



District
Accruals Accounts
2020-21

THE METHODIST CHURCH

STANDARD FORM OF ACCOUNTS

ACCRUALS BASIS

for the year ended 31 August 2021

NOTTINGHAM & DERBY

DISTRICT

District No.

22

Registered Charity - Registration Number

1134172

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT REFERENCE AND ADMINISTRATIVE DETAILS

Name of the charity

The Methodist Church Nottingham and Derby District

Charity registration number

1134172

Principle office

Rivergreen Methodist Hub
Rivergreen
Nottingham
NG11 8AU

Trustees

Revd Loraine Mellor - Chair
Revd Andrew Charlesworth – Deputy Chair (appointed Sept 2020)
Mr Chris Morgan – Treasurer (resigned Mar 2022)
Rev Kate Strange – Deputy Chair and Methodist Council Rep (appointed Sept 2020)
Ms Carole Elaine Thorpe – Executive Secretary
Revd Matthew Fugill (resigned Aug 2020)
Revd Richard Tanner (resigned Aug 2021)
Mr Andrew Whysall (resigned Aug 2021)
Ms Wendy Ince (resigned Aug 2021)
Ms Susanna Draper (resigned Aug 2021)
Ms Elaine Grout (resigned Aug 2021)
Mr Michael Redshaw (resigned Aug 2021)
Revd Nicola Ann Briggs – Synod Secretary
Mrs Anna Malnutt – Ecumenical Officer
Mr Ian Pickering – Ecumenical Officer (Appointed Sept 2021)
Mrs Rosemary Farrow – Facilities Manager
Ms Abby Watterson - Children & Young people Rep (Appointed Sept 2021)
Revd Sally Ratcliffe - Superintendents Rep: (Appointed Sept 2021)
Mr Clifford Lewer - Property Secretary

Mrs Danni Coles - Lay representative
Mrs Laisa Ratubalavau - Lay representative
Mr Paul Strange - Lay representative
Mr Marc Williamson - Lay representative

Bankers

Lloyds Bank PLC, Old Market Square Nottingham.

Investment manages

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

Custodian Trustees

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

Auditors

Hawsons Chartered Accountants
Pegasus House
463a Glossop Road
Sheffield
S10 2QD

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

1. Objectives and Activities

Our Calling as the Methodist Church Nottingham & District is to respond to the gospel of God's love in Christ and to live out our discipleship in worship and mission, doing this through Evangelism, Worship, Service, Learning and Caring.

2. Achievements and performance

The Covid Pandemic has continued to have implications on our plans and achievements; much is carried forward.

The District has tried to engage with churches and circuits to provide a wider mission to society and to develop whole life discipleship by:

Offering support and help during the pandemic;

Supporting radical hospitality;

Encouraging passionate worship;

Resourcing intentional faith development;

Supporting, encouraging and resourcing, risk taking mission and service;

Engaging in and supporting extravagant generosity.

Overarchingly it is proposed to move all activities within the Methodist Church into a Regional structure.

2.1 Plans for future years

The District will enable every circuit and church to write and implement a living mission plan to be rooted in God and growing naturally in courage and life.

Our priorities set out below:

A Evangelism To make more followers of Jesus Christ.

Over the next five years we will resource Circuits to increase the number of disciples (church members) with the number of new members outweighing natural loss in churches and circuits through varying styles of evangelism, pioneer ministry, New Places for New People (NPNP), fresh expressions and church planting, whilst accepting Covid has brought to an end the activities of many societies.

In 2021/2022 we will:

1. Resource the use of digital communications.
2. Enable NPNP to develop
3. Help existing churches experiment with fresh expressions of church.
4. Support and grow existing team of young evangelists.
5. Promote an invitational mindset partnering with the National Weekend of Invitation, and build confidence to talk naturally of God using resources from the Connexion and other organisations.
6. Support opportunities to reach out into new housing areas.

B Worship To increase awareness of God's presence and to celebrate God's love.

We will enable people to be centred on God.

In 2021/2022 we will

1. Resource diverse styles and opportunities for passionate worship.
2. Organise District worship and Bible events that help people be centred in God.
3. Encourage worship as a way of life.
4. Promote daily acts of worship.
5. Promote youth led worship around the District.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

C Service To be a good neighbour to people in need and to challenge injustice.

