

Southampton Methodist District

Annual Report and Accounts for the year ending 31 August
2025

Southampton Methodist District

Annual Report for the year ending 31 August 2025

1. Objectives and Activities

- 1.1 The District's vision is to be a District where Circuits, Local Churches and individuals of all ages are accompanied and encouraged to respond to the gospel of Jesus Christ and participate in God's mission in the power of the Holy Spirit.
- 1.2 The District's priorities are to:
- Give priority in using our finite resources to support Circuits that are engaging positively in the reshaping for mission process;
 - Support Local Churches and Circuits in providing a safe professional and legal environment;
 - Encourage Local Churches to explore and trial new ways of being 'church';
 - Encourage and resource Christian learning and discipleship across the District;
 - Develop partnerships within the District and the wider global and ecumenical context focused on mission, and to engage with the inter-faith landscape.
- 1.3 The District's ways of working include:
- Building quality relationships across our circuits and with ecumenical groups, civic authorities and the wider connexion
 - Deploying the resources over which we have stewardship effectively and flexibly including awarding grants to churches, circuits, university chaplaincies and ecumenical groups
 - Engaging in theological reflection and prayerful discernment which will help us understand our mission more fully
 - Developing and sharing best practice

2. Achievements and performance

- 2.1 The principal purpose of the District is to act as a supporting body between the Circuits and the Connexion. The District has limited direct contact with the public. Its role is to support churches and the Circuits in their desire to provide benefit to the public. During 2024-25 there were 11 circuits in the District. From 1 September 2025 there are 10 circuits in the District following the merger of the remaining churches in the Yeovil and Blackmore Vale Circuit into the Dorset South and West Circuit.
- 2.2 In 2024-25 the District paid grants from the District Advance Fund that totalled £176,890 to churches, circuits, university chaplaincies and ecumenical groups. The District awards two types of grant:
- Property grants - grants for the adaption of buildings to enable the delivery of ministry and services to their community.
 - Mission and ministry grants - grants to support staffing in Circuits, local churches, university chaplaincies and ecumenical groups.
- The District also gives grants to individuals to support the development of their ministry and to support young people in attending 3 Generate.
- 2.3 The District had three directly employed staff at 31 August 2025 the District Administrator, Intergenerational Mission Enabler and a New Places for New People Pioneer who is taking forward the Compass project in Portsmouth. The District Safeguarding Officer transferred to the employment of the Connexion on 31 July 2025 following a decision by Methodist Conference in 2024 to change the model for the delivery of support to ministers, churches, circuits and districts on safeguarding matters. A new Lay Employment Advisor was appointed from 1 September 2025 to provide support to churches, circuits and the district on lay employment matters.
- 2.4 In January 2024 the District achieved an Eco District bronze award from A Rocha.
- 2.5 The trustees had due regard to the guidance published by the Charity Commission in compliance with its duties under section 4 of the Charities Act 2011. This guidance sets out two key principles: the organisation must have an identifiable benefit: the benefit must be to the public or a section of the public. The church exists to:
- increase awareness of God's presence and to celebrate God's love.
 - help people to learn and grow as Christians, through mutual support and care; and

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- be a good neighbour to people in need and challenge injustice.
The trustees consider that for these three reasons the charity meets these public benefit requirements.

2.6 The District relies on volunteers to support the delivery of its objectives. Volunteers serve as office holders and on District Committees, support the processes that lead to the invitation of ministers and lay employees to serve across the District and support with the hosting of Synod and other District meetings

3. Financial Review

3.1 During the year the District received total income of £659,075 (2024: £566,650) and spent £552,440 (2024: £452,369). At 31 August 2025 the District had funds totalling £1,492,090 (2024: £1,385,107). The District's funds have increased during the year primarily due to an increased income into the District Advance Fund from the Connexional Advance and Property Fund and levies on circuit model trust funds and lower than budgeted expenditure on travel and repairs and maintenance on the District manse.

- 3.2 The District has three principal sources of income:
- Assessments on Circuits within the District
 - Levies on the Model Trust Funds of Circuits within the District and
 - investment income.

These sums are used to administer the District and to provide grants to Circuits, churches and individuals in the District to support their ministry. The District does not undertake fundraising activities to raise funds from the public.

3.3 Circuits levy assessments on churches to meet the running costs of the circuit and pay their District and Methodist Church Fund assessments. Whilst many churches and circuits are facing financial challenges particularly due to limited increases in income, pay and utility cost inflation all circuits paid their District and Methodist Church Fund assessments for 2024-25 and no circuit has indicated they are unable to meet their 2025-26 assessments.

