195
www.behdistrict.org.uk
(From 18 July 2022)

6.4 Chair of the District

Rev Dr David M Chapman from 1 September 2016. Reappointed 1 September 2022.

6.5 Secretary of the Synod

Mrs Lynne Ling appointed from 1 September 2019 to 31 August 2022.

6.6 Assistant Secretary of the Synod (Presbyteral)

Rev Caroline Weaver was appointed 01 September 2021.

6.7 District Treasurer

No Replacement has yet been appointed but Mr Nichodimus Kawadza was appointed the District Finance Officer on 1 September 2019 and later to District Finance Manager on 1 April 2022 to look after all the District's finance activities.

Trustees' Annual Report

6.8 Names of trustees

The following served as trustees throughout part or all of the year 2021-22 or were trustees at the time of this report being approved:

Miss Kathy Burrell (County Representative Essex). Appointed 01 September 2017 to 04 August 2022.
Mr Bob Butcher (Grants Secretary). Appointed 01 September 2007
Rev Dr David Chapman *ex officio* (Chair, *ex officio),* Appointed 01 September 2016. Reappointed 01 September 2022
Rev Rosemary Fletcher (Ecumenical Officer to Herts). Appointed 01 September 2019 to 31 August 2022.
Mr David Friswell *ex officio (*East of England Learning Network Regional Co-ordinator) Appointed 29 January 2018 to 30 November 2022
Mr David Germany (County Representative Beds). Appointed 01 September 2011
Rev Mark Hammond (County Representative Herts). Appointed 01 September 2017
Rev Andrew Hollins (Ecumenical Officer to Beds). Appointed 01 September 2017 to 31 August 2022
Mr Ian Hume (Property Secretary). Appointed 01 September 2006 to 03 January 2022.
Mrs Lynne Ling *ex officio* (Synod Secretary). Appointed 01 September 2019 to 31 August 2022
Rev Zena Smith *ex officio* (Synod Secretary). Appointed 01 September 2022
Miss Marion Mear (Secretary to DPC). Appointed 02 January 2018
Mr Keith Norman (Lay Stationing Representative). Appointed 27 April 2013
Rev Tom Osborne (Ecumenical Officer to Essex). Appointed 01 September 2017
Rev Malcolm Peacock (Deputy Chair of the District and Methodist Council Representative). Appointed 01 September 2013 to 31 August 2022.
Rev Rachael Hawkins (Deputy Chair of the District). Appointed 01 September 2022.
Rev Chris Sandy (County Representative Beds). Appointed 18 September 2021.
Jenny Harris-Appointed 01 September 2020.
Mr Steve Watson (District Property Officer). Appointed 4 January 2022.
Rev Christine Preece (Synod Elected Member-Essex). Appointed 17 September 2022
Mrs Sheila Pollard (Methodist Council Representative). Appointed 01 September 2022.
Rev David Jebb (Ecumenical Officer Hertfordshire). Appointed 01 September 2022.
Mrs Ann Howlett-Foster (Eastern England Learning Network Regional Officer). Appointed 15 March 2022.
Mr Stuart Watkins (Learning and Development Officer). Appointed 15 March 2022

Most trustees attended all meetings of the DPC to which they were entitled to attend in the year and the attendance rate for all 16 trustees who served throughout the year and all four meetings of the DPC during the year was 86% (2019-20: 75%).

The Managing Trustees for the District are the members of the District Policy Committee.

No trustee claims exemption from disclosure of his or her name here.

6.9 Chair's PAs

Miss Carol Griggs & Mrs Sarah Sutherland

Trustees' Annual Report

6.10 Bankers

HSBC plc
Town Centre
Danestreet
Stevenage
Herts
SG1 1BY

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

6.11 Investment managers and custodian trustees

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

6.12 Independent Examiner appointed 16 September 2014

Vincent Chandler ACA FCCA of Moore Green, Chartered Accountants
22 Friars Street
Sudbury
Suffolk
CO10 2AA

Approvals

The Trustees' Report and the Financial Statements were approved by the District Policy Committee on 16 March 2023 and were, for information, presented to the Synod on 22 April 2023.

Rev Dr David M Chapman (signed)

David Chapman

Rev Dr David M Chapman
Chair of the District

Date: 22 March 2023

Rev Zena Smith (signed)

Rev Zena Smith
Synod Secretary

Date: 12 April 2023.

Trustees' Annual Report

7 Financial Statements

The Financial Statements comprise:

- the Statement of Financial Activities for the year ended 31 August 2022 (page 15)
- the Balance Sheet as at 31 August 2022 (page 16)
- the Notes to the Accounts (pages 17 to 32).

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2022

Statement of Financial Activities for the year ended 31 August 2022

		Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds	Restricted Funds	Total 2021-22	Restated Total 2020-21
			£	£	£	£	£	£
	Income and Endowments from:							
1	**Donations and legacies**		306				306	250
2	**Income from investments**		3,907	2,973		154	7,034	9,828
3	**Income from charitable activities**							
4	Assessments on circuits		127,033				127,033	144,608
5	From Circuit Model Trust Funds		1,220	124,862		3,201	129,283	93,036
6	Contribution to the cost of the Chair	4	42,740				42,740	42,151
7	Connexional Advance & Property Fund			116,477			116,477	92,221
8	Other income	5	3,628		40,000		43,628	1,092
9	**Total income**		**178,835**	**244,312**	**40,000**	**3,355**	**466,501**	**383,186**
	Expenditure on charitable activities:							
10	Grants and donations	6	258	132,968		2,890	136,116	122,146
11	Salaries and associated costs, inc Chair	7	192,613				192,613	166,814
12	Property	8	27,466				27,466	24,743
13	Office expenses	9	24,668	1,352		469	26,489	9,746
14	Synods, committees, Conference	10	12,361				12,361	5,165
15	Other outgoings	11	23,387				23,387	6,484
16	**Total expenditure**		**280,753**	**134,320**	**0**	**3,359**	**418,432**	**335,098**
17	**Net unrealised gains on fixed assets**	14	**0**				**0**	**130,000**
17	**Net unrealised gains/(losses) on investments**		**-7,815**			**-8,285**	**-16,100**	**39,747**
18	**Net income**		**-109,734**	**109,992**	**40,000**	**-8,289**	**31,969**	**217,835**
19	**Transfers between funds**	13	89,098	-50,549	-38,549	0	0	0
20	**Net movement in funds**		**-20,636**	**59,443**	**1,451**	**-8,289**	**31,969**	**217,835**
	Reconciliation of funds:							
21	Total funds brought forward		1,143,645	154,776	41,098	164,608	1,504,127	1,286,292
22	**Total funds carried forward**		**1,123,009**	**214,219**	**42,549**	**156,319**	**1,536,096**	**1,504,127**

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2022

Balance Sheet as at 31 August 2022

		Notes to the Accounts	General Fund	District Advance Fund	Designated Fund	Restricted Fund	Total	Restated Total 31/08/2021
			£	£	£	£	£	£
A	Fixed assets							
b	Tangible fixed assets	14	851,972				851,972	852,629
c	Investments with TMCP	15	126,897	583,476	0	156,319	866,692	770,854
d	**Total fixed assets**		**978,869**	**583,476**	**0**	**156,319**	**1,718,664**	**1,623,483**
e	**Current assets**							
f	Debtors and prepayments	16	9,284	0			9,284	395
G	Central Finance Board deposits	17	144,084		42,549		186,633	209,360
h	Cash at bank	17	3,991				3,991	4,855
i	**Total current assets**		**157,359**	**0**	**42,549**		**199,908**	**214,610**
	***Less:* Current liabilities**							
j	Creditors due in under one year	18	13,219	0	0		13,219	14,522
k	Grants payable in 2022-23	19		217,257			217,257	177,163
m	**Total current liabilities**		**13,219**	**217,257**			**230,476**	**191,685**
n	**Net current assets/liabilities**		**144,140**	**-217,257**	**42,549**		**-30,566**	**22,925**
p	**Total assets less current liabilities**		**1,123,009**	**366,219**	**42,549**	**156,319**	**1,688,096**	**1,646,408**
	***Less:* Long term liabilities (due after more than one year)**							
q	Grants payable from 2023-24			152,000			152,000	142,281
r	**Net assets**		**1,123,009**	**214,219**	**42,549**	**156,319**	**1,536,096**	**1,504,127**
	Funds of the District							
s	General Fund (unrestricted)	20.1	1,123,009				1,123,009	1,143,645
t	District Advance Fund (unrestricted)			214,219			214,219	154,776
u	**Total unrestricted funds**						**1,337,228**	**1,298,421**
	Designated Funds	21			42,549		42,549	41,098
v	Restricted Fund	21				156,319	156,319	164,608
w	**Total Funds**		**1,123,009**	**214,219**	**42,549**	**156,319**	**1,536,096**	**1,504,127**

Under the authority of the trustees given at their meeting on 16 March 2023

Signed by Rev Dr David M Chapman, Chair of District — and signed by Rev Zena Smith, Synod Secretary

David Chapman

Date of signing: 22 March 2023

Date of signing: 12 April 2023

Notes to the Accounts

1 Basis of Accounting and Accounting Policies

i Accounting standard

The financial statements have been prepared in accordance with SORP(FRS102) as updated, being the current version of *Accounting and Reporting by Charities: Statement of Recommended Practice*. See also ***v Accounting framework***, below.

ii Public benefit entity

The Bedfordshire, Essex and Hertfordshire (BEH) District meets the definition of a public benefit entity under FRS102. 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. The accruals basis has been used and trustees present accounts that 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. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

v Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice [SORP(FRS102)]* as amended, with the adoption of Section 1A of Financial Reporting Standard 102, in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

vi Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the District's financial viability for at least 12 months from the date of approval of these accounts.

vii Consolidation

The District oversees the work of ministers (presbyters and deacons) and lay workers in Churches and Circuits within the District but has no power to control Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which applied in the year. For this reason, the financial statements of Churches and Circuits within the District are not consolidated into these financial statements.

viii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming. 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 4. A similar figure appears in the Expenditure at Note 8.

Notes to the Accounts

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

The District acts as agent in three 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
- the collection taken at the Spring Synod on behalf of the Methodist Ministers' Children's Relief Association.

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

The value of time donated by volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure

This is recognised when incurred, regardless of the date of payment. Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources and that payment becomes probable. Until then, any material contingent liabilities are noted.

x Grants

Grants are made annually even when an application is for a recurrent grant over more than one year. A satisfactory report of substance from the individual or grantee body on the previous year's activities and outcomes is critically reviewed by the Grants Committee and is necessary to trigger payment of any further instalment. Grants that are payable in the future and were committed at 31 August 2022 are shown on the Balance Sheet either as a current liability (where the grants are payable by 31 August 2023) or in Long Term Liabilities (if payable after 31 August 2023).

xi VAT

Since the District is not VAT registered, expenditure is inclusive of VAT where charged by the supplier.

xii Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at cost in 2006 of which the land component is deemed to be £180k. For the current year the property is shown at it's revalued amount. No depreciation is provided because the trustees consider the residual value of the manse building is not less than cost and the depreciation would be immaterial. The property has been reviewed for impairment and none is provided.

Furniture and Fittings has been depreciated at 20% on a straight-line basis.

xiii 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. The unrealised gains/losses arising on investments at the end of the year are shown as income/expenditure in the SOFA and in Note 22 below.

Notes to the Accounts

xiv Debtors and Creditors; Bank and Cash

Debtors are stated at the amounts owed to the District or prepaid by the District. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or at the 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.

xv Loans

Where concessionary loans (*i.e.* free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid (or received), with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the SOFA.

xvi 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.

xvii Funds

The trustees have adopted a policy for all unrestricted reserves which is that, over the medium term, there should be a gradual diminution in the balance in each fund. This includes all unrestricted reserves (the General Fund and DAF) but not the restricted funds being The Rock Trust Fund and the Benevolence Fund. There is no Endowment Fund.

xviii Chair's manse costs

The District is required to provide residential accommodation for the Chair and his family. The District bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges for the Chair. Note 8 below discloses the aggregate cost to the District of these elements.

2 Assessments on Circuits

The District is made up of the following Circuits:

34-1	North Bedfordshire
34-4	South Bedfordshire
34-6	Colchester
34-7	Tendring
34-9	Chelmsford
34-10	Southend and Leigh
34-11	South Essex
34-12	Herts and Essex Border Ecumenical Area
34-13	St Albans and Welwyn
34-14	West Hertfordshire and Borders

Notes to the Accounts

34-15 North Hertfordshire
34-18 Bishop's Stortford

All Circuits paid their assessments to the District and to the MCF during the year. An assessment on Circuits is annually determined by Districts by reference to the number of staff (both stipendiary and lay workers involved in mission) in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay.

3 Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £500k (2020-21: £513k) all of which were collected and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

4 Cost of Chair and Trustees

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.

	2021-22 £	2020-21 £
Stipend of Chair of District, Rev Dr David Chapman	25,824	25,524
Employer's National Insurance Contributions	3,343	3,211
Employer's pension contributions	6,947	6,866
District Chair Allowance	6,456	6,381
Com in Mistry Allow	171	169
Cash cost paid by the Connexion (see SOFA)	*42,740*	*42,151*
Chair's expenses	6,122	6,533
Total cost	**48,862**	**48,684**

Since the stipend-related costs above (*i.e., £42,740*; 2020-21: £42,151) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See *Note 7*). The aggregate expenses of the Chair's accommodation were £6,122 (See *Note 8*) making the total cost of his emoluments £48,862 (2020-21: £48,684). The Chair of District is the sole paid key management person and is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as he would continue to be paid during his sabbatical and there would be little additional cost incurred by those taking on the Chair's responsibilities in the short term.

Notes to the Accounts

4.1 Payments to trustees

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. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District and the District Property Officer no member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

One member of the trustees is an employee of the District. Travel expenses have been reimbursed to some 5 (2019-20: six) trustees [members of the District Policy Committee (DPC)] who, in aggregate, have received the cost of travel incurred in attending meetings of the DPC and this amounted to £391 (2019-20: £674).

5 Other Income

The District does not undertake fundraising for its own purposes, other than as noted below.

Other income [£3,628 (2020-21: £1,092)] in the SOFA includes:

	2021-22 £	2020-21 £
From MCF for costs of delegates from BEH attending the annual Methodist Conference	1,999	525
Northampton Methodist District expenses reimbursement	1,564	0
Bishop Stortford Methodist -Manse EPC Share	65	567
Total	**3,628**	**1,092**

Each year the District Synod invites donations from the members of Synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £0 (2020-21: £0).

6 Grants and Donations and Related Support Costs

Grants and donations of £136,116 were made during the year (2020-21: £127,146 in year).

			2021-22 £	2020-21 £
From General Fund	Benevolence	258		1,248
	Ecumenical Projects	0	258	11,133
From DAF	In year grants	83,155		
	Increase in liabilities	49,813	132,968	107.893
	Adjusting prior yr accrual	0		-5,150
From Restricted Funds	Rock Trust	2,890	2,890	1,872
Total			**136,116**	**122,146**

Notes to the Accounts

The sum of the grants paid in the year through the DAF was £83,155 (2020-21: £111,209). Adjusting for increase in grant provision of £49,813 gives us a total figure of £132,968 shown above.

