

District
Accruals Accounts
2021-22

THE METHODIST CHURCH

STANDARD FORM OF ACCOUNTS

ACCRUALS BASIS

for the year ended 31 August 2022

NOTTINGHAM & DERBY

DISTRICT

District No.

22

Registered Charity - Registration Number

1134172

**THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT
REFERENCE AND ADMINISTRATIVE DETAILS**

Name of Charity

The Methodist Church Nottingham and Derby District

Charity Registration number

1134172

Principle Office

Rivergreen Methodist Hub
Rivergreen
Nottingham
NG11 8AU

Trustees

Revd Canon Helen Cameron – Chair
Revd Andy Fyall – Deputy Chair/Senior Leader & Team Leader for New Places for New People
Revd Andrew Charlesworth – Assistant Chair
Revd Nicola Briggs – Synod Secretary
Mrs Rosemary Farrow – Facilities Manager
Ms Abby Kilshaw – Children and Young Peoples' Rep
Mr Cliff Lewer – Property Secretary
Mr Ian Pickering – Ecumenical Officer
Revd Sally Ratcliffe – Superintendents' Rep
Ms Carole Thorpe – Executive Secretary

Mrs Danni Coles – Lay Representative
Mr Marc Williamson – Lay Representative

Bankers

Lloyds Bank PLC,
12-16 Lower Parliament Square, Nottingham NG1 3DA

Investment Managers

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

Independent Examiner

Simon Bladen FCA
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 2022

1. Objectives and Activities.

Our Calling as the Methodist Church Nottingham & Derby 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 had obvious implications on our plans and achievements.

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, and post 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.

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 are:

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, fresh expressions and church planting.

In 2022/2023 we will:

1. Enable New Places and New People by appointing an officer to promote initiatives;
2. Resource innovative digital evangelism;
3. Use Rivergreen as a base to model and develop a new community of disciples;
4. Support and grow existing team of young evangelists through work between circuits and the District Mission Enabler;
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.

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

We will enable people to be centred on God's presence and to celebrate God's love. We will enable people to be centred on God.

In 2022/2023 we will promote a Methodist Way of Life using Connexional resources and;

1. Encourage younger and older people to use their gifts in worship around the District as we aim for a multi-generational Church.
2. Encourage our Circuits to embrace the internet and create online Christian communities to explore and expand faith.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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 2022/2023 we will:

1. Promote partnership models of community engagement.
2. Encourage and initiate examples of social justice within the District through focused work;
3. Set up a District Global Partnership Group, using experience and gifts from the World Church, to promote diversity and understanding in the District.

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 2022/2023 we will:

1. Commit to wellbeing and equip our Churches to put into practice the mental health manifesto.
2. Resource creative ways of developing spirituality and engaging with the Bible working with the District local preachers and Worship Leaders' Secretary.
3. Promote safeguarding good practice and host and resource a District Safeguarding Conference.
4. Work with our Methodist colleagues in other districts to bring about change in our regional way of working.
5. Resource and support leadership training for circuit stewards.

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.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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 reviews 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.

We encourage everyone in the District to take account of and be guided by this 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)

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Equality, Diversity and Inclusion

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

Finance

- Support Circuits through pandemic and post pandemic

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
- New Places New People through team Genesis and Riverside NPNP

Lay Employment

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

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

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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
- Develop plans for the next biennial 48-hour ministerial retreat

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 Churches and Circuits with the property concerns and issues post pandemic

Safeguarding

- Continue remodeling the plan for Safeguarding training
- Online training for trainers for the Foundation Module 2020
- Online training for trainers for the Advanced Module 2020
- Advanced training administration
- Responding to Independent Inquiry into Child Sexual Abuse in religious organisations.
- Recruitment to District Safeguarding Group
- DSG to develop new 3 year plan for Safeguarding

Worship Leaders and Local Preachers

- 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

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Ways of working in the District

- Review/develop systems of communication with "Continue" to develop online presence with 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 NPNP District 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) 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.