- 3.4 The principal risks facing the District are:
- Circuits being unable to pay their assessments – circuits are consulted on draft assessment amounts. Grants are available to support circuits who have short term challenges paying their assessment. In the medium term circuit reorganisations are being explored to resize circuits to reflect the changing availability of resources to fund ministry.
 - Safeguarding matters are not responded to appropriately – the District Safeguarding Officer supports the District to respond appropriately to safeguarding concerns including liaison with external agencies where appropriate
 - Lack of volunteers or paid officers to cover key roles – the District shares resources with our largest circuit enabling key roles to be covered.

3.5 The District currently holds reserves in excess of its reserves policy so holds some funds to enable it to mitigate the impact of non payment of the District assessment by some circuits.

3.6 The trustees believe that the District is a going concern principally because the Circuits are expected to continue to substantially meet their assessments in 2026, circuits should be able to maintain reserves with the proceeds of the sale of church buildings that are deemed to be surplus and the District has adequate reserves to cover a shortfall in anticipated income.

3.7 Investment policy and performance

3.7.1 To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Districts and for all large (over £20k) bequests and for the proceeds of sale of any property formerly owned by the District. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit

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income mirrors the deposit rates available elsewhere. The Southampton District Trustees' investment policy is aligned with that of the Central Finance Board of the Methodist Church 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.

- 3.7.2 Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest.
- 3.7.3 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.
- 3.7.4 The total return achieved on the invested funds of the Southampton District was 4.72% for the year.

3.8 Reserves Policy

3.8.1 Unrestricted Funds

The District must meet its financial responsibilities in relation to the support of District staff and the maintenance of the Chair's Manse. Our reserves policy for our general fund is to hold at least four months' expenditure in hand. This is £62,000. At 31 August 2025 the level of general fund reserves held was £166,188 (2024: £139,453). The District's general reserves increased during the year mainly due to the Lay Employment Officer post being vacant for most of the year, lower than budgeted expenditure on travel and maintenance of the District manse. The District's general reserve is expected to reduce to a level that is closer to its reserves policy over the next 3 years.

The District Development Fund is designated for training, conferences and retreats. The balance held at 31 August 2025 was £42,047 (2025: £45,888). This is expected to reduce over next few years. Any further funding for this fund will come from the District Advance Fund.

The District acts as accounting body for the University of Portsmouth free church chaplaincy. The chaplain is a University employee but receives a housing allowance from the District and Wessex URC Synod. The Portsmouth University Chaplaincy Fund is held to reflect the payment of the housing allowance and the associated income from recharges of costs to the Wessex URC Synod. The balance on the fund at 31 August 2025 was £5 (2024: -£5).

The Mission Alongside the Poor fund holds the MAPJ funds distributed by the Connexion to Districts. These funds are being used to provide grants to churches and circuits to support their communities with cost of living related issues. The balance on the fund at 31 August 2025 was £20,355 (2024: £14,442). The balance on the fund increased during the year due to a further allocation of funding from the Connexion.

The Property Reserve reflects the value of the District manse. The manse was revalued as at 31 August 2025 so the reserve reflects the market value at that date £735,000 (2024: £735,000).

3.8.2 District Advance Fund (DAF)

The District Advance Fund has been earmarked by the Trustees to support mission, ministry and property projects across the District. It is the aim of the Trustees to allocate all funds held giving priority to ministry and mission related grants. Some of the grants are paid over a number of years but are recognised as commitments in the year in which they are awarded.

After making allowance for commitments on mission and property grants awarded from the District Advance Fund which will be paid in future years the Fund balance at 31 August 2025 was £366,135 (2024: £302,702). The Fund balance has increased as the level of income to the Fund was higher than for 2023-24..

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3.8.3 Restricted Funds

The District MIH Fund represents the residual funds from the sale of the former Methodist International House in Southampton. The monies in the Fund are used to support the overall work of the District. The Fund is held to fund improvements to the District manse and has been used to part fund the Intergenerational Mission Enabler post. Other grants are made available in accordance with standing orders for Model Trust Deed funds. The balance held at 31 August 2025 was £131,056 (2024: £130,837). The reserves policy for this fund is to maintain a balance of at least £70,000 to fund maintenance and improvements to the District manse in the medium term. The value of the fund increased during the year due to an unrealised investment gain.

The District holds a Benevolent Fund to provide financial support to ministers and lay people in the District who are in need of support. The reserves policy for this Fund is to maintain a balance that is sufficient to meet the requests for support from the fund. The balance held at 31 August 2025 was £2,131 (2024: £2,131).