We will challenge circuits to align themselves with the Mission of God by being outward looking in their communities, building on the biblical connection between evangelism and social justice, to serve needs around them and to seek justice.

In 2021/2022 we will

1. Promote partnership models of community engagement.
2. Work alongside people experiencing poverty and on the margins for the wellbeing of society.
3. Establish new Conference led initiatives in Justice, Dignity and Solidarity.

D Learning and Caring To help people to grow and learn as Christians, through mutual support and care.

Together with the Learning Network we will resource circuits to nurture an attitude of intentional faith development across the District.

In 2021/2022 we will

1. Promote the Methodist way of life;
2. Commit to wellbeing and equip our churches to put into practice the mental health manifesto;
3. Promote and resource whole life discipleship courses;
4. Resource creative ways of developing spirituality and engaging with the Bible;
5. Promote safeguarding good practice and host and resource a District Safeguarding Conference.
6. Provide funding for discipleship and leadership development for children and young people.
7. Encourage and equip churches to identify new local preachers and worship leaders in the District through the production of publicity material and the organising of a District Vocations Day.
8. Organise District Vocations Consultations.

Key Working Practices

We will ensure that:

1. Appropriate staff have been and will be appointed to resource and implement the District Policy.
2. Safeguarding policies and practices permeate all areas of District life.
3. Model and promote policies and practices that encourage human flourishing.
4. The Learning Network is a resource for the life of the District.
5. Ecumenical partnership is encouraged and facilitated wherever possible.
6. Ministerial Development Review, Supervision, and Spiritual Accompaniment is embedded in the District.
7. Equality, diversity and inclusion informs our practice.
8. There is representation and participation within the District from the World Church and those with World Church experience.
9. Finance and resources are in place to enable the vision of the Policy.
10. Circuits and churches are enabled to develop their own Mission Plans.
11. The District Media Team is enhanced and that we develop our communication, including the sharing of good news stories.
12. Every church and circuit review its finances and its property portfolio in line with its review of mission considering where personnel, property and finance resources are needed or where existing resources might be released for other parts of God's work.

We will delegate to the District Executive responsibility to oversee the above Policy and to ensure we model, resource and bless the direction in which we move.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

We encourage everyone in the District to take account of and to be guided by the District Development Plan.

We will underpin the whole policy with the practices of radical hospitality, passionate worship, intentional faith development, risk-taking mission and service, and extravagant generosity throughout the District.

Specific Priorities of the District

Children and Young People

- Following pandemic re-establish times of fellowship and worship for young people (8-23).
- Encourage vocational discernment for young people.
- Support/promote/deliver 3Generate365.
- Ministry Development, training/resourcing/support of engaged in children's and youth. Ministry.
- Safeguarding: creating workable safe policies for engagement with young people.

Ecumenical

- Encourage cooperation with other denominations wherever possible.
- Support and encourage LEPs and other ecumenical initiatives throughout the District.
- Promote an ecumenical mind-set amongst churches and circuits.
- Support Steering Groups for Churches Together in Nottinghamshire and Derbyshire.
- Undertake/support LEP reviews (where due).

Equality, Diversity and Inclusion

- Continue development of JDS Team.
- Develop/Promote JDS Toolkit.
- Support circuits in unconscious bias training.

Finance

- Support Circuits in their record keeping and reporting.

Grants

- Two funds: District Advance Fund (DAF) and the Mission Fund (MF).
- Apply criteria for DAF projects as per guidelines on District website.
- MF is for targeted mission/evangelism projects including;
 - Church at the Margins.
 - Young evangelists.
 - Digital presence.
- Mission Fund Bursaries.
- NPNP (up to £1000 low cost/high impact projects) and develop pilot schemes towards a wider use of NPNP within the District.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Lay Employment

- Review all lay employment job descriptions/contracts.
- Advice in all lay employment matters.
- Maintain Lay Employment Register.

Using Learning Network

- Continue to equip and resource the Church through a wide range of contextually relevant learning and development opportunities.
- Support circuits in being places of lifelong learning and sharing.
- Aligned Learning Network officer to continue to support circuits.

Media

- Continue to develop online presence.
- Maintain/develop district website.
- Showcase 'Good News' stories from around the District
- Promote/develop new District identity (logo etc.).
- Develop use of online platforms for meetings.