3.2 Reserves level and policy

The reserve at the end of August 2022 was £2,454,721 (August 2021 was £2,262,009,). The reserves at 31 August 2022 can be further split as follows:

General Fund Unrestricted	£513,436
District Advance Fund Unrestricted	£ 84,581
Designated Funds Unrestricted	£1,856,704
Total Unrestricted Funds	£2,454,721

Subsequent to the year end £839,208 of designated funds were transferred to Nottingham North East circuit.

The Trustees have agreed to a reduction in the general funds to a level representing 6 months net expenditure. All monies are invested with the CFB or TMCP with a certain amount kept in the current account for week-by-week expenses.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

3.3 Collaborative arrangements with connected charities

The District's main source of funding is 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 for 2022 amounted to £126,264 (2021: £115,570).

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 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 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 2022

4. Trustee 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 Practice).

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

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

1. Select suitable accounting policies and apply them consistently;
2. Observe the methods and principles in the Charities SORP 2019 (FRS 102)
3. Make judgments and estimates that are reasonable and prudent.
4. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
5. 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 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 hence 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.

4.1 Risk

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

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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.

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.

Signed on behalf of the District Executive Committee by:

Deputy Chair of District



Date...21/6/2023...

District Treasurer



Date...21/6/2023...

Independent Examiner's Report to the Trustees of The Methodist Church Nottingham & Derby District

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of The Methodist Church Nottingham & Derby District for the year ended 31 August 2022 set out on pages 11 to 23. As the District's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the District's accounts carried out under section 145 of the Act and, in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

The District's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- 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; or
- the trustees' annual report is not consistent with the accounts.

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.



Simon Bladen FCA
Hawsons Chartered Accountants
Peagasus House
436a Glossop Road
Sheffield
S10 2QD

Date 29 June 2023

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Statement of Financial Activities (SOFA)

FOR THE YEAR ENDED 31 AUGUST 2022

	Note	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Total 2022 £	Total 2021 £
Income from						
Donations & Legacies		6,345	-	-	6,345	-
Connexional Advance & Property Fund		-	101,833	-	101,833	32,190
Income from Investments	2	160	2,928	6,582	9,670	3,225
Assessments on circuits	3	126,264	-	-	126,264	115,570
From Circuit Model Trust Funds		-	235,204	-	235,204	232,445
Contribution to the cost of the Chair		42,741	-	-	42,741	42,461
Other Income	4	75,903	-	-	75,903	1,625,985
Total Income & Endowments		251,413	339,965	6,582	597,960	2,051,876

Expenditure on						
Grants & donations	5	1,100	95,579	-	96,679	778,517
Salaries & Associated Costs	6	151,248	-	-	151,248	153,710
Cost of the Chair	7	42,741	-	-	42,741	42,461
Property Maintenance		46,057	-	-	46,057	20,456
Office Expenses		3,626	-	-	3,626	4,293
Synods, Committees & Conferences		7,167	-	-	7,167	12,892
Training		17,667			17,667	-
Other Outgoings	8	35,859	847	3,357	40,063	21,663
Total Expenditure		305,465	96,426	3,357	405,248	1,033,992

Net Income before gains / (losses)		(54,052)	243,539	3,225	192,712	1,017,884
Other Gains / (Losses)		-	-	-	-	781,459
Net Income/ (expenditure)		(54,052)	243,539	3,225	192,712	236,425
Tfr between funds		(39,838)	(286,788)	326,626	-	-
Net Movements in funds		(93,890)	(43,249)	329,851	192,712	236,425

Reconciliation of Funds:						
Total Funds brought forward		607,326	127,830	1,526,853	2,262,009	2,025,584
Total Funds Carried Forward		513,436	84,581	1,856,704	2,454,721	2,262,009

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Balance Sheet

AS AT 31 AUGUST 2022

	Note	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Total 2022 £	Total 2021 £
Tangible Fixed Assets						
Manse and other property	9	425,000	-	535,000	960,000	960,000
Total Fixed Assets		425,000	-	535,000	960,000	960,000