6.1 Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

	2021-22 £		2020-21 £
To Churches	Grants	12,688	
	Returns	0	
	Net	12,688	56,781
To Circuits	Grants	19,500	
	Returns	0	
	Net	19,500	30,600
To Institutions		*32,188*	*87,381*
To others	Grants	46,647	
	Acc Rev		
	Net	46,647	35,500
To individuals	Grants	4,320	
	Net	0	
Total		**83,155**	**122,881**

	2021-22 £		2020-21 £
For Projects		0	0
For Ministry		77,848	
	Ret	0	
	PIA	0	
	Net	77,848	102,881
For equipment		0	0
Other		5,307	20,000
		83,155	**122,881**

The income of the fund was £244,312 (2020-21: £170,163) during the year. The charge to the SOFA is the sum paid in grants during the year [£83,155; (2020-21: £122,881)] add the uplift in the aggregate liabilities (current and long term) for future instalments of grant [£49,813 (2020-21: £14,988)] to £369,257 (2020-21: £319,432).

An amount of £50,549 (2020-21: £51,549) was used centrally within the District.

The Grants Committee is aware that grant applications must demonstrate public benefit.

The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

Notes to the Accounts

7 Salaries and Associated Costs

Gross salaries paid to six part time and one full time employees (2020-21: six) were as follows:

	2021-22 £	2020-21 £
Gross pay	129,961	110,834
Employer's National Insurance Contributions	8,723	9,173
Employer's pension contributions to defined contribution schemes and death in service benefit	10,261	4,655
Total costs of 7 (2020-21: 6)6xpart time&1xfull time staff	**148,945**	**124,662**
Cost of Chair (see *Note 4*)	42,740	42,151
CFB charges	0	576
TPT DC Life Assurance	246	
Apprenticeship levies	632	513
Total staff costs	**192,613**	**167,902**
Total weekly contracted hours for 6 (2020: five) part time staff And one full time staff	148	120

No employee received employee benefits that totalled more than £60,000. 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.

Two of the six part time employees were engaged exclusively in safeguarding matters, two provided secretarial assistance at the District office and one dealt with all financial matters. One part staff was recruited midway during the year dealt with property matters in the District.

7.1 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). This is a defined benefit scheme and the employing Churches and Circuits contribute as employers to this scheme. All our employees contribute to pensions schemes not administered on behalf of the Methodist Church. The BEH District has received from The Pensions Regulator an acknowledgement of declaration of compliance in connection with the automatic enrolment duties.

The Connexion accounts for both Methodist pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for

Notes to the Accounts

removal of the deficit is being implemented. It would be difficult to determine the liability that could fall on the BEH District and no attempt has been made to attempt this valuation.

Notes to the Accounts

8 Property Costs

	2021-22 £	2020-21 £
District office, rent and services	21,344	18,210
Chair's manse	6,122	6,533
Total	**27,466**	**24,743**

9 Office Expenses (General fund) and TMCP charges

	2021-22 £	2020-21 £
Printing, postage and stationery	2,619	1,738
Telephone	3,559	2,830
Insurance	1,437	1,404
Safeguarding	3,301	1,431
Independent examination	990	864
Office relocation and partitioning costs	10,424	
Other costs	1,962	0
Total charged to General Fund	**24,668**	**8,267**
TMCP charges	2,197	1,479
Total	**26,489**	**9,746**

Included in the other costs of £1,962 are expenses are website management of £904, bank charges of £89 and miscellaneous expenses of £969.

10 Synods, Committees, Conference

	2021-22 £	2020-21 £
Synods& Committees	3,053	803
The Methodist Conference		
Conference expenses reimbursed	1,999	525
Chair's travel	7,075	3,837
District Policy Committee, as charged	234	0
Total	**12,361**	**5,165**

11 Other Outgoings

	2021-22 £	2020-21 £
Training	13,772	4,661
Other costs	3,993	1,166
Depreciation	657	657
Professional services	4965	0
Total	**23,387**	**6,484**

Notes to the Accounts

Professional services relate to all the fees for the new District Offices lease of £3,936 and the break notice fees for the Stansted offices of £1,029.

Included in the other costs of £3,993 are expenses for accounting software expenses (£180), Finance costs (£389), District Discipleship expenses (£1,319), Property Officer expenses (£1,243) and general expenses such as President/Vice President visits to the District and Conference hospitality costs of £774.

12 Investment Management

During the year, the District paid £2,197 (2020-21: £1,480) to TMCP, the custodians of the District's investments (District Advance Fund, the Rock Trust and part of the General Fund). The sum of £2,197 was levied at 0.2% on the value of the funds at the end of the previous year and is shown as partly allocated to the DAF (£1,352), Rock funds (£469) and General Fund (£376): £1,352 and £469 as Office Expenses in the SOFA. (See *Note 9* above.)

The sum of £8,285(2020-21: £20,455) represents a net unrealised loss on the invested funds of The Rock Trust. More information can be found in Note 21 *Restricted Fund.* There was an unrealised loss of £7,815 (2020-21: £19,293) on part of the General Fund. The gross unrealised losses of -£16,100 (2020-21: £39,747).

13 Transfers between Funds

The transfer between funds shown on the SOFA represents sums that were transferred from one fund to another under the direction of the trustees.

During the year £50,549 (2019-20: £51,549) was withdrawn from the District Advance Fund to contribute to the funding of the following: ecumenical work, training grants, district discipleship enabler, safeguarding and administrative assistance.

Transfer of £38,549 was done from Designated Fund to General to meet the salary/expenses of the District Discipleship Enabler (£20,549) and the District Properties Officer (£18,000).

14 Tangible Fixed Assets

The value of the District manse, 1 Friars Wood, Bishop's Stortford, is believed to be considerably greater than its historical cost in 2006 shown in the accounts. The Trustees considered it prudent to show the property at its current market value of £850k, and a revaluation reserve has been created within the general fund to account for the increase in value from cost amounting to £350k. As the property has been revalued no depreciation is required. Depreciation of Furniture and Fittings is 20% on straight line basis.

	Land £	Buildings £	Plant and machinery £	Cost b/fwd £	Revaluation £	Depreciation	Total £
Cost or valuation							

Notes to the Accounts

Property	180,000	300,000	20,000	500,000	350,000		850,000
Furniture & Fittings	-	-	-	3,286	0	1,314	1,972
Total	180.000	300,000	20,000	503,286	350,000	1,314	851,972

15 Investments with Trustees for Methodist Church Purposes

The funds that support part of the General Fund, the District Advance Fund and The Rock Trust are held by TMCP in the Trustees' Interest Fund or the Managed Mixed Fund on which interest and dividends are credited to the accounts. These are regarded as medium- and long-term investments and are shown on the Balance Sheet as Fixed assets.

TMCP is the Custodian Trustee of all Methodist Model Trust property and is held for and on behalf of local Managing Trustees (in BEH, the DPC) who are responsible for the day to day management of the property. TMCP ensures that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

15.1 Holdings at 31 August 2022 (2021)

	General	DAF	Rock	Total
Fund	£	£	£	£
Trustees Investment Fund	10,320 (7,634)	583,476 (474,220)	32,721 (32,725)	626,517 (514,579)
Managed Mixed Fund	116,577 (124,392)	Nil (Nil)	123,598 (131,883)	240,175 (256,725)
Total	**126,897 (132,026)**	**583,476 (474,220)**	**156,319 (164,608)**	**866,692 (770,854)**

16 Debtors and Prepayments

All sums shown as Debtors on the General Fund at 1 September 2021 were received during the following year. All sums paid in advance at 1 September 2021 were for activities or services related to 2020-21 and were charged to the SOFA in that year. It is expected that payments in advance at 31 August 2022 will be expensed in 2022-23.

	2021-22 £	2020-21 £
Trade debtors		
Prepayments		
Thorley Church-Synod Hire deposit	200	0
Insurance (104+114)	218	216
Thorley Church-Synod Hire Charges	567	
Printing	0	179
Total prepayments	**985**	**395**

Notes to the Accounts

MCF 22 Conference reimbursement	**1,999**	
Peek deposit-new District Offices	**6,300**	
Total debtors	**9,284**	**395**

17 Central Finance Board (CFB) Deposits and Cash at Bank

The District has one current account at HSBC plc, an authorised institution. The sum held on this account is immediately available. In addition, the District has a deposit account at CFB, a common deposit fund. Interest is earned on this account and is credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The District has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

18 Creditors

	2021-22 £	2020-21 £
Creditors		
Expenses reimbursement		
Independent examination	960	840
Salaries and consultant fees	103	185
Safeguarding	2,182	904
Ecumenical grant	7,825	9,075
Manse refurbishment	26	134
Other	82	*147*
Postage & printing	90	*25*
Telephone	102	*85*
Synods/Committees	142	*96*
Conference		
DPC		
Travel-DC	*733*	*642*
District Discipleship Enabler expenses	*159*	
Office expenses	*49*	
TPT DC Life Assurance charges	*93*	
Property Officer expenses	*56*	
Total trade creditors	*12,602*	
Accruals/Provision		
Pension contributions	165	1,937
Taxation and Social Security	*452*	*452*
Total creditors	**13,219**	**14,522**

It is expected that all sums accrued at 31 August 2022 will be paid during the year to 31 August 2023.

Notes to the Accounts

19 Grant Commitments

Expenditure on charitable activities: District Advance Fund
Some grants are payable in annual instalments. The District expects to receive a report of the outcomes of the first (or subsequent) year's activities funded by the grant. Future instalments are shown as Current liabilities (if payable within one year of 31 August 2022) and as Long-term liabilities (where due after one year).
The following analyses are available:

	2021-22 £	2020-21 £
End of year commitments to pay one off grants or the first instalment in a future year	80,000	30,000
Anticipated second or subsequent instalments where the first instalment was paid in 2021-22 or earlier	289,257	289,444
Total anticipated commitment at 31 August 2022	**369,257**	**319,444**

Grants payable by year	2021-22 £	2020-21 £	£	£
2021-22		177,163		
2022-23		67,281		
2023-24	217,257	22,500		
2024-25	47,000	22,500		
2025-26	37,500	**15,000**		
2026-27	37,500	**15,000**		
2027-28	30,000			
	369,257	**319,444**	**369,257**	**319,444**
Total anticipated commitment at 31 August 2022			**369,257**	**319,444**

After recognising the liabilities for future grants payable through the DAF, there is still a sum of £214k available for future grants. In the following year and subsequent years, further sums are expected to be credited to the DAF from the CMTF levies of those years.

The award of a grant by the District does not create a contractual relationship.

No individual or institution received grants of such a magnitude that they should be separately reported.

20 Unrestricted Funds

20.1 General Fund – balance £1,123,009 at 31 August 2022 (2021: £1,143,645)

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 75% of this fund is held as a freehold property, the District manse for the Chair of District which is based on its revalued amount of £850k (2021: Revalued £850k) included in the general funds balance above.

Notes to the Accounts

20.2 District Advance Fund – balance £214,219 at 31 August 2022 (2021: £154,776)
The purpose of the fund is to receive monies from investments and to pay grants by annual instalments on applications made.

21.1 Restricted Funds - balance £156,319 at 31 August 2022 (2021: £164,608)

The Rock Trust, a restricted fund, exists to support residential and other activities undertaken by young people who currently live in the former London NE District of the Methodist Church. All the fund's assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the Rock Trust. Grants are awarded by the trustees of the Rock Trust, being the trustees of the District.

Movements during the year were as follows:

	2021-22 £	2020-21 £
Market value at 01 September 2021	164,608	144,149
Investment income received during the year	3,355	2,165
Net unrealised (loss)gain on the value of investments at the year end	-8,285	20,455
Grants paid during the year	-2,890	-1,873
TMCP administration charge	-469	-288
Reversal of adjustment to bid price		
Market value at 31 August 2022	**156,319**	**164,608**

This is made up as follows:		
CFB Managed Mixed Fund	123,598	131,883
Trustees' Interest Fund	32,721	32,725
Total	**156,319**	**164,608**

Market valuations have been provided by TMCP.

The Benevolence Fund which is now accounted for through the General Fund stands at £771 (2021: £723) - provides financial support to ministers and lay people in the District in need of support. The Benevolence receipts and payments were processed through the General Fund. (See page 15 on Donations income and *Note 6* above on payments.)

21.2 Designated Fund

Designated Fund- balance £42,549 at 31 August 2022. (2021: £41,098)

This is made up as follows:	2021-22 £	2020-21 £
District Discipleship Enabler	20,549	41,098
District Property Officer	22,000	0
Total	**42,549**	**41,098**

Notes to the Accounts

These are designated funds received from Methodist Connexion and District Grants Team for the employment of the District Discipleship Enabler and from London Mission Fund for the employment of the District Property Officer.

22 Fund Movements

22.1 Summary of fund movements 2021-22

Fund	Restated Balance at 01-Sep-21 (Note 1)	Income (Note 2)	Expenditure	Transfers	**Change in Liabilities/** Gains	Balance at 31-Aug-2022
	£	£	£	£	£	£
General	1,143,645	178,834	-280,753	89,098	-7,815	1,123,009
District Advance (See Note 1 below)	154,776	244,312	-84,507	-50,549	-49,813	214,219
Total unrestricted	***1,298,421***	***423,146***	***-365,260***	***38,549***	***-57,628***	***1,337,228***
Rock Trust	164,608	3,355	-3,359		-8,285	156,319
District Enabler	41,098	40,000		-38,549	**0**	42,549
Total restricted	**205,706**	***43,355***	***-3,359***	***-38,549***	***-8,285***	***198,868***
Total Funds	**1,504,127**	**466,501**	**-368,619**	**0**	**-65,913**	**1,536,096**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2022 was £369,257 being an increase of £49,813 over the provision brought forward.
Note 2 The amount of £178,835 excludes £7,815 of net unrealised losses; the amount of £3,355 excludes £8,285 of net unrealised losses; the amount of £466,502 excludes £16,100 of net unrealised losses.

22.2 Summary of fund movements 2020-21

Fund	Balance at 01-Sep-20 (Note 1)	Income (Note 2)	Expenditure	Transfers	**Change in Liabilities/** Gains	Restated Balance at 31-Aug-2021
	£	£	£	£	£	£
General	956,021	195,461	-229,228	72,098	149,293	1,143,645
District Advance (See Note 1 below)	145,024	170,163	-108,862	-51,549	0	154,776
Total unrestricted	*1,101,045*	*365,624*	*-338,090*	*20,549*	*149,293*	*1,298,420*
Rock Trust	144,149	2,165	-2,160		20,454	164,608
District Enabler	41,098	20,549		-20,549	**0**	41,098
Total restricted	*185,247*	*22,714*	*-2,160*	*-20,549*	*20,454*	*205,706*
Total Funds	**1,286,292**	**388,338**	**-340,250**	**0**	**169,747**	**1,504,127**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2021 was £319,444 being a decrease of £14,988 over the provision brought forward.

Notes to the Accounts

Note 2 The amount of £195,461 excludes £149,293 of net unrealised gains; the amount of £2,165 excludes £20,454 of net unrealised gains; the amount of £388,338 excludes £169,747of net unrealised gain.

23 Analysis of Net Assets among Funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted general and designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	851,972		851,972
Fixed asset investments	710,373	156,319	866,692
Current assets	199,908		199,908
Current liabilities	(230,476)		(230,476)
Payables due after one year	(152,000)		(152,000)
Total	**1,379,777**	**156,319**	**1,536,096**

24 Related Parties

None of the District trustees made donations direct to the District during the year or in the preceding year. 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.