Ministerial Learning and Development Group

- Reflect on Connexional, District and other developments and opportunities in relation to ordained ministry.
- Be mindful of both the opportunities and the demands of ministry.
- Promote learning, development and wellbeing for the ministers stationed in the District.

Mission Development

- Using "God for All" seek to build confidence and courage across church in evangelism and disciple building.
- Being alongside circuits and churches through vision days or mission planning.
- Help facilitate mission planning in Circuits.
- Encourage engagement with "Thy Kingdom Come".
- Young Evangelists and Pioneers Scheme.

Probationers

- For our probationers;
 - Develop the skills, gifts and the habits of ministry.
 - Help model lifelong learning and reflective ministry which is mission-shaped.
 - Pay proper attention to spirituality, physical health, ministerial work-life balance and wellbeing.

Property

- Enable circuits to develop Mission plans, including community survey, outreach and property review.
- Assist Circuits in the disposal of surplus properties.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Safeguarding

- Remodeling the plan for Safeguarding training.
- Online training for trainers for the Foundation Module 2020.
- (When available) online training for trainers for the Advanced Module 2020.
- Advanced training administration.
- Recruitment to District Safeguarding Group.
- DSG to develop new 3-year plan for Safeguarding.

Worship Leaders and Local Preachers

- Recruit a volunteer District LP Tutor.
- Improve the Annual Return Form to enable helpful connections and help meet local needs.
- Encourage the Circuit LP secretaries and hold a symposium to help us all fulfil our roles.
- Make contact and engage with our neighbouring circuits around our District perimeter.
- Move the 'Book of Remembrance' online.

Ways of working in the District

- Review/develop systems of communication with "Continue" to develop online presence ministers, lay staff, circuits and churches.
- Increased use of social media: reach wider audience/keep people more informed.
- Regular review of working together as District team.
- Further development of Rivergreen Methodist Hub as a centre for outreach, mission and worship (also District office).

3. Financial Review

3.1 Investment policy and performance

To comply with Methodist Standing Orders, moneys for long time investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Districts and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the District. These sums are invested in unitized investments or held on deposit. The investment returns are close to tracking the movements in the FTSE 100 index. The deposit income mirrors the deposit rates available elsewhere. The Nottingham & Derby District Trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church (CFB) and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB).

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.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Income for the year was £2,051,876 (2019-20: £1,621,059) and expenditure was £1,033,992 (2019-20: £494,817). £1,466,811 of income for the year related to the sale of three properties.

The properties came into the District management due to the closure of circuits and were disposed of with the proceeds re invested in accordance with Methodist Church Standing Orders.

The District Properties, the Chair's Manse and the Rivergreen Hub were professionally revalued during the year resulting in a net loss on revaluation of £785,251.

The additional income in the year from the sale of the properties enabled the District to make additional grant payments

3.2 Reserves level and policy

The reserve at the end of August 2021 was £2,262,009 (2020: £2,025,584). The reserves at 31 August 2021 can be further split as follows:

General Fund Unrestricted	£607,326
District Advance Fund Unrestricted	£127,830
Designated Funds Unrestricted	<u>£1,526,853</u>
Total Unrestricted Funds	£2,262,009

All monies are invested with the CFB or TMCP with a certain amount kept in the current account for week-by-week expenses.

All funds are for use in the District via grants and apportionments. The Trustees have agreed that the level of general funds should represent 6 months net expenditure.

The Trustees are aware that the current level of reserves exceeds this level and will continue to distribute excess reserves by making grant payments.

3.3 Collaborative arrangements with connected charities

The District's main source of funding was the assessments obtained from each Circuit within the District based on the staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted in the year to £116k, (2019/20 £101k)

The District also obtained from each Circuit, with a reserve known as a Circuit Model Trust Fund (CMTF) a levy based on the balance of the CMTF at the start of the Connexional year.

The District holds no funds as custodian trustee. It does however, quarterly receive from Circuits within the District, the Circuits contribution to the Methodist Church (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 recognized as an asset in the financial statements because the funds are not within its control. No fee is earned in respect of this agency arrangement and the District incurs no cost through this arrangement.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

4. Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In addition to the above, the Trustees are responsible for ensuring the Health and Safety policy is implemented.

