

The
TRUSTEES'
ANNUAL REPORT
and
ACCOUNTS
for the
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

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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.

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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

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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
<i>Unrestricted funds</i>	£k	£k
General Fund	1,116	1,123
District Advance Fund	15	214
<i>Total unrestricted funds</i>	<i>1,131</i>	<i>1,337</i>
Rock Trust (a restricted fund)	151	156
District Disciple Enabler & Property Officer (a designated fund)	55	43

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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).

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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.

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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.

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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.

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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.

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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

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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)



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 2 2024

Signed by Rev Dr David M Chapman, Chair of District

and signed by Rev Zena Smith, Synod Secretary

Date of signing

Date of signing

David Chapman
11 March 2024

Zena Smith
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	0
From DAF	In year grants	192,252	132,968
	Increase in liabilities	166,652	
From Restricted Funds	Rock Trust	0	2,890
From Designated Funds	Warm Spaces Grants	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 £		2022-23 £	2021-22 £
To Churches	Grants	44,476	For Projects		
	Returns	0		30,057	0
	Net	44,476			
To Circuits	Grants	57,460	For Ministry	85,879	
	Returns	0		Ret	0
	Net	57,460		PIA	0
				Net	85,879
<i>To Institutions</i>		101,936	For equipment	0	0
To others	Grants	92,016	Other	76,316	5,307
	Returns	3,000			
	Net	89,016			
To individuals	Grants	1,300			
	Net	1,300			
Total		192,252		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
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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 £	Depreci ation	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
<i>Travel- DC</i>	<i>862</i>	<i>733</i>
<i>District Discipleship Enabler expenses</i>	<i>151</i>	<i>159</i>
<i>Office expenses</i>	<i>120</i>	<i>49</i>
<i>TPT DC Life Assurance charges</i>	<i>21</i>	<i>93</i>
<i>District Offices-Electricity</i>	<i>66</i>	
<i>Property Officer expenses</i>	<i>33</i>	<i>56</i>
Total trade creditors	3,051	4,777
Accruals/Provision		
Ecumenical grant	7,825	7,825
Pension contributions	185	165
<i>Taxation and Social Security</i>	<i>452</i>	<i>452</i>
<i>Threadneedle credit</i>	<i>760</i>	
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	-4,239	-2,890
TMCP administration charge	-445	-469
Reversal of adjustment to bid price		
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)

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

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

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

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

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 (<i>re</i> 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, manse, 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.

BEDFORDSHIRE, 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:



Date:

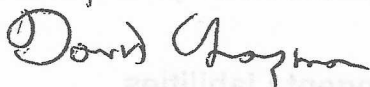
11 March 2024

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:



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