Related parties include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Fund, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors. The following table shows the receipts from and payments to related parties during 2021-22.

Names of Connected Organisations	2021-22 Receipts £	2021-22 Payments £	2020-21 Receipts £	2020-21 Payments £
Donee: Methodist Church Fund		(499,731)		(512,780)
Donee: Methodist Church Connexion	0		20,549	
Donee: Methodist Ministers' Children's Fund		(0)		(0)
Donor: Circuits within BEH (assessments)	626,764		657,388	
Donor: Circuits within BEH (levies)	116,477		93,036	
Donor: Churches within BEH	306		250	
Donor: Circuits within BEH-Reimbursement		0		0
Donee: Circuits within BEH		(19,500)		(30,600)
Donee: Churches within BEH		(12,688)		(61,781)
Donee: Individuals (*re* 3 Generate)		1060		(840)

Notes to the Accounts

Information about payments to trustees appears in Note 4.1.

25 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. At the BEH District the principal contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this District to value the non-monetary contributions to the District in monetary terms.

26 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2019-20: Nil).

27 Lease Commitments

The District has contracts or obligations for the following:

- New Office accommodation rent to be reviewed at the end of the third-year c.£17,000pa fist year rent, £21,000pa second year rent and £25,000pa third year rent.

In addition, there are short term obligations as follows:

- Reprographic equipment at the District office c.£78/month
- Telephones at the District office and the District manse c.£374/month
- Security alarm system at the manse c.£26/month
- Membership of the Friars Wood Residents' Association c.£55/month

The total liability of these is not considered material.

28 Prior year adjustments

The previous year has been restated in respect of the provision of a grant which has now been written back amounting to £5,000 and an unpresented cheque payment and rounding off discrepancies amounting to £151.

29 Independent Examiner

An accrual has been made for the fee of the independent examiner in the sum of £960 for the year (2020-21: £870). The charge in the SOFA represents the provision for this year's fee.

No additional services have been sought from or provided by the independent examiner during the year.

Declarations and Scrutiny

I confirm that these accrual-based accounts for the year ended 31 August 2022 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee, being the trustees of the District.

Signed: N Kawadza Date: 22/03/2023

Nichodimus Kawadza, District Finance Manager

Presentation to the District Policy Committee for approval

I confirm that the Trustees Annual Report, the Statement of Financial Activities, the Balance Sheet and the Notes to the Accounts for the year ended 31 August 2022 were presented to the District Policy Committee at its meeting on 16 March 2023.

Signed: David Chapman Date: 22 March 2023

Rev Dr David M Chapman, Chair of District

Declarations and Scrutiny

Independent examiner's report to the Trustees of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church for the year ended 31 August 2022

The trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the District's income and expenditure for the year and of the assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under s144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under s145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under s145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosure in the accounts seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in any material respect the requirements:

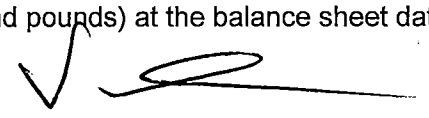
a to keep accounting records in accordance with s130 of the Charities Act, and
b to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act,

have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Declarations and Scrutiny

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed:  Date: 12/4/23

Vincent Chandler ACA FCCA
Independent examiner
Moore Green
22 Friars Street
Sudbury
Suffolk CO10 2AA

BEDFORDSHIRE ESSEX AND HERTFORDSHIRE DISTRICT OF THE METHODIST CHURCH

England & Wales - Charity number 1133921

Accounts

BEDS, ESSEX & HERTS
METHODIST DISTRICT

The TRUSTEES' ANNUAL REPORT and ACCOUNTS for the year ended 31 August 2021

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2021

Trustees' Annual Report

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Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities
Church: a group of members from fewer than 10 to more than 300
Circuit: a group of Methodist Churches near each other, typically between 10 and 30
CMTF: Circuit Model Trust Fund
Connexion: The Methodist Church in GB which includes the Head Office in London at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain
District: a group of contiguous Circuits, usually between 15 and 30
DAF: District Advance Fund
DPC: District Policy Committee
FRS: Financial Reporting Standard
HMRC: Her Majesty's Revenue and Customs
MCF: Methodist Church Fund
MMPS: Methodist Ministers' Pension Scheme
PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church
SOFA: Statement of Financial Activities
SORP: Statement of Recommended Practice
TMCP: Trustees for Methodist Church Purposes, the Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Trustees' Annual Report

1 Objectives and Activities

The Bedfordshire, Essex and Hertfordshire Methodist District exists to serve the mission of the Methodist Church of Great Britain. The District comprises 177 local Methodist churches in these three counties, grouped into 12 circuits that are served by a ministerial team of nearly 50 (full-time equivalent) presbyters and deacons.

The District Synod is the principal governance body of the District, comprising the ministers stationed in the District plus a larger number of lay representatives appointed by the circuits. There are a number of District officers appointed to serve the work of the Synod in particular ways. The vast majority are lay and ordained volunteers, who undertake District responsibilities in addition to their other roles in the Church. The District officers are led by the District Chair, who is a presbyter appointed to serve the District full-time. The District employs two part-time Safeguarding Officers, part-time Finance Officer, full time District Discipleship Enabler and two part-time personal assistants to the District Chair.

The District serves the mission of the Methodist Church by supporting the work of its circuits and local churches and by exercising oversight over them, as specified under the *Constitutional Practice and Discipline of the Methodist Church of Great Britain*. Principal District activities include the deployment of ministers, ministerial development, continuing training for probationer ministers, strategic financial grants to circuits and local churches in support of their mission and ministry, and scrutiny of governance processes in the circuits.

The District Synod meets at least twice in each year to fulfil its governance and oversight responsibilities. As a registered charity, the Synod takes seriously its responsibilities to the Charity Commissioners and adheres closely to the published guidance on public benefit.

2. Achievements and Performance

During the church year ended 31 August 2021, the District Synod, together with the District Policy Committee (DPC) acting as its executive body, has continued to discharge its constitutional responsibilities in accordance with the *Constitutional Practice and Discipline of the Methodist Church.* In addition, the District Synod has pursued specific objectives in accordance with the priorities outlined in the Trustees' Annual Report for 2019-20.

District activities throughout this year have been overshadowed by the continuing Covid-19 pandemic, which has continued to affect church activities of all kinds. Nevertheless, through modest investment in information and communications technology, the District has been able to fulfil its governance responsibilities by means of video conferencing. This has been so successful that its use will continue in subsequent years for certain activities, thereby reducing travel costs and increasing the effective use of human resources. Despite the increased use of video conferencing, because of the general situation, the District has been unable to complete some of the work previously identified as priorities in its plans for this year. This work will be carried forward to next year.

The District Synod met in representative session by video conference in September 2020 and April 2021 to conduct essential business. Likewise, the presbyteral session of the District Synod met via video conference in March 2021. The DPC continued to meet throughout the year via video conference, as did various District committees, notably the ministerial candidates committee, probationers committee and grants committee.

The Connexional supervision scheme was successfully extended to ministers stationed in the district without ministerial appointment or in appointments outside the control of the Methodist Church. Three ministers completed supervision training during the year.

A major development in District safeguarding policy during this year has been to expand safeguarding resources by establishing a second half-time post of District Safeguarding Officer. Recruitment took place in the autumn of 2020, and the postholder commenced work for the District on 2 January 2021.

In line with the national policy of the Methodist Church, the District was able to make a modest reduction in the financial assessment placed on circuits for the purpose of funding District and Connexional work. All the circuits have managed to meet their financial assessment during the year with the result that the District has not suffered an unexpected loss of income. Nevertheless, circuits and local churches have lost income from voluntary subscriptions and the letting of income which has implications for the future.

2.1 Plans for 2021-22

In addition to fulfilling its trustee responsibilities and discharging its governance responsibilities, the District Synod with the District Policy Committee acting as its executive intends to:

(1) Further invest in technology and training to ensure that future synods can be held in a hybrid form in which some members participate via video conferencing.
(2) Resume residential meetings for Superintendents twice a year, and a residential retreat for ministers stationed in the District in the first 10 years of their ministry.
(3) Arrange an induction day for presbyters and deacons newly stationed in the District in 2021.
(4) Review the district grants policy in the light of changing circumstances caused by the Covid-19 pandemic.
(5) Renegotiate the lease on the District Office as a result of a change of landlord.
(6) Host separate visits by the President and Vice-President of the Methodist Conference.
(7) Provide grants to enable young people in the district to participate in the 3Generate youth event to be held in the autumn of 2021.
(8) Continue work towards fulfilling the objectives identified in the district mission development plan for 2019-22. Specifically, a priority in the year 2021-22 (unavoidably carried forward from 2020-21) will be to negotiate a new memorandum of understanding for the ecumenical chaplaincy at the University of Hertfordshire.

3 Financial Review

During the year the District received total income of £383k (2019-20: £362k) and dispersed £340k (2019-20: £228k). To the resulting surplus was added net unrealised gains of £40k(2019-20:- £4k) on investments and £130k (2019-20:- nil) on revaluation of the Manse to produce a net profit of £213k (2019-20: an excess of £130k). Total funds carried forward are £1,499k (2019-20: £1,286k). It should be noted that the unrestricted reserves funded the purchase cost of the manse (£500k in 2006) which is now valued at £850k and, as a result, the unrestricted readily available reserves total £443k. (2019-20: £378k, on a like-for-like basis) after taking account of commitments to future instalments of grant.

Trustees' Annual Report

It should be noted that the surplus of £213k has been brought as a result of adjustments down of short and long-term grant commitments by £15k.

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. In the light of general lockdown caused by the Covid 19 pandemic, the DPC will continue to closely monitor the District finances.

The District continues to hold the one freehold property being the Chair's Manse in Bishop's Stortford.

The District has the following principal sources of funds:

- Interest on investments
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Assessments on Circuits within the District.

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 Methodist Ministers' Pension Fund

Trustees are aware that the Methodist Ministers' Pension Scheme is treated as a group defined benefit plan. The net defined benefit cost is recognised by the sponsoring entity, The Methodist Church in Great Britain, as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities, such as the District. The District recognises a cost equal to its contributions payable for the period. Further details in respect of these pension arrangements are disclosed in the accounts of The Methodist Church in Great Britain.

3.2 Investment policy and performance

To comply with Methodist Standing Orders, 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 (individually 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 capital returns are close to tracking the movements in the FTSE100 index. The income mirrors the deposit rates available elsewhere. Both the Central Finance Board (CFB) and TMCP take into consideration social, environmental and ethical considerations, both negatively and positively, in establishing investment policy.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

Trustees' Annual Report

3.3 Reserves policy

The District has a reserves policy covering all its unrestricted funds which is reviewed annually. Although grants are made each year out of the District Advance Fund (DAF), it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. The trustees seek to ensure that there is sufficient in the DAF to meet these anticipated requests and show those sums payable in 2021-22 as a current liability and instalments due after the following year as long-term liabilities in the Balance Sheet. At the year end the unspent DAF balance designated, but not committed, for future grant-making amounted to £155k.

The minimum level of the General Fund is such as to pay for six months' payroll costs, and closing costs of staff redundancies, rent and the like expenditure. At 31 August 2021 this sum amounted to £100k (2019-20: £76k). Unrestricted undesignated reserves, at £443k, were substantially in excess of this amount at the end of the year. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTFs) is not secure and it is judged prudent to retain a buffer beyond the quantified need of £100k. Furthermore, some Circuits may find it difficult to meet their future assessments. As in some previous years, if the aggregate sum collected from the CMTFs is not all given out as grants in the same year, there could be a return of levy to the Circuits. It is always expected that the balance on the DAF will decrease, year on year, but this year it has increased since the Trustees have found it prudent to put in place contingent grant measures considering the Covid-19 pandemic effects. The existence of substantial designated and undesignated reserves at District level should be considered by Circuits within the District when they consider the need for their own reserves which we feel continue to be stretched in this current period.

3.4 The mix of funds

The reserves held at the end of the year were as follows:

	£k
Unrestricted funds	
General Fund	1,138
District Advance Fund	155
Total unrestricted funds	*1,293*
Rock Trust (a restricted fund)	165
District Disciple Enabler (a designated fund)	41
Total funds	**1,499**
Total unrestricted funds	1,293
Less: Tied up in freehold property/assets	(850)
Total readily available reserves	443

As a general policy Trustees have agreed to reduce the level of reserves gradually over the foreseeable future and to do this either by awarding, in year, grants in excess of the amount of the levies from the CMTFs and, possibly, by not increasing the circuit assessments by the amount necessary to meet the budgeted costs and to maintain the reserves. Obviously, the

effects of the Covid-19 pandemic will continue to be felt in this albeit with lesser impact in 2021-22.

All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The year-end financial position of the District is healthy in that its resources are not only sufficient to meet future known liabilities but also sufficient for the District to carry out its plans for the following year.

3.5 Purposes of the funds

General Fund: this provides a reserve in case of major unforeseen expenditure in administering the District.

District Advance Fund: this provides much-needed grants to assist Circuits, Churches and individuals as well as the District in its work, much of which is with the wider community.

Rock Trust (a restricted fund): the trustees are able to spend the income and they do so every year. It provides financial help to young people in part of the District and elsewhere who wish to attend residential events.

Benevolence Fund: this is used to provide small sums of money to ministers and lay people in the District where it is believed that a financial gift would help relieve stress, of whatever form. The sums paid out in benevolence during the year exceeded sums received from donor organisations specifically for benevolence in the same period. When the restricted fund was fully dispersed, benevolence payments were made out of the general fund.

District Discipleship Enabler Fund-This is an annual grant awarded to the District by the Connexion and District Grant Team on a 1:1 basis, for the employment of the District Discipleship Enabler for the next three years

3.6 Collaborative arrangements with connected charities

One of the District's main sources of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted to £145k (2019-20: £128k).

Each year the District is allocated a sum by the London Mission Fund (LMF). In 2020-21 this amounted to £56k (2019-20: £56k) which can be used to pay for or contribute to the cost of certain activities within the District. This sum is not remitted to the District and does not appear in the accounts of the District because the District acts as agent for the LMF. Instead, the District nominates some grant applications which can be met by the LMF and passes these to the LMF so that the LMF can pay the grant directly to the grantee. Grants were awarded to various projects around the District.

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional

year (01 September). In 2020-21 this sum was £93k (2019-20: £104k) and 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 received by the District as agent are not recognised as income or as an asset in the financial statements because the funds are not within the District's control. No fee is earned in respect of this agency arrangement and the District incurs no cost through providing this arrangement.

4 Trustees' Responsibilities

For each financial year ending on 31 August the 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 and to prepare an annual report for that year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed the applicable SORP and accounting standard, SORP(FRS102) as updated, including FRS102
- adopted the going concern basis.

The 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 are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and trustees' reports may differ from legislation in other jurisdictions.

5 Structure, Governance and Management

The District is an unincorporated association and is 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 1 February 2010.

5.1 Structure

Circuits are groups of Churches; Circuits pay the stipends of most ministers and may employ lay (unordained) staff to serve the Churches in the Circuit; most decisions are made at or

ratified by the half yearly Circuit Meeting. A District is a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year and is the supreme governing body in the Church.

1. Overall control rests with the Methodist Conference.
2. 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.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the presbyter, the Church Stewards and other officers, and authority is delegated to Church Councils as Managing Trustees.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in Bedfordshire, Essex and Hertfordshire:

- by providing opportunities for Circuits to work together and support each other, and
- by offering to Circuits resources of finance, personnel and expertise.