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment.

1.1 Risk

The District is largely risk averse, but especially in making grants to entities embarking on new and imaginative initiatives. The District is prepared to underwrite considered risks.

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 Commissioners on 8th February 2010.

5.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at and ratified by the periodic Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at half yearly Synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

Overall regulatory authority rests with the Methodist Conference.

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.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Connexional decisions are passed to the Chair of District and the appropriate officers of the District for implementation.

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.

The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

5.2 Purpose of the District

The 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 organization 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 the District is to advance the mission of the Church in Nottinghamshire, Derbyshire and adjoining areas.

Signed on behalf of the District Executive Committee by:

Trustee..........Date.....

Cliff Lower


Acting Chair 21/07/22

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Independent Auditor's report to the Trustees of The Methodist Church Nottingham and Derby District

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charity is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charity and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the charity's result for the period, and management bias in key accounting estimates.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Independent Auditor's report to the Trustees of The Methodist Church Nottingham and Derby District

Opinion

We have audited the financial statements of The Methodist Church Nottingham and Derby District (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021, and of the charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Independent Auditor's report to the Trustees of The Methodist Church Nottingham and Derby District

Audit procedures performed by the engagement team included:

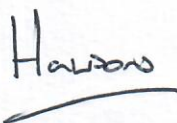
- Discussions with management and those responsible for legal compliance procedures within the charity to obtain an understanding of the legal and regulatory framework applicable to the charity and how the charity complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for. This description forms part of our auditor's report.

Use of our report

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



Hawsons Chartered Accountants, Statutory Auditor
Pegasus House
463a Glossop Road
Sheffield
S10 2QD

27 July 2022

Hawsons Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Statement of Financial Activities (SOFA)

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes to the Accounts	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Total 2020-21 £	Total 2019-20 £
Income and Endowments from:						
Donations & Legacies					0	
Connexional Advance & Property Fund		-	32,190	-	32,190	51,542
Income from Investments	2	28	1,508	1,689	3,225	6,612
Income from Charitable Activities:		-	-	-	-	-
- Assessments on circuits	3	115,570	-	-	115,570	101,418
- From Circuit Model Trust Funds		-	232,445	-	232,445	184,149
- Contribution to the cost of the Chair		42,461	-	-	42,461	34,649
Other Income	4	159,174	-	1,466,811	1,625,985	1,242,689
Total Income & Endowments		317,233	266,143	1,468,500	2,051,876	1,621,059

Expenditure on:						
Grants & donations	5	291	293,686	484,540	778,517	211,466
Salaries & Associated Costs	6	153,710	-	-	153,710	167,328
Cost of the Chair	7	42,461	-	-	42,461	34,649
Property Maintenance	8	20,456	-	-	20,456	15,801
Office Expenses	9	4,293	-	-	4,293	5,541
Synods, Committees & Conferences	10	12,892	-	-	12,892	18,547
Other Outgoings	11	20,629	647	387	21,663	41,485
Total Expenditure		254,732	294,333	484,927	1,033,992	494,817

Net Income before gains / (losses)		62,501	- 28,190	983,573	1,017,884	1,126,242
Other Gains / (Losses)	13	- 1,008,001	-	226,542	- 781,459	-
Net Income/ (expenditure)		- 945,500	- 28,190	1,210,115	236,425	1,126,242
Tfr between funds	14	365,480	- 167,000	- 198,480	-	-
Net Movements in funds		- 580,020	- 195,190	1,011,635	236,425	1,126,242

Reconciliation of Funds:						
Total Funds brought forward		1,187,346	323,020	515,218	2,025,584	899,342
Total Funds Carried Forward		607,326	127,830	1,526,853	2,262,009	2,025,584

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Balance Sheet

AS AT 31 AUGUST 2021

	Notes to the Accounts	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Total 31 Aug 2021 £	Total 31 Aug 2020 £
Tangible Fixed Assets						
Manse and other property	15	425,000	-	535,000	960,000	1,461,789
Total Fixed Assets		425,000	-	535,000	960,000	1,461,789