The New Places for New People fund holds the connexional grant received to fund the District's New Places for New People project in Portsmouth (the Compass project). During 2022-23 the District was awarded a connexional grant to part fund phase 2 of the project and research activities in other circuits to explore opportunities for other New Places for New People projects. The first instalment of this grant (£28,000) was paid during 2022-23. A further instalment of £28,000 was paid in August 2025. A New Places for New People Pioneer was appointed to support the Compass project in Portsmouth from 1 September 2024. In addition to expenditure on the Compass project there was expenditure on research activities in the Yeovil and Blackmore Vale Circuit. The fund balance at 31 August 2025 was £29,173 (2024: £14,442).

3.9 Collaborative arrangements with connected charities

- 3.9.1 The District's main source of funding is the assessment obtained from each Circuit within the District. The assessment is based on the staffing levels of the Circuits and is used to defray most of the cost of administering the District. In 2024-25 the total income from assessments was £119,978 (2024: £120,012).
- 3.9.2 Each Circuit with a reserve known as a Circuit Model Trust Fund (CMTF) is charged a levy based on the size of the Circuits' CMTFs at 1 September 2024. This is credited to the District Advance Fund. In 2024-25 the total income to the District Advance Fund from levies on CMTFs was £251,490 (2024: £163,269). The increase in the levy reflects an increase in the Circuit Model Trust Fund balances between 1 September 2023 and 1 September 2024.
- 3.9.3 The District holds no funds as custodian trustee. It does, however, receive from Circuits within the District their monthly contributions to the Methodist Church Fund (MCF). These sums are collected as agent for the MCF and are passed to the MCF later in the same month.
- 3.9.4 Funds received by the District as agent are not recognised 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.

3.10 Plans for Future Periods

- 3.10.1 In light of the reduction in financial resources available to circuits and ministers that are available to be stationed the District will continue to review the structure of its circuits. Over the next few years the number of circuits in the District is expected to reduce through amalgamations.
- 3.10.2 From September 2026 the District Chair will also be the Chair of the Channel Islands District. This provides opportunities to further extend the joint working across the two Districts.
- 3.10.3 Opportunities to extend New Places for New People work to other circuits are being explored building on research activity.

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- 3.10.4 The District will continue to implement its Environmental Policy. This includes measuring its carbon footprint from district funded travel. The District will also apply for Action for Hope funding from the Connexion. This will increase the grant funding available to support churches to undertake projects that reduce the carbon footprint of their premises.

4. Trustees' Responsibilities

- 4.1 For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the District's financial activities during the year and of its financial position at the end of the year.
- 4.2 In preparing these financial statements, the Trustees must:
- select suitable accounting policies and apply them consistently using the accruals method
 - make judgements and estimates that are reasonable and prudent
 - follow applicable accounting standards
 - prepare accounts to comply with the Charities SORP
- 4.3 The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the District and enable 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.
- 4.4 The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the District's website.

5. Structure, governance and management

- 5.1 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. It was registered with the Charity Commission on 18 February 2010.
- 5.2 Circuits are the coordinating charities for local groups of churches. Circuits pay the ministers' stipends and employ lay staff to serve the churches in the circuit. Most decisions are made or ratified by circuit meetings.
- 5.3 A District is the co-ordinating charity for a group of circuits and makes its decisions at the half yearly synods.
- 5.4 The District serves the local churches and circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.
- 5.5 The primary purpose of this District is to advance the mission of the Church in Southampton District by
- providing opportunities for circuits to work together and support each other
 - offering resources (finance, personnel and expertise) to support circuits.
- 5.6 The purpose of the Methodist Church is to advance the Christian faith in accordance with its doctrinal standards and the discipline and the charitable purposes of any connexional, district, circuit, local or any other organisation, society or institution subsidiary or ancillary to the Methodist Church.
- 5.7 The Methodist Conference meets once a year as the denominational body for all the Methodist churches. Overall regulatory authority rests with the Methodist Conference. Connexional staff implement decisions made by Conference including the stationing of presbyters and deacons in individual circuits within the District. Other connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- 5.8 The District passes regulatory control to circuit level for local implementation by the superintendent minister, ministerial staff and circuit stewards and regulatory authority is delegated to the circuit

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meeting for certain matters. The circuit meeting passes regulatory control to church councils for local implementation by the presbyter, ministerial staff, the church stewards and other officers. This regulatory authority is then exercised by church councils as managing trustees of their charity.