Current Assets						
Debtors and Prepayments	10	11,274	-	-	11,274	181,464
Central Finance Board & Trustees for Methodist Church Purposes Deposits		75,932	258,861	1,321,704	1,656,497	1,448,063
Cash at Bank and in Hand		19,808	-	-	19,808	45,017
Total Current Assets		107,014	258,861	1,321,704	1,687,579	1,674,544

Current Liabilities						
Creditors and Accruals (due in under 1 year)	11	18,578	56,137	-	74,715	335,199

Net current assets		88,436	202,724	1,321,704	1,612,864	1,339,345
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Total assets less current liabilities		513,436	202,724	1,856,704	2,572,864	2,299,345
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Long term liabilities						
Creditors and Accruals (due after more than 1 year)	11	-	118,143	-	118,143	37,336

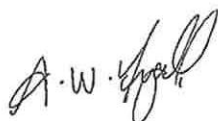
Net Assets		513,436	84,581	1,856,704	2,454,721	2,262,009
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Funds of the District

General Fund		513,436			513,436	607,326
District Advance Fund			84,581		84,581	127,830
Designated Funds				1,856,704	1,856,704	1,526,853
Total Unrestricted Funds		513,436	84,581	1,856,704	2,454,721	2,262,009

Total Funds		513,436	84,581	1,856,704	2,454,721	2,262,009
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Signed on behalf of the District Executive Committee by:



Date 21/6/2023

Revd Andy Fyall - Deputy Chair

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

Cash Flow Statement

FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash from operating activities			
Cash from operating activities	17	173,555	1,167,874

Cash flows from investing activities			
Interest received	2	9,670	3,225
Purchase of property, plant and equipment		-	(283,462)
Net cash provided by investing activities		9,670	(280,237)

Change in cash and cash equivalents in the reporting period		183,225	887,637
Cash and cash equivalents at the beginning of the reporting period		1,493,080	605,443
Change in cash and cash equivalents at the end of the reporting period	18	1,676,305	1,493,080

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

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. The accounts are expressed in £ Sterling, rounded to the nearest pound.

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.

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 Income recognition

Income is recognised in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

The District receives assessments from its circuits for the Methodist Church Fund in the form of the connexional element of the circuit assessments. These amounts are not included in the financial statements because the District acted solely as agent for the Methodist Church Fund.

v 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.

vi 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 2022

1 Accounting framework and accounting policies

vii Financial Instruments

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

viii Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost. Tangible fixed assets are stated at cost or valuation less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost over its expected useful life on a straight line basis as follows:

Land - no depreciation

Buildings - 40 years depreciation

Fixtures & Fittings - 20 years

ix 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.

x Pension contributions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. Monthly employer pension contributions are accounted for as expenditure in the SoFA as they fall due. Payments to settle the deficit on this scheme are borne by the Methodist Connexion.

Lay employees have the option of joining the Pension and Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC) or The Pensions Trust Growth Plan. These are defined benefit schemes. Monthly employer pension contributions are accounted for as expenditure in the SoFA as they fall due.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

2 Income from Investments

2022				
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Total
	£	£	£	£
Interest Received	160	2,928	6,582	9,670

2021				
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Total
	£	£	£	£
Interest Received	28	1,508	1,689	3,225

3 Assessments

The District is made up of the following Circuits:

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

Amounts received on behalf of other organisations

The District received £660,348 (2021: £639,901) from its circuits for the Methodist Church Fund in the form of the connexional element of the circuit assessments.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

4 Other Income

2022				
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Total
	£	£	£	£
Rental Income - Rivergreen	6,635	-	-	6,635
Interest received on fraud reimbursement	16,729	-	-	16,729
Grant income - Action on Poverty & Justice	13,337	-	-	13,337
Grant income - NPNP from Connexion	10,000	-	-	10,000
Grant income - Our Calling	18,603	-	-	18,603
Derby Circuit	8,876	-	-	8,876
Other	1,723	-	-	1,723
Total Other Income	75,903	-	-	75,903