Current Assets						
Debtors and Prepayments	16	181,464	-	-	181,464	5,783
Central Finance Board & Trustees for Methodist Church Purposes Deposits	17	8,332	297,078	1,142,653	1,448,063	535,489
Cash at Bank and in Hand	18	45,017	-	-	45,017	69,954
Total Current Assets		234,813	297,078	1,142,653	1,674,544	611,226

Current Liabilities						
Creditors and Accruals (due in under 1 year)	19	52,487	131,912	150,800	335,199	47,431

Net current (liabilities) / assets		182,326	165,166	991,853	1,339,345	563,795
---	--	----------------	----------------	----------------	------------------	----------------

Total assets less current liabilities		607,326	165,166	1,526,853	2,299,345	2,025,584
--	--	----------------	----------------	------------------	------------------	------------------

Long term liabilities						
Creditors and Accruals (due after more than 1 year)	19	-	37,336	-	37,336	-

Net Assets		607,326	127,830	1,526,853	2,262,009	2,025,584
-------------------	--	----------------	----------------	------------------	------------------	------------------

Funds of the District

General Fund	21.1	607,326			607,326	1,187,346
District Advance Fund			127,830		127,830	323,020
Designated Funds	21.2			1,526,853	1,526,853	515,218
Total Unrestricted Funds		607,326	127,830	1,526,853	2,262,009	2,025,584

Total Funds		607,326	127,830	1,526,853	2,262,009	2,025,584
--------------------	--	----------------	----------------	------------------	------------------	------------------

Signed on behalf of the District Executive Committee by:

Trustee..... Date.....

Cliff Lower

Cliff Lower
Acting Chair

21/07/22

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Cash Flow Statement

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes to the Accounts	Total 31 Aug 2021 £	Total 31 Aug 2020 £
Cash from operating activities			
Net cash used in operating activities	28	1,167,874	58,130

Cash flows from investing activities			
Dividends, interest and rents from investments	2	3,225	6,612
Purchase of property, plant and equipment		(283,462)	(181,338)
Net cash provided by investing activities		(280,237)	(174,726)

Change in cash and cash equivalents in the reporting period		887,637	(116,596)
Cash and cash equivalents at the beginning of the reporting period		605,443	722,039
Change in cash and cash equivalents at the end of the reporting period	29	1,493,080	605,443

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting framework and accounting policies

The significant accounting policies applied in the preparation of the financial statements are set out below:

i Basis of Preparation

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

These financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at market value.

ii Judgement and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. Those estimates and judgements are continually reviewed and are based on experience, research and judgement, including expectations of future events that are believed to be reasonable under the circumstances. The accounts are expressed in £ Sterling, rounded to the nearest pound.

iii Going concern

After due consideration of all relevant factors, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

iv Consolidation

The District oversees the work of ministers and lay workers in Churches and Circuits within the District but does not have control over those Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which were applicable. For this reason, the financial statements of the Churches and Circuits within the District are not consolidated into these financial statements.

v Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to Nottingham & Derby District. No attempt is made to measure the value of services donated by volunteers. Details of how the contribution to the cost of the District Chair has been determined appears in the Expenditure at Note 7.

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

The District acts as agent in four 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 Fund
- the cost of ministerial health checks recovered from Circuits

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

vi Expenditure

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

vii Grants

Grants are recognised annually only as and when any performance conditions attaching to the award are met, even when the award is for a recurrent grant over more than one year. All grants awarded for payment in future financial years are conditional on the Grants Committee being satisfied, on the basis of progress reports from the grantee, that the grant's achievements to date justify the payment of further instalments of that grant. Such commitments are noted as contingent liabilities and included within the District Advance Fund or other relevant designated fund in these accounts.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting framework and accounting policies

viii Financial Instruments

The District has only basic financial instruments which are initially recorded at cost.

ix Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold properties have been revalued in year, with the necessary impairments recognised through the accounts - Note 15.

It is the intention that a valuation will be conducted on a three year cycle, with depreciation being applied as follows:

Land - no depreciation adjustment required

Buildings - 40 years depreciation

Fixtures & Fittings - 20 years depreciation

Plant & Machinery - 10 years depreciation

x Investments

The investments of the Nottingham & Derby District 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 arising on investments at the end of the year are shown in the SOFA and in Note 13.

xi Debtors and creditors; Bank and Cash

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

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

2 Income from Investments

2020-21			
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)
	£	£	£
Interest Received	28	1,508	1,689
Total income from investments	28	1,508	1,689

2019-20			
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)
	£	£	£
Interest Received	628	3,521	2,463
Total income from investments	628	3,521	2,463

3 Assessments

All Circuits (see list given in the table below) paid their assessments to the District and to the MCF during the year or shortly after its year end. An assessment on Circuits is annually determined by Districts by reference to the number of staff in the Circuits and the number of Church Members, but may also take into accounts a Circuits ability to pay.