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

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 Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the District.

Trustees' Annual Report

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. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the District Policy Committee, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Policy Committee and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The District Policy Committee normally meets four times each year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District office, the District manse, stationing of ministers, safeguarding, authorisations to preside at communion, and extensions to local preacher training. It also liaises with the East of England Learning Network.

5.4 Responsibilities of the District Policy Committee

i 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

ii to encourage inter-Circuit and ecumenical co-operation

iii to act in an executive capacity in matters remitted to the Committee by the Synod

iv to keep within its purview all District concerns not dealt with elsewhere

v to contribute and respond, as the case may be, 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

vi to be aware that the stipend of the Chair of the District is set – currently by reference to average wages and the change over a year in the Consumer Prices Index - by the Methodist Conference as for all ministers within the Connexion

vii constantly to be aware of the public benefit guidance issued by the Charity Commission.

Trustees' Annual Report

6 Reference and Administrative Details

6.1 Name of the charity

The Bedfordshire, Essex and Hertfordshire District of the Methodist Church sometimes abbreviated to 'BEH District'.

6.2 Charity registration number

1133921, registered in England and Wales

6.3 Principal Office

Room 1
Stansted House
Third Avenue
Stansted Airport
Essex
CM23 1AE

01279 681 976
www.behdistrict.org.uk

6.4 Chair of the District

Rev Dr David M Chapman from 1 September 2016

6.5 Secretary of the Synod

Mrs Lynne Ling appointed from 1 September 2019 to 31 August 2025

6.6 Assistant Secretary of the Synod (Presbyteral)

Rev Rachael Hawkins from 1 September 2014

6.7 District Treasurer

No Replacement has yet been appointed but Mr Nichodimus Kawadza was appointed the District Finance Officer on 1 September 2019 to look after all the District's finance activities.

Trustees' Annual Report

6.8 Names of trustees

The following served as trustees throughout part or all of the year 2020-21 or were trustees at the time of this report being approved:

Rev Gill Baalham (County Representative Beds). Appointed 15 September 2018
Miss Kathy Burrell (County Representative Essex). Appointed 01 September 2017
Mr Bob Butcher (Grants Secretary). Appointed 01 September 2007
Rev Dr David Chapman *ex officio* (Chair, *ex officio)*, Appointed 01 September 2016
Rev Rosemary Fletcher (Ecumenical Officer to Herts). Appointed 01 September 2019
Mr David Friswell *ex officio (*East of England Learning Network Regional Co-ordinator) Appointed 29 January 2018
Mr David Germany (County Representative Beds). Appointed 01 September 2011
Rev Mark Hammond (County Representative Herts). Appointed 01 September 2017
Rev Andrew Hollins (Ecumenical Officer to Beds). Appointed 01 September 2017
Mr Ian Hume (Property Secretary). Appointed 01 September 2006
Mrs Lynne Ling *ex officio* (Synod Secretary). Appointed 01 September 2019
Miss Marion Mear (Secretary to DPC). Appointed 02 January 2018
Mr Keith Norman (Lay Stationing Representative). Appointed 27 April 2013
Rev Tom Osborne (Ecumenical Officer to Essex). Appointed 01 September 2017
Rev Malcolm Peacock (Deputy Chair of the District and Methodist Council Representative). Appointed 01 September 2013
Rev Chris Sandy (County Representative Essex). Appointed 15 September 2018

Most trustees attended all meetings of the DPC to which they were entitled to attend in the year and the attendance rate for all 16 trustees who served throughout the year and all four meetings of the DPC during the year was 82% (2019-20: 75%).

The Managing Trustees for the District are the members of the District Policy Committee.

No trustee claims exemption from disclosure of his or her name here.

6.9 Chair's PAs

Miss Carol Griggs & Mrs Sarah Sutherland

6.10 Bankers

HSBC plc
Town Centre
Danestreet
Stevenage
Herts
SG1 1BY

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

Trustees' Annual Report

6.11 Investment managers and custodian trustees

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

6.12 Independent Examiner appointed 16 September 2014

Vincent Chandler ACA FCCA of Moore Green, Chartered Accountants
22 Friars Street
Sudbury
Suffolk
CO10 2AA

Approvals

The Trustees' Report and the Financial Statements were approved by the District Policy Committee on 15th March 2022 and were, for information, presented to the Synod on 7th May 2022.

Rev Dr David M Chapman (signed)

David Chapman

Rev Dr David M Chapman
Chair of the District

Date:

16 March 2022

Lynne Ling (signed)

Lynne Ling
Synod Secretary

Date:

16 March 2022.

Trustees' Annual Report

7 Financial Statements

The Financial Statements comprise:

- the Statement of Financial Activities for the year ended 31 August 2021 (page 15)
- the Balance Sheet as at 31 August 2021 (page 16)
- the Notes to the Accounts (pages 17 to 32).

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2021

Statement of Financial Activities for the year ended 31 August 2021

		Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Restricted)	Restricted Funds	Total 2020-21	Total 2019-20
			£	£	£	£	£	£
	Income and Endowments from:							
1	**Donations and legacies**		250				250	356
2	**Income from investments**		2,208	5,455		2,165	9,828	10,939
3	**Income from charitable activities**							
4	Assessments on circuits		144,608				144,608	128,000
5	From Circuit Model Trust Funds			93,036			93,036	103,856
6	Contribution to the cost of the Chair	4	42,151				42,151	41,050
7	Connexional Advance & Property Fund			71,672	20,549		92,221	75,822
8	Other income	5	1,092				1,092	2,032
9	**Total income**		190,309	170,163	20,549	2,165	383,186	362,055
	Expenditure on charitable activities:							
10	Grants and donations	6	17,381	107,893		1,872	127,146	23,696
11	Salaries and associated costs, inc Chair	7	166,814				166,814	142,861
12	Property	8	24,743				24,743	24,325
13	Office expenses	9	8,489	969		288	9,746	12,308
14	Synods, committees, Conference	10	5,214				5,214	10,198
15	Other outgoings	11	6,587				6,587	14,940
16	**Total expenditure**		229,228	108,862	0	2,160	340,250	228,328
17	**Net unrealised gains on fixed assets**	14	130,000				130,000	0
17	**Net unrealised gains/(losses) on investments**		19,293			20,455	39,747	-3,888
18	**Net income**		110,374	61,301	20,549	20,459	212,683	129,839
19	**Transfers between funds**	13	72,098	-51,549	-20,549	0	0	0
20	**Net movement in funds**		182,472	9,752	0	20,459	212,683	129,839
	Reconciliation of funds:							
21	Total funds brought forward		956,021	145,024	41,098	144,149	1,286,292	1,156,453
22	**Total funds carried forward**		1,138,493	154,776	41,098	164,608	1,498,975	1,286,292

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2021

Balance Sheet as at 31 August 2021

		Notes to the Accounts	General Fund	DAF	Designated Funds	Restricted Fund	Total	Total 31/08/2020
			£	£	£	£	£	£
A	Fixed assets							
b	Tangible fixed assets	14	852,629				852,629	723,286
c	Investments with TMCP	15	132,026	474,220	0	164,608	770,854	739,752
d	**Total fixed assets**		984,655	474,220	0	164,608	1,623,483	1,463,058
e	**Current assets**							
f	Debtors and prepayments	16	395	0	41,098		395	1,179
G	Central Finance Board deposits	17	168,262				209,360	167,261
h	Cash at bank	17	4,703				4,703	1,245
i	**Total current assets**		**173,360**	**0**	**41,098**		**214,458**	**169,685**
	***Less:* Current liabilities**							
j	Creditors due in under one year	18	19,522	0	0		19,522	11,999
k	Grants payable in 2021-22	19		177,163			177,163	178,488
m	**Total current liabilities**		**19,522**	**177,163**			**196,685**	**190,487**
n	**Net current assets/liabilities**		153,838	-177,163	41,098		17,773	-20,802
p	**Total assets less current liabilities**		1,138,493	297,057	41,098	164,608	1,641,256	1,442,236
	***Less:* Long term liabilities (due after more than one year)**							
q	Grants payable from 2022-23			142,281			142,281	155,944
r	**Net assets**		1,138,493	154,776	41,098	164,608	1,498,975	1,286,292
	Funds of the District							
s	General Fund (unrestricted)	20.1	1,138,493				1,138,493	956,021
t	District Advance Fund (unrestricted)			154,776			154,776	145,024
u	**Total unrestricted funds**						**1,293,269**	**1,101,045**
	Designated Funds	21			41,098		41,098	41,098
v	Restricted Fund	21				164,608	164,608	144,149
w	**Total Funds**		1,138,493	154,776	41,098	164,608	1,498,975	1,286,292

Under the authority of the trustees given at their meeting on 15th March 2022

Signed by Rev Dr David M Chapman, Chair of District — and signed by Lynne Ling, Synod Secretary

Date of signing 16 March 2022 — Date of signing 16 March 2022

Notes to the Accounts

1 Basis of Accounting and Accounting Policies

i Accounting standard

The financial statements have been prepared in accordance with SORP(FRS102) as updated, being the current version of *Accounting and Reporting by Charities: Statement of Recommended Practice*. See also ***v Accounting framework***, below.

ii Public benefit entity

The Bedfordshire, Essex and Hertfordshire (BEH) District meets the definition of a public benefit entity under FRS102. 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. The accruals basis has been used and trustees present accounts that 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. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

v Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice [SORP(FRS102)]* as amended, with the adoption of Section 1A of Financial Reporting Standard 102, in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

vi Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the District's financial viability for at least 12 months from the date of approval of these accounts.

vii Consolidation

The District oversees the work of ministers (presbyters and deacons) and lay workers in Churches and Circuits within the District but has no power to control Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which applied in the year. For this reason, the financial statements of Churches and Circuits within the District are not consolidated into these financial statements.

viii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming. 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 4. A similar figure appears in the Expenditure at Note 8.

Notes to the Accounts

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

The District acts as agent in three 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
- the collection taken at the Spring Synod on behalf of the Methodist Ministers' Children's Relief Association.

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

The value of time donated by volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure

This is recognised when incurred, regardless of the date of payment. Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources and that payment becomes probable. Until then, any material contingent liabilities are noted.

x Grants

Grants are made annually even when an application is for a recurrent grant over more than one year. A satisfactory report of substance from the individual or grantee body on the previous year's activities and outcomes is critically reviewed by the Grants Committee and is necessary to trigger payment of any further instalment. Grants that are payable in the future and were committed at 31 August 2021 are shown on the Balance Sheet either as a current liability (where the grants are payable by 31 August 2022) or in Long Term Liabilities (if payable after 31 August 2022).

xi VAT

Since the District is not VAT registered, expenditure is inclusive of VAT where charged by the supplier.

xii Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at cost in 2006 of which the land component is deemed to be £180k. For the current year the property is shown at it's revalued amount. No depreciation is provided because the trustees consider the residual value of the manse building is not less than cost and the depreciation would be immaterial. The property has been reviewed for impairment and none is provided.

Furniture and Fittings has been depreciated at 20% on a straight-line basis.

xiii 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. The unrealised gains/losses arising on investments at the end of the year are shown as income/expenditure in the SOFA and in Note 22 below.

Notes to the Accounts

xiv Debtors and Creditors; Bank and Cash

Debtors are stated at the amounts owed to the District or prepaid by the District. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or at the 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.

xv Loans

Where concessionary loans (*i.e.* free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid (or received), with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the SOFA.

xvi 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.

xvii Funds

The trustees have adopted a policy for all unrestricted reserves which is that, over the medium term, there should be a gradual diminution in the balance in each fund. This includes all unrestricted reserves (the General Fund and DAF) but not the restricted funds being The Rock Trust Fund and the Benevolence Fund. There is no Endowment Fund.

xviii Chair's manse costs

The District is required to provide residential accommodation for the Chair and his family. The District bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges for the Chair. Note 9 below discloses the aggregate cost to the District of these elements.

2 Assessments on Circuits

The District is made up of the following Circuits:

34-1	North Bedfordshire
34-4	South Bedfordshire
34-6	Colchester
34-7	Tendring
34-9	Chelmsford
34-10	Southend and Leigh
34-11	South Essex
34-12	Herts and Essex Border Ecumenical Area
34-13	St Albans and Welwyn
34-14	West Hertfordshire and Borders

34-15 North Hertfordshire
34-18 Bishop's Stortford

All Circuits paid their assessments to the District and to the MCF during the year. An assessment on Circuits is annually determined by Districts by reference to the number of staff (both stipendiary and lay workers involved in mission) in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay.

3 Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £513k (2019-20: £523k) all of which were collected and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

4 Cost of Chair and Trustees

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.

	2020-21 £	2019-20 £
Stipend of Chair of District, Rev Dr David Chapman	25,524	24,852
Employer's National Insurance Contributions	3,211	3,120
Employer's pension contributions	6,866	6,700
District Chair Allowance	6,381	6,213
Com in Mistry Allow	169	165
Cash cost paid by the Connexion (see SOFA)	*42,151*	*41,050*
Chair's expenses	6,533	5,659
Total cost	**48,684**	**46,709**

Since the stipend-related costs above (*i.e., £42,151*; 2019-20: £41,050) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See *Note 7*). The aggregate expenses of the Chair's accommodation were £6,533 (See *Note 8*) making the total cost of his emoluments £48,684 (2019-20: £46,709). The Chair of District is the sole paid key management person and is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as he would continue to be paid during his sabbatical and there would be little additional cost incurred by those taking on the Chair's responsibilities in the short term.

Notes to the Accounts

4.1 Payments to trustees

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. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District no member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

None of the trustees is an employee of the District. Travel expenses have been reimbursed to some nil (2019-20: six) trustees [members of the District Policy Committee (DPC)] who, in aggregate, have received the cost of travel incurred in attending meetings of the DPC and this amounted to £0 (2019-20: £674).

5 Other Income

The District does not undertake fundraising for its own purposes, other than as noted below.

Other income [£1,092 (2019-20: £2,032)] in the SOFA includes:

	2020-21 £	2019-20 £
From MCF for costs of delegates from BEH attending the annual Methodist Conference	525	0
Expenses Reimbursement	0	1,705
Other	567	327
Total	**1,092**	**2,032**

Each year the District Synod invites donations from the members of Synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £0 (2019-20: £486).

6 Grants and Donations and Related Support Costs

Grants and donations of £127,146 were made during the year (2019-20: £23,696 in year).

			2020-21 £	2019-20 £
From General Fund	Benevolence	1,248		1,429
	Ecumenical Projects	16,133	17,381	16,133
From DAF	In year grants	128,031		117,199
	Decrease in liabilities	-14,988	107,893	
	Adjusting prior yr accrual	-5,150		-113,297
From Restricted Funds (see 7.1 below)	Benevolence	0		0
	Rock Trust	1,872	1,872	2,232
Total			**127,146**	**23,696**

Notes to the Accounts

The sum of the grants paid in the year through the DAF was £128,031 (2019-20: £111,209). Adjusting for prior year's accrual of £5,150 for grants approved not disbursed last year and decrease in grant provision of £14,988 gives us a total figure of £107,893 shown above.