2021				
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Total
	£	£	£	£
Rental Income - Rivergreen	1,195	-	-	1,195
Rivergreen Grants	98,000	-	-	98,000
Connexional Grants - Our Calling Grant	33,038	-	-	33,038
TMCP Support Workers	25,000	-	-	25,000
Sale of Parliament Street	-	-	835,866	835,866
Sale of Watchorn	-	-	329,585	329,585
Sale of Eskdale Drive	-	-	301,360	301,360
Other	1,941	-	-	1,941
Total Other Income	159,174	-	1,466,811	1,625,985

5 Grants and donations

The district awarded the following grants during the year:

	2022	2021
	£	£
General Fund	1,100	291
- From DAF (designated funds)	95,579	293,686
- From Youth Fund (designated funds)	-	-
- From Designated Fund	-	484,540
Total Grants & donations	96,679	778,517

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

6 Salaries and associated Costs

	2022	2021
	£	£
Salaries, stipends and allowances	123,681	127,271
Employer's National Insurance Contributions	9,443	9,434
Employer's pension contributions	17,419	16,347
Other	705	658
Total cost for Staff	151,248	153,710
Total Staff Costs	151,248	153,710

The average number of employees during the year was 5 (2021:5). The district also bears the stipend cost of 2 (2021:2) ministers.

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

7 Cost of Chair

The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion.

	2022	2021
	£	£
Stipend and allowances	32,451	32,280
Employer's National Insurance Contribution	3,343	3,234
Employer's pension contribution to defined contribution scheme	6,947	6,947
Total Cost	42,741	42,461

The Chair's manse is provided by the Nottingham & Derby District and the District maintains the property. The cost of maintaining the Chair's manse was £16,455 (2021: £2,624).

The Chair of District is the sole paid key management person but is supported by members of the District Policy Committee.

Payments to Trustees

The Chair of the District undertakes the primary executive role within the District. In addition Mrs Rosie Farrow, who is the Facilities Manager, is a paid employee of the District. No other member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District. Travel expenses have been reimbursed to 7 trustees (2021: 7) totalling £1,506 (2021: £411).

Mrs Rosie Farrow is a paid employee and a member of the Executive and therefore a Trustee.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

8 Other Outgoings

	2022	2021
	£	£
General Fund		
Professional Fees	7,064	11,034
Presbyter & Probationer Training	-	(2,051)
Safeguarding	2,512	1,845
IT & Computer Costs	8,562	6,098
3Generate	2,700	-
Travel & other expenses	5,874	2,122
Methodist Chapel Aid Loan & Interest Repayment	-	195
Sundry Outgoings	9,148	1,386
Total General Fund Outgoings	35,860	20,629
District Advance Fund		
TMCP Charges	847	647
Designated Funds		
TMCP Charges	3,357	387
Total Cost	40,064	21,663

Independent Examiners fee

Fees payable to the Independent Examiner for the independent examination of the annual accounts is £5,000 (2021: audit fee £6,756).

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

9 Tangible Fixed Assets

	Manse	Other Property	Total
	£	£	£
At valuation			
As at 1 September 2021 and 31 August 2022	535,000	425,000	960,000
Depreciation			
Charge for the year	-	-	-
Net Book Value	535,000	425,000	960,000

The properties were revalued during the prior year based on professional valuations.

10 Debtors

	2022	2021
	£	£
Prepayments and Accrued Income		
Prepayments and accrued income	11,274	24,510
Other debtors	-	156,954
Total	11,274	181,464

11 Creditors

	2022	2021
	£	£
Amounts due within 1 year		
Grants payable	56,137	131,912
Other creditor - due to Nottingham South Circuit	-	150,800
Accruals and deferred income	18,578	52,487
	74,715	335,199
Amounts due after more than 1 year		
Grants payable	118,143	37,336
	118,143	37,336

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.