- 5.9 The District operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the connexional team based at 25 Tavistock Place, London WC1H 9SF to provide guidance on changes that could affect the District.
- 5.10 The members of the District Policy Committee (DPC) are the trustees of the District. They are appointed annually by a vote of the Synod for a continuous term not normally exceeding six years. The District Chair is ex officio chair of the DPC and certain other District officers are ex officio members. Other members represent the circuits for a term of three years which thus have the opportunity to participate in the life of the District. Circuit representation on the DPC alternates between lay and ordained representatives. Members may be either ministers or members of churches in the District.
- 5.11 The DPC normally meets four times per year and deals with routine and exceptional matters. It also transacts business between meetings by email. It oversees the work of all the committees and groups set up by Synod to support the work of the District.
- 5.12 The DPC is responsible for:
 - formulating and promoting policies which will advance the mission of the Church in the circuits and local churches and in particular, supervising the use of resources of personnel, property and finance and assisting local churches and circuits having exceptional problems.
 - encouraging inter-circuit and ecumenical co-operation
 - acting in an executive capacity in matters remitted to the Committee by the Synod
 - keeping within its purview all District concerns not dealt with elsewhere
 - contributing and responding to the development of connexional policies as reflected in the work of the Conference and the Methodist Council carrying out its other responsibilities with any such development in mind
 - such other functions as may be assigned to the Committee under Methodist Standing Orders
 - being aware of the public benefit guidance issued by the Charity Commission.

6. Reference and administrative information

Name of the charity	Southampton Methodist District
Charity Registration Number	1134386 (Registered in England & Wales)
Principal office	4 The Glade, Thornbury Wood, Chandler's Ford SO53 5AZ

District Chair	Rev'd Rachel Bending
Synod Secretary	Rev'd Martin Beukes
District Treasurer	Mrs Christine Holland

Trustees

The following served as trustees throughout all or part of the year 2024-25 or were trustees at the time of the report being approved:

Rev'd R Bending	Rev'd D Muskett
Rev'd M Beukes	Mr M Parker
Rev'd R Borgars	Rev'd A Pottage
Rev'd Dr M Cheetham	Mrs R Pye
Rev'd B Coates	Rev'd P Rayson
Rev'd P Crispin	Rev'd S Robinson (to September 2025)
Mrs C Holland	Mr C Smith
Mrs H Evans (from September 2025)	Mrs C Stuckey (to August 2025)
Rev'd J Izzard (to August 2025)	Dr J Tawn
Ms L Matthews	Mrs E Ward

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Mrs M Moyce (from September 2025)

Mr P Yarrien

Chair's PA and District
Administrator

Miss Sarah Potheary

Bankers

CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling
ME19 4JQ

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

Investment managers and
custodian trustees

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

Independent Examiner

Mrs Claire Connell ACA, 86 Silverdale Road, Earley, Reading
RG6 7LT

The Trustees' Report and Financial Statements were approved by the District Policy Committee on 7 March 2026.

Signed on behalf of the District Policy Committee, as authorised.



Rev'd Rachel Bending, District Chair
7 March 2026

Southampton Methodist District

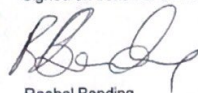
Statement of Financial Activities for the year ended 31 August 2025

Note	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Total 2024-25	Total 2023-24
	£	£	£	£	£	£
Income and Endowments						
Donations and legacies						
Income from investments	5,786	48,689		2,782	57,257	58,440
Charitable activities						
Assessments on circuits	2 119,978				119,978	120,012
Circuit Model Trust Funds		251,490			251,490	163,269
Connexional Advance & Property Fund		186,165			186,165	153,758
New Places for New People Connexional grant				28,000	28,000	
Mission Alongside the Poor Connexional grant		8,913			8,913	8,759
Total income from charitable activities						445,798
Other income	3 2,255		5,017		7,272	62,412
Total income and endowments	128,019	495,257	5,017	30,782	659,075	566,650
Expenditure						
Expenditure on activities						
Grants and donations	5 2,990	310,699	16,145		329,834	251,945
Salaries and associated costs	6 127,861			38,242	166,103	135,331
Property costs	7 4,041				4,041	12,139
Office/ Administrative expenses	8 8,029	2,388		646	11,063	7,317
Synods, Committees and Conferences	9 5,889		16,334	763	22,986	21,941
Other outgoings	10 9,154			9,259	18,413	23,696
Total charitable expenditure	157,964	313,087	32,479	48,910	552,440	452,369
Net income/(expenditure) before investment gains/ losses	-29,945	182,170	-27,462	-18,128	106,635	114,281
Gains/loss in value of investment assets	11 129			219	348	14,516
Net incoming/outgoing resources before transfers	-29,816	182,170	-27,462	-17,909	106,983	128,797
Transfers between funds	12 56,551	-118,737	29,534	32,652		
Net income/expenditure for the year	26,735	63,433	2,072	14,743	106,983	128,797
Gains on the revaluation of fixed assets	13					
Total funds brought forward	139,453	302,702	795,335	147,617	1,385,107	1,256,310
Total funds carried forward	166,188	366,135	797,407	162,360	1,492,090	1,385,107