6.1 Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

	2020-21 £		2019-20 £
To Churches	Grants	61,781	
	Returns		
	Acc Rev	(5,000)	
	Net	56,781	57,369
To Circuits	Grants	30,600	
	Returns	0	
	Net	30,600	24,500
To Institutions		*87,381*	*81,869*
To others	Grants	35,650	
	Acc Rev	(150)	
	Net	35,500	33,650
To individuals	Grants	0	
	PIA	0	
	Net	0	1,680
Total		**122,881**	**117,199**

	2020-21 £		2019-20 £
For Projects		0	500
For Ministry		108,031	
	Rev	(5,150)	
	PIA	0	
	Net	102,881	103,199
For equipment		0	0
Other		20,000	13,500
		122,881	**117,199**

The income of the fund was £170,163 (2019-20: £163,890) during the year. The charge to the SOFA is the sum paid in grants during the year [£122,881; (2019-20: £117,199)] less the uplift in the aggregate liabilities (current and long term) for future instalments of grant [£14,988 (2019-20: £113,297)] to £319,432 (2019-20: £334,432).

An amount of £51,549 (2019-20: £51,549) was used centrally within the District.

The Grants Committee is aware that grant applications must demonstrate public benefit.

The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

Notes to the Accounts

7 Salaries and Associated Costs

Gross salaries paid to five part time and one full time employees (2019-20: six) were as follows:

	2020-21 £	2019-20 £
Gross pay	110,834	91,132
Employer's National Insurance Contributions	9,173	4,615
Employer's pension contributions to defined contribution schemes and death in service benefit	4,655	5,231
Total costs of 6 (2019-20: 6)5xpart time&1xfull time staff	**124,662**	**100,977**
Cost of Chair (see *Note 5*)	42,151	41,050
CFB charges	576	480
Consultant		
Apprenticeship levies	513	354
Total staff costs	**167,902**	**142,861**

Total weekly contracted hours for 5 (2020: five) part time staff And one full time staff 120 120

No employee received employee benefits that totalled more than £60,000. 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.

Two of the five part time employees were engaged exclusively in safeguarding matters, two provided secretarial assistance at the District office and one dealt with all financial matters. One full time staff dealt recruited midway during the year deals with discipleship matters in the District.

7.1 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). This is a defined benefit scheme and the employing Churches and Circuits contribute as employers to this scheme. All our employees contribute to pensions schemes not administered on behalf of the Methodist Church. The BEH District has received from The Pensions Regulator an acknowledgement of declaration of compliance in connection with the automatic enrolment duties.

The Connexion accounts for both Methodist pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for

Notes to the Accounts

removal of the deficit is being implemented. It would be difficult to determine the liability that could fall on the BEH District and no attempt has been made to attempt this valuation.

Notes to the Accounts

8 Property Costs

	2020-21 £	2019-20 £
District office, rent and services	18,210	18,666
Chair's manse	6,533	5,659
Total	**24,743**	**24,325**

9 Office Expenses (General fund) and TMCP charges

	2020-21 £	2019-20 £
Printing, postage and stationery	1,738	1,940
Telephone	2,830	2,487
Insurance	1,404	1,339
Safeguarding	1,431	4,189
Independent examination	864	816
Other		53
Total charged to General Fund	**8,267**	**10,824**
TMCP charges	1,479	1,484
Total	**9,746**	**12,308**

10 Synods, Committees, Conference

	2020-21 £	2019-20 £
Synods& Committees	803	3,337
The Methodist Conference		
Conference expenses reimbursed	525	
Chair's travel	3,886	6,087
District Policy Committee, as charged		774
Total	**5,214**	**10,198**

11 Other Outgoings

	2020-21 £	2019-20 £
Training	4,764	12,923
Other costs	1,166	2,017
Depreciation	657	
Total	**6,587**	**14,940**

Included in the other costs of £1,166 are expenses for TPT administration fee (£439), Finance and District Discipleship expenses (£327) and Chair's expenses of £234.

Notes to the Accounts

12 Investment Management

During the year, the District paid £1,480 (2019-20: £1,484) to TMCP, the custodians of the District's investments (District Advance Fund, the Rock Trust and part of the General Fund). The sum of £1,480 was levied at 0.2% on the value of the funds at the end of the previous year and is shown as partly allocated to the DAF (£969), Rock funds (£288) and General Fund (£222): £969 and £288 as Office Expenses in the SOFA. (See *Note 9* above.)

The sum of £20,455 (2019-20: -£2,001) represents a net unrealised gain on the invested funds of The Rock Trust. More information can be found in Note 21 *Restricted Fund.* There was an unrealised gain of £19,293 (2019-20: £1,887) on part of the General Fund. The gross unrealised gains of £39,747 (2019-20: -£3,888).

13 Transfers between Funds

The transfer between funds shown on the SOFA represents sums that were transferred from one fund to another under the direction of the trustees.

During the year £51,549 (2019-20: £51,549) was withdrawn from the District Advance Fund to contribute to the funding of the following: ecumenical work, training grants, district discipleship enabler, safeguarding and administrative assistance.

Transfer of £20,549 was done from Designated Fund to General to meet the salary/expenses of the District Discipleship Enabler.

14 Tangible Fixed Assets

The value of the District manse, 1 Friars Wood, Bishop's Stortford, is believed to be considerably greater than its historical cost in 2006 shown in the accounts. The Trustees considered it prudent to show the property at its current market value of £850k, and a revaluation reserve has been created within the general fund to account for the increase in value from cost amounting to £350k. As the property has been revalued no depreciation is required. Depreciation of Furniture and Fittings is 20% on straight line basis.

	Land £	Buildings £	Plant and machinery £	Cost b/fwd £	Revaluation £	Depreciation	Total £
Cost or valuation							
Property	180,000	300,000	20,000	500,000	350,000		850,000
Furniture & Fittings	-	-	-	3,286	0	657	2,629
Total	180.000	300,000	20,000	503,286	350,000	657	852,629

Notes to the Accounts

15 Investments with Trustees for Methodist Church Purposes

The funds that support part of the General Fund, the District Advance Fund and The Rock Trust are held by TMCP in the Trustees' Interest Fund or the Managed Mixed Fund on which interest and dividends are credited to the accounts. These are regarded as medium- and long-term investments and are shown on the Balance Sheet as Fixed assets.

TMCP is the Custodian Trustee of all Methodist Model Trust property and is held for and on behalf of local Managing Trustees (in BEH, the DPC) who are responsible for the day to day management of the property. TMCP ensures that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

15.1 Holdings at 31 August 2021 (2020)

	General	DAF	Rock	Total
Fund	£	£	£	£
Trustees Investment Fund	7,634 (5,897)	474,220 (484,606)	32,725 (32,720)	514,579 (523,223)
Managed Mixed Fund	124,392 (105,100)	Nil (Nil)	131,883 (111,429)	256,275 (216,529)
Total	**132,026** **(110,997)**	**474,220** **(484,606)**	**164,608** **(144,149)**	**770,854** **(739,752)**

16 Debtors and Prepayments

All sums shown as Debtors on the General Fund at 1 September 2020 were received during the following year. All sums paid in advance at 1 September 2020 were for activities or services related to 2020-21 and were charged to the SOFA in that year. It is expected that payments in advance at 31 August 2021 will be expensed in 2021-22.

	2020-21 £	2019-20 £
Trade debtors		
Prepayments		
Training	0	800
Insurance (114+95)	216	209
Printing	179	170
Total prepayments	**395**	**1,179**
Loan from church		
Total debtors	**395**	**1,179**

Notes to the Accounts

17 Central Finance Board (CFB) Deposits and Cash at Bank

The District has one current account at HSBC plc, an authorised institution. The sum held on this account is immediately available. In addition, the District has a deposit account at CFB, a common deposit fund. Interest is earned on this account and is credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The District has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

18 Creditors

	2020-21 £	2019-20 £
Creditors		
Expenses reimbursement		
Independent examination	840	816
Publications and office expenses		16
Salaries and consultant fees	185	184
Safeguarding	904	39
Ecumenical grant	14,075	5,000
Manse refurbishment	134	110
Training		
Other	147	*61*
Postage & printing	25	*77*
Telephone	85	*73*
Synods/Committees	96	*113*
Conference		
DPC		
Travel-DC	*642*	*358*
Total trade creditors		
Accruals/Provision		
Pension contributions	1,937	
Taxation and Social Security	*452*	
Total creditors	**19,522**	**6,849**

It is expected that all sums accrued at 31 August 2021 will be paid during the year to 31 August 2022.

Notes to the Accounts

19 Grant Commitments

Expenditure on charitable activities: District Advance Fund
Some grants are payable in annual instalments. The District expects to receive a report of the outcomes of the first (or subsequent) year's activities funded by the grant. Future instalments are shown as Current liabilities (if payable within one year of 31 August 2021) and as Long-term liabilities (where due after one year).
The following analyses are available:

	2020-21 £	2019-20 £
End of year commitments to pay one off grants or the first instalment in a future year	30,000	9,727
Anticipated second or subsequent instalments where the first instalment was paid in 2020-21 or earlier	289,444	324,705
Total anticipated commitment at 31 August 2021	**319,444**	**334,432**

Grants payable by year	2020-21 £	2019-20 £	£	£
2020-21				182,657
2021-22	177,163	178,488		
2022-23	67,281	98,663		
2023-24	22,500	42,281		
2024-25	22,500	7,500		
2025-26	15,000	**7,500**		
2026-27	15,000			
	319,444	**334,432**	**319,444**	**334,432**
Total anticipated commitment at 31 August 2021			**319,444**	**334,432**

After recognising the liabilities for future grants payable through the DAF, there is still a sum of £155k available for future grants. In the following year and subsequent years, further sums are expected to be credited to the DAF from the CMTF levies of those years.

The award of a grant by the District does not create a contractual relationship.

No individual or institution received grants of such a magnitude that they should be separately reported.

20 Unrestricted Funds

20.1 General Fund – balance £1,138,493 at 31 August 2021 (2020: £956,021)

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 75% of this fund is held as a freehold property, the District manse for the Chair of District which is based on its revalued amount of £850k (2020: Revalued £720k) included in the general funds balance above.

Notes to the Accounts

20.2 District Advance Fund – balance £154,776 at 31 August 2021 (2020: £145,024)
The purpose of the fund is to receive monies from investments and to pay grants by annual instalments on applications made.

21.1 Restricted Funds - balance £164,608 at 31 August 2021 (2020: £144,149)

The Rock Trust, a restricted fund, exists to support residential and other activities undertaken by young people who currently live in the former London NE District of the Methodist Church. All the fund's assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the Rock Trust. Grants are awarded by the trustees of the Rock Trust, being the trustees of the District.

Movements during the year were as follows:

	2020-21 £	2019-20 £
Market value at 01 September 2020	144,149	146,150
Investment income received during the year	2,165	2,524
Net unrealised gain on the value of investments at the year end	20,455	-2001
Grants paid during the year TMCP administration charge Reversal of adjustment to bid price	-1,873 -288	-2,232 -292
Market value at 31 August 2021	**164,608**	**144,149**

This is made up as follows:		
CFB Managed Mixed Fund	131,883	111,429
Trustees' Interest Fund	32,725	32,720
Total	**164,608**	**144,149**

Market valuations have been provided by TMCP.

The Benevolence Fund – balance £723 (2020: £473) - provides financial support to ministers and lay people in the District in need of support. The Benevolence receipts and payments were processed through the General Fund. (See *Note 6* above.)

21.2 District Discipleship Enabler- balance £41,098 at 31 August 2021. (2020: £41,098)

These are designated funds received from Methodist Connexion and District Grants Team for the employment of the Enabler

Notes to the Accounts

22 Fund Movements

22.1 Summary of fund movements 2020-21

Fund	Balance at 01-Sep-20 (Note 1)	Income (Note 2)	Expenditure	Transfers	**Change in Liabilities/** Gains	Balance at 31-Aug-2021
	£	£	£	£	£	£
General	956,021	190,309	-229,228	72,098	149,293	1,138,493
District Advance (See Note 1 below)	145,024	170,163	-108,862	-51,549	0	154,776
Total unrestricted	*1,101,045*	*360,472*	*-338,090*	*20,549*	*149,293*	*1,293,269*
Rock Trust	144,149	2,165	-2,160		20,454	164,608
District Enabler	41,098	20,549		-20,549	**0**	41,098
Benevolence	0	0	-0			0
Total restricted	*185,247*	*22,714*	*-2,160*	*-20,549*	*20,454*	*205,706*
Total Funds	**1,286,292**	**383,186**	**-340,250**	**0**	**169,747**	**1,498,975**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2021 was £319,444 being a decrease of £14,988 over the provision brought forward.
Note 2 The amount of £190,309 excludes £149,293 of net unrealised gains; the amount of £2,165 excludes £20,454 of net unrealised gains; the amount of £383,186 excludes £169,747of net unrealised gain.

22.2 Summary of fund movements 2019-20

Fund	Balance at 01-Sep-19 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities	Balance at 31-Aug-2020
	£	£	£	£	£	£
General	952,199	175,092	-222,819	51,549		956,021
District Advance (See Note 1 below)	37,555	163,890	-118,169	-51,549	113,297	145,024
Total unrestricted	*989,754*	*338,982*	*-340,988*		*113,297*	*1,101,045*
Rock Trust	146,150	2,524	-4,525			144,149
District Enabler	**20,549**	20,549				41,098
Benevolence	**0**	0	-0			0
Total restricted	*166,699*	*23,073*	*-4,525*			*185,247*
Total Funds	**1,156,453**	**362,055**	**-345,513**		**113,297**	**1,286,292**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2020 was £334,432 being a decrease of £113,297 over the provision brought forward.
Note 2 The amount of £175,092 excludes £1,887 of net unrealised losses; the amount of £2,524 excludes £2,001 of net unrealised losses; the amount of £362,055 excludes £3,888 net unrealised losses.

Notes to the Accounts

23 Analysis of Net Assets among Funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted general and designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	852,629		852,629
Fixed asset investments	606,246	164,608	770,854
Current assets	214,458		214,458
Current liabilities	(196,685)		(196,685)
Payables due after one year	(142,281)		(142,281)
Total	**1,334,367**	**164,608**	**1,498,975**

24 Related Parties

None of the District trustees made donations direct to the District during the year or in the preceding year. 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.

Related parties include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Fund, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors. The following table shows the receipts from and payments to related parties during 2020-21.

Names of Connected Organisations	2020-21 Receipts £	2020-21 Payments £	2019-20 Receipts £	2019-20 Payments £
Donee: Methodist Church Fund		(512,780)		(522,880)
Donee: Methodist Church Connexion	20,549		20,549	
Donee: Methodist Ministers' Children's Fund		(0)		(0)
Donor: Circuits within BEH (assessments)	657,388		650,880	
Donor: Circuits within BEH (levies)	93,036		103,856	
Donor: Churches within BEH	250		356	
Donor: Circuits within BEH-Reimbursement		0		1,317
Donee: Circuits within BEH		(30,600)		(24,500)
Donee: Churches within BEH		(61,781)		(52,369)
Donee: Individuals (*re* 3 Generate)		0		(840)

Information about payments to trustees appears in Note 4.1.

Notes to the Accounts

25 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. At the BEH District the principal contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this District to value the non-monetary contributions to the District in monetary terms.

26 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2019-20: Nil).

27 Lease Commitments

The District has contracts or obligations for the following:

- Office accommodation which is a six-month periodic review tenancy c.£9,000.