The District is made up of the following Circuits:

Circuit No.	Circuit Name	Circuit No.	Circuit Name
22/01	Nottingham North East	22/12	National Forest East
22/02	Nottingham South	22/13	Borders Mission
22/04	Nottingham Trent V	22/14	Mid Derbyshire
22/05	Nottingham Central M	22/15	Grantham & V of B
22/06	Derby	22/16	East Staffs & South Derbyshire
22/10	Alfreton Watchorn	22/23	Sherwood Forest
22/11	Ashbourne	22/26	Newark & Sherwood

Alfreton Watchorn ceased to exist during 2019-20, therefore Assessments in 2019-20 would have included some assessment values.

On the 1st September 2020 the Nottingham North and Nottingham East Circuits merged to become Nottingham North East (22/01)

On the 1st September 2020 Trent and Dove and South Derbyshire merged to become East Staffordshire and South Derbyshire and use the number 22/16.

Contribution to 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 £639,901 (2019/20: £632,178) all of which were collected or shown as debtors at the end of the year 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.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

4 Other Income

2020-21			
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)
	£	£	£
Rental Income - Rivergreen	1,195	-	-
Rivergreen Grants	98,000	-	-
Donations - Tithing	900	-	-
Donations - Conference	492	-	-
Connexional Grants - Our Calling Grant	33,038	-	-
TMCP Support Workers	25,000	-	-
Sale of Parliament Street	-	-	835,866
Sale of Watchorn	-	-	329,585
Sale of Eskdale Drive	-	-	301,360
Sundries -	549	-	-
Total Other Income	159,174	-	1,466,811

2019-20			
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)
	£	£	£
Rental Income	2,845	-	-
Grant received for Rivergreen	45,000	-	-
Training Receipts	900	-	-
Borders Mission Enabler Grant	2,900	-	-
Acquisition of Rivergreen Methodist Hub	968,201	-	-
Sale of Moorwood Moor Church	-	-	222,843
DAF Other Income	-	-	-
Total Other Income	1,019,846	-	222,843

This District does not undertake fundraising.

In 2020/21 the proceeds of sale from Lower Parliament Street and its Manse on Eskdale Drive came into the District due to the disbanding of the Nottingham Central Mission Circuit

In addition in 2020/21 Alfreton Watchorn Circuit decided to leave the Methodist Connexion and so it ceased to be a Circuit, as such the Watchorn property sale proceeds came to the District.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

5 Grants, donations and related support costs

Grants and donations totalling £778,517 were made during the year (2019-20: £211,466) as shown in the table below:

	2020-21	2019-20
	£	£
Unrestricted:		
- From General Fund	291	437
- From DAF (designated funds)	293,686	207,400
- From Youth Fund (designated funds)	-	3,629
- From Designated Fund	484,540	-
Total Grants & donations	778,517	211,466

Details of the recipients of grants paid by the District during the year may be found on the District website.

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:

Given to:	Amount	Analysis of amounts given by type of work	Amount
	£		£
Churches	143,621	Projects	40,000
Circuits	49,567	Ministry	418,362
Other	100,498	General	2,324
<i>Total Institutions</i>	<i>293,686</i>		
Individuals	-		
<i>Sub Total</i>	<i>293,686</i>		
District	167,000		
Total DAF Grants	460,686		460,686

The income of the fund was £266,143 during the year, costs were £647 and the amount paid out and committed in grants was £460,686 using some £195,190 of the surplus brought forward.

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 and members of the Grants Committee are volunteers and claim only travel costs which are reported elsewhere).