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

12 Unrestricted Funds

2022	Brought Forward	Income	Expenditure	Transfer	Gains/(losses)	Carried Forward
	£	£	£	£	£	£
Unrestricted funds						
General Fund	607,326	251,413	(305,465)	(39,838)	-	513,436
District Advance Fund	127,830	339,965	(96,426)	(286,788)	-	84,581
Designated funds						
Manse fund	535,000	-	-	-	-	535,000
Mission fund	132,465	5,000	(3,357)	326,626	-	460,734
Lower Parliament Street	636,813	1,174	-	-	-	637,987
Alfreton	217,820	399	-	-	-	218,219
Moorwood Moor	4,715	9	-	-	-	4,724
Eskdale Drive	40	-	-	-	-	40
	1,526,853	6,582	(3,357)	326,626	-	1,856,704
Total	2,262,009	597,960	(405,248)	-	-	2,454,721

2021	Brought Forward	Income	Expenditure	Transfer	Gains/(losses)	Carried Forward
	£	£	£	£	£	£
Unrestricted funds						
General Fund	1,187,346	317,233	(254,732)	365,480	(1,008,001)	607,326
District Advance Fund	323,020	266,143	(294,333)	(167,000)	-	127,830
Designated funds						
Manse fund	326,250	-	-	(17,792)	226,542	535,000
Mission fund	117,416	331	(4,525)	19,243	-	132,465
Lower Parliament Street	-	836,813	-	(200,000)	-	636,813
Alfreton	-	329,585	(111,834)	69	-	217,820
Moorwood Moor	71,552	131	(66,968)	-	-	4,715
Eskdale Drive	-	301,640	(301,600)	-	-	40
	515,218	1,468,500	(484,927)	(198,480)	226,542	1,526,853
Total	2,025,584	2,051,876	(1,033,992)	-	(781,459)	2,262,009

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

12 Unrestricted Funds (continued)

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.

13 Transfer between funds

Transfers during the year include the following:

£200,000 Transfer from the District advance fund to the designated mission fund.

£126,626 Net transfers from the general fund to the designated mission fund

The remaining transfers relate to transfers between the general fund and the district advance fund in respect of grants paid during the year.

14 Analysis of net assets between funds

	General Fund	District Advance Fund	Designated Funds	Total
	£	£	£	£
2022				
Fixed assets	425,000	-	535,000	960,000
Cash and current investments	95,740	258,861	1,321,704	1,676,305
Other current assets/(liabilities)	(7,304)	(56,137)	-	(63,441)
Creditors more than one year	-	(118,143)	-	(118,143)
Total	513,436	84,581	1,856,704	2,454,721

	General Fund	District Advance Fund	Designated Funds	Total
	£	£	£	£
2021				
Fixed assets	425,000	-	535,000	960,000
Cash and current investments	53,349	297,078	1,142,653	1,493,080
Other current assets/(liabilities)	128,977	(131,912)	(150,800)	(153,735)
Creditors more than one year	-	(37,336)	-	(37,336)
Total	607,326	127,830	1,526,853	2,262,009

THE METHODIST CHURCH NOTTINGHAM AND DERBY DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

15 Related Party Transactions

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

Related parties include the Methodist Connexion, Circuits and Churches within the District, and other Methodist entities.

Other than amounts included within note 3, there were no related parties during the year (2021: £nil).

16 Lease Commitments

There were no lease commitments at the year end (2021: £nil)

17 Reconciliation of net income to net cash from operating activities

	2022	2021
	£	£
Net income for the reporting period (as per the Statements of Financial Activities)	192,712	236,425
Adjustments for:		
Interest received	(9,670)	(3,225)
Decrease / (Increase) in debtors	170,190	(175,681)
(Decrease) / Increase in creditors	(179,677)	325,104
Impairment on revaluation of asset	-	785,251
Net flow from operating activities	173,554	1,167,874

18 Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	19,808	45,017
Investments treated as cash	1,656,497	1,448,063
Total Cash and Cash equivalents	1,676,305	1,493,080