In addition, there are short term obligations as follows:

- Reprographic equipment at the District office c.£54/month
- Telephones at the District office and the District manse c.£236/month
- Security alarm system at the manse c.£25/month
- Membership of the Friars Wood Residents' Association c.£50/month

The total liability of these is not considered material.

28 Independent Examiner

An accrual has been made for the fee of the independent examiner in the sum of £840 for the year (2019-20: £816). The charge in the SOFA represents the provision for this year's fee.

No additional services have been sought from or provided by the independent examiner during the year.

Declarations and Scrutiny

I confirm that these accrual-based accounts for the year ended 31 August 2021 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee, being the trustees of the District.

Signed: [signature] Date: 16/03/2022

Nichodimus Kawadza, District Finance Officer

Presentation to the District Policy Committee for approval

I confirm that the Trustees Annual Report, the Statement of Financial Activities, the Balance Sheet and the Notes to the Accounts for the year ended 31 August 2021 were presented to the District Policy Committee at its meeting on 15th March 2022.

Signed: [signature] Date: 16 March 2022

Rev Dr David M Chapman, Chair of District

Declarations and Scrutiny

Independent examiner's report to the Trustees of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church for the year ended 31 August 2021

The trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the District's income and expenditure for the year and of the assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under s144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under s145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under s145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosure in the accounts seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in any material respect the requirements:

a to keep accounting records in accordance with s130 of the Charities Act, and
b to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act,

have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Declarations and Scrutiny

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed:

Date: 16/3/22

Vincent Chandler ACA FCCA
Independent examiner
Moore Green
22 Friars Street
Sudbury
Suffolk CO10 2AA

BEDFORDSHIRE ESSEX AND HERTFORDSHIRE DISTRICT OF THE METHODIST CHURCH

England & Wales - Charity number 1133921

Accounts

BEDS, ESSEX & HERTS
METHODIST DISTRICT

The

TRUSTEES' ANNUAL REPORT

and

ACCOUNTS

for the
year ended

31 August 2020

Trustees' Annual Report

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Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities
Church: a group of members from fewer than 10 to more than 300
Circuit: a group of Methodist Churches near each other, typically between 10 and 30
CMTF: Circuit Model Trust Fund
Connexion: The Methodist Church in GB which includes the Head Office in London at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain
District: a group of contiguous Circuits, usually between 15 and 30
DAF: District Advance Fund
DPC: District Policy Committee
FRS: Financial Reporting Standard
HMRC: Her Majesty's Revenue and Customs
MCF: Methodist Church Fund
MMPS: Methodist Ministers' Pension Scheme
PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church
SOFA: Statement of Financial Activities
SORP: Statement of Recommended Practice
TMCP: Trustees for Methodist Church Purposes, the Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2020

Trustees' Annual Report

1 Objectives and Activities

The Bedfordshire, Essex and Hertfordshire Methodist District exists to serve the mission of the Methodist Church of Great Britain. The District comprises 177 local Methodist churches in these three counties, grouped into 12 circuits that are served by a ministerial team of nearly 50 (full-time equivalent) presbyters and deacons.

The District Synod is the principal governance body of the District, comprising the ministers stationed in the District plus a larger number of lay representatives appointed by the circuits. There are a number of District officers appointed to serve the work of the Synod in particular ways. The vast majority are lay and ordained volunteers, who undertake District responsibilities in addition to their other roles in the Church. The District officers are led by the District Chair, who is a presbyter appointed to serve the District full-time. The District employs two part-time Safeguarding Officers, part-time Finance Officer, full time District Discipleship Enabler and two part-time personal assistants to the District Chair.

The District serves the mission of the Methodist Church by supporting the work of its circuits and local churches and by exercising oversight over them, as specified under the *Constitutional Practice and Discipline of the Methodist Church of Great Britain*. Principal District activities include the deployment of ministers, ministerial development, continuing training for probationer ministers, strategic financial grants to circuits and local churches in support of their mission and ministry, and scrutiny of governance processes in the circuits.

The District Synod meets at least twice in each year to fulfil its governance and oversight responsibilities. As a registered charity, the Synod takes seriously its responsibilities to the Charity Commissioners and adheres closely to the published guidance on public benefit.

2 Achievements and Performance

During the church year ended 31 August 2020, the District Synod, together with the District Policy Committee (DPC) acting as its executive body, has continued to discharge its constitutional responsibilities in accordance with the *Constitutional Practice and Discipline of the Methodist Church.* In addition, the District Synod has pursued specific objectives in accordance with the future plans outlined in the Trustees' Annual Report for 2018-19.

In September 2019, the District Synod adopted a mission development plan for the period 2019-2022 on the recommendation of the DPC and following extensive consultation with circuit superintendents, circuit stewards and circuit leadership teams.

The Connexional supervision scheme introduced into the district last year for circuit superintendents was extended to include all ministers stationed in circuit appointments with effect from 1 September 2019. This has been a major undertaking, but feedback indicates that the supervision scheme is of considerable benefit to ministers.

In March 2020, the district appointed a full-time district discipleship enabler for a period of three years to support circuits and local churches in their work. The post is funded by a substantial Connexional grant together with a grant from the district grants budget.

Trustees' Annual Report

Ensuring that ministers, circuits and local churches fully comply with the safeguarding policy and procedures of the Methodist Church continues to be a major responsibility. The district safeguarding officers have worked closely with circuit and local church safeguarding officers to review all safeguarding contracts and to ensure effective monitoring and support is in place for those on safeguarding contracts.

Inevitably, the covid-19 global pandemic and the consequential restrictions imposed by the British government has had a severe impact on district work during the second half of the year. The spring synod was unable to meet in April; its business was postponed to the autumn. District committees and other work continued by means of video conferencing, though the district manses committee had to suspend its schedule of manse inspections because of the restrictions. As a result of reduced travel and other expenses, the projected budget deficit did not materialise. There has been no adverse financial impact on the district during this year because circuits have continued to pay their assessment as normal, though some have drawn upon reserves in order to do so. The DPC has made contingency plans to address the challenges expected in the next year.

2.1 Plans for 2020-21

In addition to fulfilling its trustee responsibilities and discharging its governance responsibilities, the District Synod with the District Policy Committee acting as its executive intends to:

(1) Invest in technology and training to ensure that future synods can be held online if necessary.
(2) Develop ways of ensuring that district committees can continue their work online wherever possible by means of video conference.
(3) Arrange an online induction day for presbyters and deacons newly stationed in the District.
(4) Review the district grants policy in the light of changing circumstances caused by the global pandemic.
(5) Extend the Connexional supervision scheme to ministers stationed in the district in appointments other than circuit ministry.
(6) Encourage young people in the district to participate in the 3Generate365 youth events being arranged to replace the annual residential weekend.
(7) Work towards fulfilling the objectives identified in the district mission development plan for 2019-22. Specifically, a priority in the church year 2020-21 will be to negotiate a new memorandum of understanding for the ecumenical chaplaincy at the University of Hertfordshire.

3 Financial Review

During the year the District received total income of £362k (2018-19: £359k) and dispersed £228k (2018-19: £481k). To the resulting surplus was deducted net unrealised losses/gains of -£4k (2017-18: £3k) on investments to produce a net profit of £130k (2018-19: an excess of £101k). Total funds carried forward are £1,286k (2018-19: £1,156k). It should be noted that the unrestricted reserves funded the purchase cost of the manse (£500k in 2006) which is now valued at £720k and, as a result, the unrestricted readily available reserves total £378k. (2018-19: £270k, on a like-for-like basis) after taking account of commitments to future instalments of grant.

Trustees' Annual Report

It should be noted that the surplus of £130k has been brought as a result of adjustments down of short and long-term grant commitments by £113k.

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. In the light of general lockdown caused by the Covid 19 pandemic, the DPC will continue to closely monitor the District finances and have put in place contingent measures to address any expected challenges.

The District continues to hold the one freehold property being the Chair's Manse in Bishop's Stortford.

The District has the following principal sources of funds:

- Interest on investments
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Assessments on Circuits within the District.

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 Methodist Ministers' Pension Fund

Trustees are aware that the Methodist Ministers' Pension Scheme is treated as a group defined benefit plan. The net defined benefit cost is recognised by the sponsoring entity, The Methodist Church in Great Britain, as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities, such as the District. The District recognises a cost equal to its contributions payable for the period. Further details in respect of these pension arrangements are disclosed in the accounts of The Methodist Church in Great Britain.

3.2 Investment policy and performance

To comply with Methodist Standing Orders, 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 (individually 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 capital returns are close to tracking the movements in the FTSE100 index. The income mirrors the deposit rates available elsewhere. Both the Central Finance Board (CFB) and TMCP take into consideration social, environmental and ethical considerations, both negatively and positively, in establishing investment policy.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

Trustees' Annual Report

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

3.3 Reserves policy

The District has a reserves policy covering all its unrestricted funds which is reviewed annually. Although grants are made each year out of the District Advance Fund (DAF), it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. The trustees seek to ensure that there is sufficient in the DAF to meet these anticipated requests and show those sums payable in 2020-21 as a current liability and instalments due after the following year as long-term liabilities in the Balance Sheet. At the year end the unspent DAF balance designated, but not committed, for future grant-making amounted to £145k.

The minimum level of the General Fund is such as to pay for six months' payroll costs, and closing costs of staff redundancies, rent and the like. At 31 August 2020 this sum amounted to £76k (2018-19: £63k). Unrestricted undesignated reserves, at £378k, were substantially in excess of this amount at the end of the year. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTFs) is not secure and it is judged prudent to retain a buffer beyond the quantified need of £76k. Furthermore, some Circuits may find it difficult to meet their future assessments. As in some previous years, if the aggregate sum collected from the CMTFs is not all given out as grants in the same year, there could be a return of levy to the Circuits. It is always expected that the balance on the DAF will decrease, year on year, but this year it has increased since the Trustees have found it prudent to put in place contingent grant measures considering the Covid-19 pandemic effects. The existence of substantial designated and undesignated reserves at District level should be considered by Circuits within the District when they consider the need for their own reserves which we feel continue to be stretched in this current period.

3.4 The mix of funds

The reserves held at the end of the year were as follows:

	£k
Unrestricted funds	
General Fund	956
District Advance Fund	145
Total unrestricted funds	*1,101*
Rock Trust (a restricted fund)	144
District Disciple Enabler (a designated fund)	41
Total funds	**1,286**
Total unrestricted funds	1,101
Less: Tied up in freehold property/assets	(723)
Total readily available reserves	378

Trustees' Annual Report

As a general policy Trustees have agreed to reduce the level of reserves gradually over the foreseeable future and to do this either by awarding, in year, grants in excess of the amount of the levies from the CMTFs and, possibly, by not increasing the circuit assessments by the amount necessary to meet the budgeted costs and to maintain the reserves. Obviously the effects of the Covid-19 pandemic will continue to be felt in this and next year.

All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The year-end financial position of the District is healthy in that its resources are not only sufficient to meet future known liabilities but also sufficient for the District to carry out its plans for the following year.

3.5 Purposes of the funds

General Fund: this provides a reserve in case of major unforeseen expenditure in administering the District.

District Advance Fund: this provides much-needed grants to assist Circuits, Churches and individuals as well as the District in its work, much of which is with the wider community.

Rock Trust (a restricted fund): the trustees are able to spend the income and they do so every year. It provides financial help to young people in part of the District and elsewhere who wish to attend residential events.

Benevolence Fund: this is used to provide small sums of money to ministers and lay people in the District where it is believed that a financial gift would help relieve stress, of whatever form. The sums paid out in benevolence during the year exceeded sums received from donor organisations specifically for benevolence in the same period. When the restricted fund was fully dispersed, benevolence payments were made out of the general fund.

District Discipleship Enabler Fund-This is an annual grant awarded to the District by the Connexion and District Grant Team on a 1:1 basis, for the employment of the District Discipleship Enabler for the next three years

3.6 Collaborative arrangements with connected charities

One of the District's main sources of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted to £128k (2018-19: £124k).

Each year the District is allocated a sum by the London Mission Fund (LMF). In 2019-20 this amounted to £56k (2018-19: £63k) which can be used to pay for or contribute to the cost of certain activities within the District. This sum is not remitted to the District and does not appear in the accounts of the District because the District acts as agent for the LMF. Instead, the District nominates some grant applications which can be met by the LMF and passes these to the LMF so that the LMF can pay the grant directly to the grantee. Grants were awarded to various projects around the District.

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional year (01 September). In 2019-20 this sum was £104k (2018-19: £104k) and 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 received by the District as agent are not recognised as income or as an asset in the financial statements because the funds are not within the District's control. No fee is earned in respect of this agency arrangement and the District incurs no cost through providing this arrangement.

4 Trustees' Responsibilities

For each financial year ending on 31 August the 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 and to prepare an annual report for that year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed the applicable SORP and accounting standard, SORP(FRS102) as updated, including FRS102
- adopted the going concern basis.

The 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 are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and trustees' reports may differ from legislation in other jurisdictions.

5 Structure, Governance and Management

The District is an unincorporated association and is 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 1 February 2010.

Trustees' Annual Report

5.1 Structure

Circuits are groups of Churches; Circuits pay the stipends of most ministers and may employ lay (unordained) staff to serve the Churches in the Circuit; most decisions are made at or ratified by the half yearly Circuit Meeting. A District is a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year and is the supreme governing body in the Church.

1. Overall control rests with the Methodist Conference.
2. 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.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the presbyter, the Church Stewards and other officers, and authority is delegated to Church Councils as Managing Trustees.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in Bedfordshire, Essex and Hertfordshire:

- by providing opportunities for Circuits to work together and support each other, and
- by offering to Circuits resources of finance, personnel and expertise.

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

Trustees' Annual Report

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 Office at 25 Marylebone Road, London NW1 5JR 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. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the District Policy Committee, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Policy Committee and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The District Policy Committee normally meets four times each year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District office, the District manse, stationing of ministers, safeguarding, authorisations to preside at communion, and extensions to local preacher training. It also liaises with the East of England Learning Network.

5.4 Responsibilities of the District Policy Committee

i 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

ii to encourage inter-Circuit and ecumenical co-operation

iii to act in an executive capacity in matters remitted to the Committee by the Synod

iv to keep within its purview all District concerns not dealt with elsewhere

v to contribute and respond, as the case may be, 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

vi to be aware that the stipend of the Chair of the District is set – currently by reference to average wages and the change over a year in the Consumer Prices Index - by the Methodist Conference as for all ministers within the Connexion

vii constantly to be aware of the public benefit guidance issued by the Charity Commission.

Trustees' Annual Report

6 Reference and Administrative Details

6.1 Name of the charity

The Bedfordshire, Essex and Hertfordshire District of the Methodist Church sometimes abbreviated to 'BEH District'.

6.2 Charity registration number

1133921, registered in England and Wales

6.3 Principal Office

Room 1
Stansted House
Third Avenue
Stansted Airport
Essex
CM23 1AE

01279 681 976
www.behdistrict.org.uk

6.4 Chair of the District

Rev Dr David M Chapman from 1 September 2016

6.5 Secretary of the Synod

Mrs Lynne Ling appointed from 1 September 2019 to 31 August 2025

6.6 Assistant Secretary of the Synod (Presbyteral)

Rev Rachael Hawkins from 1 September 2014

6.7 District Treasurer

No Replacement has yet been appointed but Mr Nichodimus Kawadza was appointed the District Finance Officer on 1 September 2019 to look after all the District's finance activities.