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

6 Salaries and associated Costs

Gross salaries paid to 7 employees (2019-20: 9) employees were as follows:

	2020-21	2019-20
	£	£
Gross Pay	127,271	137,902
Employer's National Insurance Contribution	9,434	12,049
Employer's pension contribution to defined contribution scheme	16,347	16,659
Apprenticeship Levy	658	718
Total cost for Staff	153,710	167,328
Total Staff Costs	153,710	167,328
Total Weekly contracted hours of staff	195	169

No employees 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.

Pensions

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

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

The Connexion accounts for both the MMPS and PASLEMC pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficits on these schemes can be found in the Annual Report and Accounts of the Methodist Church at www.methodist.org.uk.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

7 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 to Chair	32,280	24,852
Employer's National Insurance Contribution	3,234	3,112
Employer's pension contribution to defined contribution scheme	6,947	6,685
Cash cost paid by the Connexion	42,461	34,649
Chair's expenses	-	7,882
Total Cost	42,461	42,531

Since the stipend-related costs above (i.e. 2020-21 £42,461; 2019-20 £34,649) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See Note 7). It should be noted that the chair is required to occupy the District manse. The manse is provided by the Nottingham & Derby District and the District maintains the property. The Chair of District is the sole paid key management person but is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as his / her functions are undertaken by a Deputy Chair at minimal extra cost to the District.

Payment 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 - 7 (2019-20 6) 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 £411 (2019-20: £9,447).

8 Property Maintenance

	2020-21	2019-20
	£	£
District Office, rent and services	17,832	3,719
Chair's Manse	2,624	12,082
Total Cost	20,456	15,801

9 Office Expenses (General Fund)

	2020-21	2019-20
	£	£
Office Expenses (including telephones, printing and stationary)	4,293	5,541
Total Cost	4,293	5,541

None of the individual amounts aggregated as 'Office expenses' above, are considered material and none are listed separately.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

10 Synods, Committees and Conference

	2020-21	2019-20
	£	£
Synods	1,325	2,499
Conference	411	10
Committees	-	8,734
Chairs Travel	81	7,304
Deputy Chairs	11,075	-
Total Cost	12,892	18,547

The difference in expenditure between years is due to the impact of Covid upon travel and face to face events held throughout 2020-21. Synods, committees and conferences were held remotely.

11 Other Outgoings

	2020-21	2019-20
	£	£
General Fund		
Professional Fees	11,034	4,680
Presbytr & Probationer Training	(2,051)	13,300
Safeguarding	1,845	12,994
IT & Computer Costs	6,098	1,560
3Generate	-	5,547
Travel & other expenses	2,122	-
Methodist Chapel Aid Loan & Interest Repayment	195	-
Sundry Outgoings	1,386	2,455
Total General Fund Outgoings	20,629	40,536
District Advance Fund		
TMCP Charges 12	647	733
Designated Funds		
TMCP Charges 12	387	216
Total Cost	21,663	41,485

None of the remaining individual amounts (aggregated as 'Sundry Outgoing' above) are considered material and none are listed separately.

12 Investment Management

During the year the District paid £1,034 to TMCP, the custodians of the District's investments (District Advance Fund Fund and Mission Fund) (2019-20: £949). This represented an administration charge for the respective accounts.

13 Other Gains & Losses

A revaluation of District assets was undertaken for 2020/21 following the completion of works at the Rivergreen centre. This has revalued all District assets to open market value and has led to a net impairment of £785,251 being taken through the District Accounts. In addition the TMCP opening balances were re-assessed and increased by £3,792.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

14 Transfer between funds

The District Advance Fund awarded grants to the District (General Fund) for the Mission Enabler of £26,000 (2019-20: £25,000), £20,000 for Rivergreen refurbishments and £11,000 for the Deputy Chairs.

There was a transfer of £110,000 (2019-20: £12,000) from the District Advance Fund to the Mission Fund.

During the year £200,000 (2019-20: £152,777) was paid out of designated funds towards refurbishment costs of Rivergreen. £94,488 have been transferred from designated funds into general funds for work across the District. These have been transferred to general funds.

15 Manse and Other Property

	Manse	Other Property	Total
	£	£	£
Cost or Valuation			
As at 1 September 2020	312,250	1,149,539	1,461,789
Additions in Year	-	283,462	283,462
Revaluations in Year	222,750	1,008,001	785,251
Less disposals in Year			-
Total Cost	535,000	425,000	960,000

In 2019-20 the circuit based at Rivergreen, Clifton closed, and the District acquired the property for use as a District Hub. The property was introduced into the accounts at its insurance value less an adjustment for site clearance costs.