Trustees' Annual Report

6.8 Names of trustees

The following served as trustees throughout part or all of the year 2019-20 or were trustees at the time of this report being approved:

Rev Gill Baalham (County Representative Beds). Appointed 15 September 2018
Miss Kathy Burrell (County Representative Essex). Appointed 01 September 2017
Mr Bob Butcher (Grants Secretary). Appointed 01 September 2007
Rev Dr David Chapman *ex officio* (Chair, *ex officio),* Appointed 01 September 2016
Rev Rosemary Fletcher (Ecumenical Officer to Herts). Appointed 01 September 2019
Mr David Friswell *ex officio (*East of England Learning Network Regional Co-ordinator) Appointed 29 January 2018
Mr David Germany (County Representative Beds). Appointed 01 September 2011
Rev Mark Hammond (County Representative Herts). Appointed 01 September 2017
Rev Andrew Hollins (Ecumenical Officer to Beds). Appointed 01 September 2017
Mr Ian Hume (Property Secretary). Appointed 01 September 2006
Mrs Lynne Ling *ex officio* (Synod Secretary). Appointed 01 September 2019
Miss Marion Mear (Secretary to DPC). Appointed 02 January 2018
Mr Keith Norman (Lay Stationing Representative). Appointed 27 April 2013
Rev Tom Osborne (Ecumenical Officer to Essex). Appointed 01 September 2017
Rev Malcolm Peacock (Deputy Chair of the District and Methodist Council Representative). Appointed 01 September 2013
Rev Chris Sandy (County Representative Essex). Appointed 15 September 2018

Most trustees attended all meetings of the DPC to which they were entitled to attend in the year and the attendance rate for all 16 trustees who served throughout the year and all four meetings of the DPC during the year was 75% (2018-19: 82%).

The Managing Trustees for the District are the members of the District Policy Committee.

No trustee claims exemption from disclosure of his or her name here.

6.9 Chair's PAs

Miss Carol Griggs & Mrs Sarah Sutherland

6.10 Bankers

HSBC plc
Town Centre
Danestreet
Stevenage
Herts
SG1 1BY

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

Trustees' Annual Report

6.11 Investment managers and custodian trustees

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

6.12 Independent Examiner appointed 16 September 2014

Vincent Chandler ACA FCCA of Moore Green, Chartered Accountants
22 Friars Street
Sudbury
Suffolk
CO10 2AA

Approvals

The Trustees' Report and the Financial Statements were approved by the District Policy Committee on 19 March 2021 and were, for information, presented to the Synod on 24 April 2021.

Rev Dr David M Chapman (signed)

Rev Dr David M Chapman
Chair of the District

Date:
19 March 2021

Lynne Ling (signed)

Lynne Ling
Synod Secretary

Date:
19 March 2021.

7 Financial Statements

The Financial Statements comprise:

- the Statement of Financial Activities for the year ended 31 August 2020 (page 15)
- the Balance Sheet as at 31 August 2020 (page 16)
- the Notes to the Accounts (pages 17 to 32).

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2020

Statement of Financial Activities for the year ended 31 August 2020

		Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Restricted)	Restricted Funds	Total 2019-20	Total 2018-19
			£	£	£	£	£	£
	Income and Endowments from:							
1	**Donations and legacies**		356				356	503
2	**Income from investments**		3,654	4,761		2,524	10,939	12,606
3	**Income from charitable activities**							
4	Assessments on circuits		128,000				128,000	123,523
5	From Circuit Model Trust Funds			103,856			103,856	104,042
6	Contribution to the cost of the Chair	4	41,050				41,050	39,963
7	Connexional Advance & Property Fund			55,273	20,549		75,822	70,049
8	Other income	5	2,032				2,032	8,192
9	**Total income**		**175,092**	**163,890**	**20,549**	**2,524**	**362,055**	**358,878**
	Expenditure on charitable activities:							
10	Grants and donations	6	17,562	3,902	0	2,232	23,696	293,936
11	Salaries and associated costs, inc Chair	7	142,861				142,861	108,470
12	Property	8	24,325				24,325	26,109
13	Office expenses	9	11,046	970		292	12,308	17,044
14	Synods, committees, Conference	10	10,198				10,198	17,096
15	Other outgoings	11	14,940				14,940	18,024
16	**Total expenditure**		**220,932**	**4,872**	**0**	**2,524**	**228,328**	**480,679**
17	**Net unrealised gains on fixed assets**		**0**				**0**	**220,000**
17	**Net unrealised gains/(losses) on investments**		**-1,887**			**-2,001**	**-3,888**	**2,699**
18	**Net income**		**-47,727**	**159,018**	**20,549**	**-2,001**	**129,839**	**100,898**
19	**Transfers between funds**	13	51,549	-51,549	0	0	0	0
20	**Net movement in funds**		**3,822**	**107,469**	**20,549**	**-2,001**	**129,839**	**100,898**
	Reconciliation of funds:							
21	Total funds brought forward		952,199	37,555	20,549	146,150	1,156,453	1,055,555
22	**Total funds carried forward**		**956,021**	**145,024**	**41,098**	**144,149**	**1,286,292**	**1,156,453**

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2020

Balance Sheet as at 31 August 2020

		Notes to the Accounts	General Fund	DAF	Designated Funds	Restricted Fund	Total	Total 31/08/2019
			£	£	£	£	£	£
A	Fixed assets							
b	Tangible fixed assets	14	723,286				723,286	720,000
c	Investments with TMCP	15	110,997	484,606	0	144,149	739,752	741,544
d	**Total fixed assets**		**834,283**	**484,606**	**0**	**144,149**	**1,463,038**	**1,461,544**
e	**Current assets**							
f	Debtors and prepayments	16	1,179	0			1,179	2,470
G	Central Finance Board deposits	17	126,163		41,098		167,261	145,746
h	Cash at bank	17	1,245				1,245	-1,142
i	**Total current assets**		**128,587**	**0**	**41,098**		**169,685**	**147,074**
	***Less:* Current liabilities**							
j	Creditors due in under one year	18	6,849	5,150	0		11,999	4,436
k	Grants payable in 2020-21	19		178,488			178,488	182,657
m	**Total current liabilities**		**6,849**	**183,638**			**190,487**	**187,093**
n	**Net current assets/liabilities**		**121,738**	**-183,638**	**41,098**		**-20,802**	**-40,019**
p	**Total assets less current liabilities**		**956,021**	**300,968**	**41,098**	**144,149**	**1,442,236**	**1,421,525**
	***Less:* Long term liabilities (due after more than one year)**							
q	Grants payable from 2021-22			155,944			155,944	265,072
r	**Net assets**		**956,021**	**145,024**	**41,098**	**144,149**	**1,286,292**	**1,156,453**
	Funds of the District							
s	General Fund (unrestricted)	20.1	956,021				956,021	952,199
t	District Advance Fund (unrestricted)			145,024			145,024	37,555
u	**Total unrestricted funds**						**1,101,045**	**989,754**
	Designated Funds	21			41,098		41,098	20,549
v	Restricted Fund	21				144,149	144,149	146,150
w	**Total Funds**		**956,021**	**145,024**	**41,098**	**144,149**	**1,286,292**	**1,156,453**

Under the authority of the trustees given at their meeting on 18 March 2021

Signed by Rev Dr David M Chapman, Chair of District and signed by Lynne Ling, Synod Secretary

Date of signing 19 March 2021

Date of signing 19 March 2021

Notes to the Accounts

1 Basis of Accounting and Accounting Policies

i Accounting standard

The financial statements have been prepared in accordance with SORP(FRS102) as updated, being the current version of *Accounting and Reporting by Charities: Statement of Recommended Practice*. See also ***v Accounting framework***, below.\\

ii Public benefit entity

The Bedfordshire, Essex and Hertfordshire (BEH) District meets the definition of a public benefit entity under FRS102. 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. The accruals basis has been used and trustees present accounts that 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. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

v Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice [SORP(FRS102)]* as amended, with the adoption of Section 1A of Financial Reporting Standard 102, in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

vi Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the District's financial viability for at least 12 months from the date of approval of these accounts.

vii Consolidation

The District oversees the work of ministers (presbyters and deacons) and lay workers in Churches and Circuits within the District but has no power to control Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which applied in the year. For this reason, the financial statements of Churches and Circuits within the District are not consolidated into these financial statements.

viii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming. 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 4. A similar figure appears in the Expenditure at Note 8.

Notes to the Accounts

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

The District acts as agent in three 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
- the collection taken at the Spring Synod on behalf of the Methodist Ministers' Children's Relief Association.

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

The value of time donated by volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure

This is recognised when incurred, regardless of the date of payment. Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources and that payment becomes probable. Until then, any material contingent liabilities are noted.

x Grants

Grants are made annually even when an application is for a recurrent grant over more than one year. A satisfactory report of substance from the individual or grantee body on the previous year's activities and outcomes is critically reviewed by the Grants Committee and is necessary to trigger payment of any further instalment. Grants that are payable in the future and were committed at 31 August 2020 are shown on the Balance Sheet either as a current liability (where the grants are payable by 31 August 2021) or in Long Term Liabilities (if payable after 31 August 2021).

xi VAT

Since the District is not VAT registered, expenditure is inclusive of VAT where charged by the supplier.

xii Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at cost in 2006 of which the land component is deemed to be £180k. For the current year the property is shown at it's revalued amount. No depreciation is provided because the trustees consider the residual value of the manse building is not less than cost and the depreciation would be immaterial. The property has been reviewed for impairment and none is provided.

No depreciation of furniture and fittings has been provided in the first year of purchase.

xiii 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. The unrealised gains/losses arising on investments at the end of the year are shown as income/expenditure in the SOFA and in Note 22 below.

Notes to the Accounts

xiv Debtors and Creditors; Bank and Cash
Debtors are stated at the amounts owed to the District or prepaid by the District. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or at the 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.

xv Loans
Where concessionary loans (*ie* free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid (or received), with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the SOFA.

xvi 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.

xvii Funds
The trustees have adopted a policy for all unrestricted reserves which is that, over the medium term, there should be a gradual diminution in the balance in each fund. This includes all unrestricted reserves (the General Fund and DAF) but not the restricted funds being The Rock Trust Fund and the Benevolence Fund. There is no Endowment Fund.

xviii Chair's manse costs
The District is required to provide residential accommodation for the Chair and his family. The District bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges for the Chair. Note 9 below discloses the aggregate cost to the District of these elements.

2 Assessments on Circuits

The District is made up of the following Circuits:

34-1	North Bedfordshire
34-4	South Bedfordshire
34-6	Colchester
34-7	Tendring
34-9	Chelmsford
34-10	Southend and Leigh
34-11	South Essex
34-12	Herts and Essex Border Ecumenical Area
34-13	St Albans and Welwyn
34-14	West Hertfordshire and Borders

34-15 North Hertfordshire
34-18 Bishop's Stortford

All Circuits paid their assessments to the District and to the MCF during the year. An assessment on Circuits is annually determined by Districts by reference to the number of staff (both stipendiary and lay workers involved in mission) in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay.

3 Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £523k (2018-19: £535k) all of which were collected and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

4 Cost of Chair and Trustees

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.

	2019-20 £	2018-19 £
Stipend of Chair of District, Rev Dr David Chapman	24,852	24,225
Employer's National Insurance Contributions	3,120	3,005
Employer's pension contributions	6,700	6,517
District Chair Allowance	6,213	6,056
Com in Mistry Allow	165	161
Cash cost paid by the Connexion (see SOFA)	*41,050*	*39,963*
Chair's expenses	5,659	7,472
Total cost	**46,709**	**47,435**

Since the stipend-related costs above (*i.e., £41,050*; 2018-19: £39,963) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See *Note 7*). The aggregate expenses of the Chair's accommodation were £5,659 (See *Note 8*) making the total cost of his emoluments £46,709 (2018-19: £47,435). The Chair of District is the sole paid key management person and is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as he would continue to be paid during his sabbatical and there would be little additional cost incurred by those taking on the Chair's responsibilities in the short term.

Notes to the Accounts

4.1 Payments to trustees

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. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District and the Synod Secretary (who receives an honorarium) no member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

None of the trustees is an employee of the District. Travel expenses have been reimbursed to some six (2018-19: eight) trustees [members of the District Policy Committee (DPC)] who, in aggregate, have received the cost of travel incurred in attending meetings of the DPC and this amounted to £674 (2018-19: £687). Some trustees declined to claim their expenses.

5 Other Income

The District does not undertake fundraising for its own purposes, other than as noted below.

Other income [£2,032 (2018-19: £8,192)] in the SOFA includes:

	2019-20 £	2018-19 £
From MCF for costs of delegates from BEH attending the annual Methodist Conference	0	698
Contribution towards Probationers Retreat at Launde Abbey East Anglia-	0	4,921
ERTP Closure	0	2,148
Expenses Reimbursement	1,705	0
Other	327	425
Total	**2,032**	**8,192**

Each year the District Synod invites donations from the members of Synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £0 (2018-19: £486).

6 Grants and Donations and Related Support Costs

Grants and donations of £23,696 were made during the year (2018-19: £293,936 in year).

			2019-20 £	2018-19 £
From General Fund	Benevolence	1,429		30
	Ecumenical Projects	16,133	17,562	16,000
From DAF	In year grants	117,199		130,586
	Decrease in liabilities	-113,297	3,902	143,957
From Restricted Funds (see 7.1 below)	Benevolence	0		0
	Rock Trust	2,232	2,232	3,363
Total			**23,696**	**293,936**

Notes to the Accounts

The sum of the grants paid in the year through the DAF was £111,209 (2018-19: £130,586). Adding the £840 paid in advance to Ministry (3 Generate) in the previous year and accruing for £5,150 for grants approved not disbursed gives us a total figure of £117,199 shown above. There were returns of £120 in 2019-20.

6.1 Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

	2019-20 £		2018-19 £
To Churches	Grants	52,489	
	Returns	(120)	
	Accrued	5,000	
	Net	57,369	58,946
To Circuits	Grants	24,500	
	Returns	0	
	Net	24,500	47,900
To Institutions		*81,869*	*106,846*
To others	Grants	33,500	
	Accrued	150	
	Net	33,650	16,150
To individuals	Grants	840	
	PIA	840	
	Net	1,680	7,590
Total		**117,199**	**130,586**

	2019-20 £		2018-19 £
For Projects		500	12,300
For Ministry		102,479	
	Returns	(120)	
	PIA	840	
	Net	103,199	98,786
For equipment		0	0
Other		13,500	19,500
		117,199	**130,586**

The income of the fund was £163,890 (2018-19: £158,043) during the year. The charge to the SOFA is the sum paid in grants during the year [£117,199; (2018-19: £130,586)] less the uplift in the aggregate liabilities (current and long term) for future instalments of grant [£113,297 (2018-19: £143,957)] to £334,432 (2018-19: £447,729).

An amount of £51,549 (2018-19: £30,000) was used centrally within the District.

The Grants Committee is aware that grant applications must demonstrate public benefit.

The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

Notes to the Accounts

7 Salaries and Associated Costs

Gross salaries paid to five part time and one full time employees (2018-19: four) were as follows:

	2019-20 £	2018-19 £
Gross pay	91,132	58,937
Employer's National Insurance Contributions	4,615	2,940
Employer's pension contributions to defined contribution schemes and death in service benefit	5,231	5,474
Total costs of 6 (2018-19: 4)5xpart time&1xfull time staff	**100,977**	**67,351**
Cost of Chair (see *Note 5*)	41,050	39,963
CFB charges	480	480
Consultant		385
Apprenticeship levies	354	291
Total staff costs	**142,861**	**108,470**
Total weekly contracted hours for 5 (2019: four) part time staff And one full time staff	120	75

No employee received employee benefits that totalled more than £60,000. 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.

Two of the five part time employees were engaged exclusively in safeguarding matters, two provided secretarial assistance at the District office and one dealt with all financial matters. One full time staff dealt recruited midway during the year deals with discipleship matters in the District.

7.1 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). This is a defined benefit scheme and the employing Churches and Circuits contribute as employers to this scheme. All our employees contribute to pensions schemes not administered on behalf of the Methodist Church. The BEH District has received from The Pensions Regulator an acknowledgement of declaration of compliance in connection with the automatic enrolment duties.

The Connexion accounts for both Methodist pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for

Notes to the Accounts

removal of the deficit is being implemented. It would be difficult to determine the liability that could fall on the BEH District and no attempt has been made to attempt this valuation.

Notes to the Accounts

8 Property Costs

	2019-20 £	2018-19 £
District office, rent and services	18,666	18,637
Chair's manse	5,659	7,472
Total	**24,325**	**26,109**

9 Office Expenses (General fund) and TMCP charges

	2019-20 £	2018-19 £
Printing, postage and stationery	1,940	2,136
Telephone	2,487	2,466
Insurance	1,339	1,119
Safeguarding	4,189	8,714
Independent examination	816	750
Other	53	395
Total charged to General Fund	**10,824**	**15,579**
TMCP charges	1,484	1,465
Total	**12,308**	**17,044**

10 Synods, Committees, Conference

	2019-20 £	2018-19 £
Synods& Committees	3,337	8,041
The Methodist Conference		464
Conference expenses reimbursed		698
Chair's travel	6,087	6,816
District Policy Committee, as charged	774	1,077
Total	**10,198**	**17,096**

11 Other Outgoings

	2019-20 £	2018-19 £
Training	12,923	16,569
Other costs	2,017	1,455
Removal		
Total	**14,940**	**18,024**

Included in the other costs of £2,017 is the purchase of mobile phone (£220) and laptop (£549) for the new District Discipleship Enabler, the District Finance Officer's laptop (£349) and the hospitality entertainment for the Connexion Presidents visit to the District (£409).

Notes to the Accounts

12 Investment Management

During the year, the District paid £1,484 (2018-19: £1,465) to TMCP, the custodians of the District's investments (District Advance Fund, the Rock Trust and part of the General Fund). The sum of £1,484 was levied at 0.2% on the value of the funds at the end of the previous year and is shown as partly allocated to the DAF (£970), Rock funds (£292) and General Fund (£222): £970 and £292 as Office Expenses in the SOFA. (See *Note 9* above.)

The sum of (£2,001) (2018-19: £1,389) represents a net unrealised loss on the invested funds of The Rock Trust. The gross unrealised gains of £17,065 (2018-19: £14,805) were reduced by unrealised losses of £19,066(2018-19: £13,416). There was an unrealised loss of £1,887 (2018-19: £1,310)) on part of the General Fund. More information can be found in Note 21 *Restricted Fund*.

13 Transfers between Funds

The transfer between funds shown on the SOFA represents sums that were transferred from one fund to another under the direction of the trustees.

During the year £51,549 (2018-19: £30,000) was withdrawn from the District Advance Fund to contribute to the funding of the following: ecumenical work, training grants, district discipleship enabler, safeguarding and administrative assistance.

14 Tangible Fixed Assets

The value of the District manse, 1 Friars Wood, Bishop's Stortford, is believed to be considerably greater than its historical cost in 2006 shown in the accounts. The Trustees considered it prudent to show the property at its current market value of £720k, and a revaluation reserve has been created within the general fund to account for the increase in value from cost amounting to £220k. As the property has been revalued no depreciation is required. No depreciation on Furniture and Fittings on the first year of purchase.

	Land £	Buildings £	Plant and machinery £	Cost b/fwd £	Revaluation £	Total £
Cost or valuation						
Property	180,000	300,000	20,000	500,000	220,000	720,000
Furniture & Fittings	-	-	-	3,286	0	3,286
Total	180.000	300,000	20,000	503,286	220,000	723,286

Notes to the Accounts

15 Investments with Trustees for Methodist Church Purposes

The funds that support part of the General Fund, the District Advance Fund and The Rock Trust are held by TMCP in the Trustees' Interest Fund or the Managed Mixed Fund on which interest and dividends are credited to the accounts. These are regarded as medium and long term investments and are shown on the Balance Sheet as Fixed assets.

TMCP is the Custodian Trustee of all Methodist Model Trust property and is held for and on behalf of local Managing Trustees (in BEH, the DPC) who are responsible for the day to day management of the property. TMCP ensures that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

15.1 Holdings at 31 August 2020 (2019)

	General	DAF	Rock	Total
Fund	£	£	£	£
Trustees Investment Fund	5,897 (3,963)	484,606 (484,443)	32,720 (32,720)	523,223 (514,893)
Managed Mixed Fund	105,100 (106,697)	Nil (Nil)	111,429 (113,430)	216,529 (217,718)
Total	**110,997** **(110,910)**	**484,606** **(484,443)**	**144,149** **(146,150)**	**739,752** **(732,611)**

16 Debtors and Prepayments

All sums shown as Debtors on the General Fund at 1 September 2019 were received during the following year. All sums paid in advance at 1 September 2019 were for activities or services related to 2019-20 and were charged to the SOFA in that year. It is expected that payments in advance at 31 August 2020 will be expensed in 2020-21.

	2019-20 £	2018-19 £
Trade debtors		
DIS recharge to Northampton district	0	0
Design and print of directory		
Prepayments		
CCT		158
Training	800	
Insurance (114+95)	209	216
Synod deposit		100
3 Generate grants		840
Printing	170	
Total prepayments	**1,179**	**1,214**
Loan from church		1,256
Total debtors	**1,179**	**2,470**

Notes to the Accounts

17 Central Finance Board (CFB) Deposits and Cash at Bank

The District has one current account at HSBC plc, an authorised institution. The sum held on this account is immediately available. In addition, the District has a deposit account at CFB, a common deposit fund. Interest is earned on this account and is credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The District has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

18 Creditors

	2019-20 £	2018-19 £
Creditors		
Expenses reimbursement		
Independent examination	816	750
Publications and office expenses	16	60
Salaries and consultant fees	184	185
Safeguarding	39	330
Ecumenical grant	5,000	
Manse refurbishment	110	132
Training		292
Other	61	30
Postage & printing	77	691
Telephone	73	72
Synods/Committees	113	377
Conference		72
DPC		162
Travel-DC	358	1283
Total trade creditors		4,436
Accruals		
Pension contributions		
Taxation and Social Security		
Total creditors	**6,849**	**4,436**

It is expected that all sums accrued at 31 August 2020 will be paid during the year to 31 August 2021.

Notes to the Accounts

19 Grant Commitments

Expenditure on charitable activities: District Advance Fund
Some grants are payable in annual instalments. The District expects to receive a report of the outcomes of the first (or subsequent) year's activities funded by the grant. Future instalments are shown as Current liabilities (if payable within one year of 31 August 2020) and as Long-term liabilities (where due after one year).
The following analyses are available:

	2019-20 £	2018-19 £
End of year commitments to pay one off grants or the first instalment in a future year	9,727	153,836
Anticipated second or subsequent instalments where the first instalment was paid in 2019-20 or earlier	324,705	293,893
Total anticipated commitment at 31 August 2020	**334,432**	**447.729**

Grants payable by year	2019-20 £	2018-19 £	£	£
2019-20				182,657
2020-21	178,488	140,903		
2021-22	98,663	95,894		
2022-23	42,281	19,775		
2023-24	7,500	8,500		
2024-25	7,500			
	334,432	**265,072**	**334,432**	**265,072**
Total anticipated commitment at 31 August 2020			**334,432**	**447,729**

After recognising the liabilities for future grants payable through the DAF, there is still a sum of £145k available for future grants. In the following year and subsequent years, further sums are expected to be credited to the DAF from the CMTF levies of those years.

The award of a grant by the District does not create a contractual relationship.

No individual or institution received grants of such a magnitude that they should be separately reported.

20 Unrestricted Funds

20.1 General Fund – balance £956,021 at 31 August 2020 (2019: £952,199)

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 75% of this fund is held as a freehold property, the District manse for the Chair of District which is based on its revalued amount of £720k (2019: Revalued £720k) included in the general funds balance above.

20.2 District Advance Fund – balance £145,024 at 31 August 2020 (2019: £37,555)

The purpose of the fund is to receive monies from investments and to pay grants by annual instalments on applications made.

Notes to the Accounts

21.1 Restricted Funds - balance £144,149 at 31 August 2020 (2019: £146,150)

The Rock Trust, a restricted fund, exists to support residential and other activities undertaken by young people who currently live in the former London NE District of the Methodist Church. All the fund's assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the Rock Trust. Grants are awarded by the trustees of the Rock Trust, being the trustees of the District.

Movements during the year were as follows:

	2019-20 £	2018-19 £
Market value at 01 September 2019	146,150	144,761
Investment income received during the year	2,524	3,653
Net unrealised loss on the value of investments at the year end	-2,001	1,389
Grants paid during the year	-2,232	-3,363
TMCP administration charge	-292	-290
Reversal of adjustment to bid price		
Market value at 31 August 2019	**144,149**	**146,150**

This is made up as follows:		
CFB Managed Mixed Fund	111,429	113,430
Trustees' Interest Fund	32,720	32,720
Total	**144,149**	**146,150**

Market valuations have been provided by TMCP.

The Benevolence Fund – balance £473 (2019: £Nil) - provides financial support to ministers and lay people in the District in need of support. The Benevolence receipts and payments were processed through the General Fund. (See *Note 6* above.)

21.2 District Discipleship Enabler- balance £41,098 at 31 August 2020. (2019: £20,549)

These are designated funds received from Methodist Connexion and District Grants Team solely for the employment of the Enabler

Notes to the Accounts

22 Fund Movements

22.1 Summary of fund movements 2019-20

Fund	Balance at 01-Sep-19 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities	Balance at 31-Aug-2020
	£	£	£	£	£	£
General	952,199	175,092	-222,819	51,549		956,021
District Advance (See Note 1 below)	37,555	163,890	-118,169	-51,549	113,297	145,024
Total unrestricted	*989,754*	*338,982*	*-340,988*		*113,297*	*1,101,045*
Rock Trust	146,150	2,524	-4,525			144,149
District Enabler	**20,549**	20,549				41,098
Benevolence	**0**	0	-0			0
Total restricted	*166,699*	*23,073*	*-4,525*			*185,247*
Total Funds	**1,156,453**	**362,055**	**-345,513**		**113,297**	**1,286,292**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2020 was £334,432 being a decrease of £113,297 over the provision brought forward.
Note 2 The amount of £175,092 excludes £1,887 of net unrealised losses; the amount of £2,524 excludes £2,001 of net unrealised losses; the amount of £362,055 excludes £3,888 net unrealised losses.

22.2 Summary of fund movements 2018-19

Fund	Balance at 01-Sep-18 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities	Balance at 31-Aug-2019
	£	£	£	£	£	£
General	725,777	397,943	-201,521	30,000		952,199
District Advance (See Note 1 below)	185,017	158,043	-131,548	-30,000	-143,957	37,555
Total unrestricted	*910,794*	*555,986*	*-333,069*		*-143,957*	*989,754*
Rock Trust	144,761	5,042	-3,653			146,150
District Enabler		20,549				20,549
Benevolence	**0**	0	-0			0
Total restricted	*144,761*	*25,591*	*-3,653*			*166,699*
Total Funds	**1,055,555**	**581,577**	**-336,722**		**-143,957**	**1,156,453**

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2019 was £447,729 being an additional £143,957 over the provision brought forward.
Note 2 The amount of £397,943 includes £221,310 of net unrealised gains; the amount of £5,042 includes £1,389 of net unrealised gains; the amount of £581,577 includes £222,699 of net unrealised gains.

Notes to the Accounts

23 Analysis of Net Assets among Funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted general and designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	723,286		723,286
Fixed asset investments	595,603	144,149	739,752
Current assets	128,587	41,098	169,685
Current liabilities	(190,487)		(190,487)
Payables due after one year	(155,944)		(155,944)
Total	**1,101,045**	**185,247**	**1,286,292**

24 Related Parties

None of the District trustees made donations direct to the District during the year or in the preceding year. 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.

Related parties include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Fund, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors. The following table shows the receipts from and payments to related parties during 2019-20.

Names of Connected Organisations	2019-20 Receipts £	2019-20 Payments £	2018-19 Receipts £	2018-19 Payments £
Donee: Methodist Church Fund		(522,880)		(534,689)
Donee: Methodist Church Connexion	20,549		20,549	
Donee: Methodist Ministers' Children's Fund		(0)		(486)
Donor: Circuits within BEH (assessments)	650,880		658,212	
Donor: Circuits within BEH (levies)	103,856		104,042	
Donor: Churches within BEH	356		503	
Donor: Circuits within BEH-Reimbursement		1,317	4,921	
Donee: Circuits within BEH		(24,500)		(47,900)
Donee: Churches within BEH		(52,369)		(58,946)
Donee: Individuals (*re* 3 Generate)		(840)		(840)

Information about payments to trustees appears in Note 4.1.

Notes to the Accounts

25 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. At the BEH District the principal contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this District to value the non-monetary contributions to the District in monetary terms.

26 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2018-19: Nil).

27 Lease Commitments

The District has contracts or obligations for the following:

- Office accommodation which is a six-month periodic review tenancy c.£9,000.

In addition, there are short term obligations as follows:

- Reprographic equipment at the District office c.£54/month
- Telephones at the District office and the District manse c.£166/month
- Security alarm system at the manse c.£25/month
- Membership of the Friars Wood Residents' Association c.£50/month

The total liability of these is not considered material.

28 Independent Examiner

An accrual has been made for the fee of the independent examiner in the sum of £816 for the year (2018-19: £750). The charge in the SOFA represents the provision for this year's fee.

No additional services have been sought from or provided by the independent examiner during the year.

Declarations and Scrutiny

I confirm that these accrual-based accounts for the year ended 31 August 2020 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee, being the trustees of the District.

Signed: Date: 14th March 2021

Nichodimus Kawadza

Presentation to the District Policy Committee for approval

I confirm that the Trustees Annual Report, the Statement of Financial Activities, the Balance Sheet and the Notes to the Accounts for the year ended 31 August 2020 were presented to the District Policy Committee at its meeting on 18 March 2021.

Signed: Date: 19 March 2021

Rev Dr David M Chapman, Chair of District

Declarations and Scrutiny

Independent examiner's report to the Trustees of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church for the year ended 31 August 2020

The trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the District's income and expenditure for the year and of the assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under s144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under s145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under s145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosure in the accounts seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in any material respect the requirements:

a to keep accounting records in accordance with s130 of the Charities Act, and
b to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act,

have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Declarations and Scrutiny

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed: Date: 21/3/21

Vincent Chandler ACA FCCA
Independent examiner
Moore Green
22 Friars Street
Sudbury
Suffolk CO10 2AA