Refurbishment costs were incurred during 2019-20 and were included at cost.

In 2020-21 further work was undertaken relating to the Rivergreen Hub which is represented in the additions for the year.

A revaluation has subsequently been undertaken as required under IFRS 102, and the revalued amounts have been used as the final balance for the year.

16 Debtors and Prepayments

All sums shown as Debtors at 31 August 2021 were received during the following year. All sums paid in advance at 31st August 2020 were stipends paid in August 2020 which related to the period September 2020. Similarly, it is expected that payments in advance at 31 August 2021 will be expensed in 2021-22.

	2020-21	2019-20
	£	£
Prepayments and Accrued Income		
Payments in Advance	156,954	5,783
Accrued Income	24,510	-
	181,464	5,783
Total Cost	181,464	5,783

17 Trustees for Methodist Church Purposes

The funds that support the District Advance Fund and the Manses Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

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

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

18 Central Finance Board (CFB) and cash at bank

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

19 Creditors and accrued expenses

	2020-21	2019-20
	£	£
Creditors and accruals due within 1 year		
Expenses outstanding	220	717
Audit Fee	6,756	4,700
Valuation Fee	1,420	-
LP Training Paid in Advance	-	3,483
Our Calling Grant Carried Forward	18,603	37,191
Donation still to be paid	42	42
Deputy Chairs Circuit recharges	11,000	-
Eskdale Drive - sale funds owed to Nottingham South Circuit	150,800	-
Grants payable	131,912	-
General	14,445	1,298
Total	335,199	47,431
Creditors and accruals after more than 1 year		
Grants payable	37,336	-
Total	37,336	-

20 Grant commitments and the District Advance Fund

The District Advance Fund awards grants for missional activity and periodically reviews the progress of the work for which the grant has been awarded. Following such review, grants can be withdrawn or amended.

21 Unrestricted Funds

21.1 General Fund

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the District and which have not been designated for other purposes.

21.2 Other Designated Funds

Funds are held for specific purposes, however are not restricted by any document or deed. The funds include:

Manse Fund: £535,000 (2019-20: £326,250)

Manse valuation, which was revalued in year.

Mission Fund: £132,465 (2019-20: £117,416)

Available to support missional workers within the District.

Moorwood Moor: £4,715 (2019-20: £71,552)

Alfreton: £217,820

Available to support district mission as circuits have closed and sold buildings. £200,000 to be transferred into Lower Parliament street fund in 2021-22.

Lower Parliament Street: £636,813

Available for mission in Nottingham following the sale of Parliament Street

Eskdale Drive: £40

22 Restricted Funds

The District no longer holds any funds which are restricted.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

23 Connected Organisations and Related Parties

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

Connected organisations include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Relief Association, CFB and TMCP, except as reported in Note 3. All of these entities have their own trustees or directors and autonomous administration such that the Nottingham & Derby District has no significant influence over any of them, nor they over the Nottingham & Derby District. They are, therefore, not considered related parties.

24 Volunteer Contributions

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

25 Capital Commitments and Contingent Liabilities

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

26 Lease Commitments

The District has no lease commitments

27 Audit fee

Fees payable to the charity's auditor for the audit of the charity's annual accounts £6,756 (2019-20: £7,560).

The auditor provided no additional services during the year.

28 Reconciliation of net income to net cash from operating activities

	2020-21	2019-20
	£	£
Net income for the reporting period <i>(as per statements of financial activities)</i>	236,425	1,126,242
Adjustments for:		
Dividends, interest and rents from investments	(3,225)	(6,612)
Rivergreen Methodist Hub gifted to the District (non-cash)	-	(968,201)
(Increase) / decrease in debtors	(175,681)	1,619
Increase / (decrease) in creditors	325,103	(94,918)
Impairment on revaluation of asset	785,251	-
Net cash used in operating activities	1,167,874	58,130

29 Analysis of cash and cash equivalents

	31-Aug-21	31-Aug-20
	£	£
Cash in hand	45,017	69,954
Investments treated as cash	1,448,063	535,489
Total Cash and Cash equivalents	1,493,080	605,443