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Balance Sheet as at 31 August 2025

Note	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Other Funds (Restricted)	Total 2025	Total 2024
	£	£	£	£	£	£
Tangible Fixed Assets						
District Manse	13		735,000		735,000	735,000
Investments	15	69,726		130,764	200,490	200,426
Total fixed assets		69,726	735,000	130,764	935,490	935,426
Current Assets						
Debtors and Prepayments	14	4,571	224		4,795	10,222
Investments with TMCP		1	8,913	284	933,942	727,503
Central Finance Board deposits		87,967	53,270	31,469	172,706	132,451
Cash at Bank and in hand		7,111			7,111	5,412
Total current assets		99,650	62,407	31,753	1,118,554	875,588
Current liabilities						
Creditors and Accruals (due in under 1 year)	17	3,188		157	3,345	1,107
Grants payable in 1 year	18		283,830		283,830	215,962
Total current liabilities		3,188	283,830	157	287,175	217,069
Net current (liabilities)/assets		96,462	640,914	31,596	831,379	658,519
Total assets less current liabilities		166,188	640,914	162,360	1,766,869	1,593,945
Long term liabilities						
Grants payable from 2025/26	18		274,779		274,779	208,838
Net assets		166,188	366,135	162,360	1,492,090	1,385,107
Funds of the District						
General Fund (Unrestricted)	24	166,188			166,188	139,453
District Advance Fund (Unrestricted)	24		366,135		366,135	302,702
Designated Funds (unrestricted)	24		797,407		797,407	795,335
Total unrestricted funds		166,188	366,135		1,329,730	1,237,490
Restricted Funds	24			162,360	162,360	147,617
Endowment Funds						
Total Funds		166,188	366,135	162,360	1,492,090	1,385,107

Signed on behalf of the District Trustees



Rachel Bending
District Chair
7 March 2026



Christine Holland
District Treasurer
7 March 2026

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Statement of Cashflows as at 31 August 2025

	2025 £	2024 £
Cashflows from operating activities		
Net income/expenditure for the reporting period (per the statement of financial activities)	106,983	128,797
Adjustments for:		
Depreciation charges		
(Gains)/ losses on investments and fixed asset revaluations	-348	-14,516
Dividends, interest and rents from investments	-57,257	-58,440
Loss/(profit) on the sale of fixed assets		
(Increase)/decrease in stocks		
(Increase)/decrease in debtors	5,427	-6,249
Increase/(decrease) in creditors	136,047	61,436
Net cash provided by (used in) operating activities	190,852	111,028
Cashflows from investing activities		
Dividends, interest and rents from investments	57,257	58,440
Proceeds from the sale of property, plant and equipment		
Purchase of property, plant and equipment		
Proceeds from the sale of investments	284	1,713
Purchase of investments		
Net cash provided by (used in) investing activities	57,541	60,153
Cashflows from financing activities		
Repayment of borrowing		
Cash inflows from new borrowing		
Receipt of endowments		
Net cash provided by (used in) financing activities		
Change in cash and cash equivalents in the reporting period	248,393	171,181
Cash and cash equivalents at the beginning of the reporting period	865,366	694,185
Change in cash and cash equivalents due to exchange rate movements		
Cash and cash equivalents at the end of the reporting period	1,113,759	865,366
Cash in hand and at bank	1,113,759	865,366
Notice deposits (less than 3 months)		
Overdraft repayable on demand		
Total cash and equivalents	1,113,759	865,366

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

1 Accounting framework and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 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 (FRS 102) (effective 1 January 2019).

ii Public benefit entity

The Southampton District meets the definition of a public benefit entity under FRS 102.

iii Basis

The accounts have been prepared on the basis of historic cost except that investments and the District Chair's manse are shown at their market value.

iv Going concern

Based on the monetary assets and human resources available to the District at 31 August 2025 the trustees believe that the District is a going concern.

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

The District acts as agent in two matters: the collection of monthly assessments from circuits which are paid to the Methodist Church Fund; the payment of expenses of representatives from the District to the Methodist Conference. In all of these matters the transactions are not reflected in the SOFA.

As there is no obligation on the District to make up any shortfall in Methodist Church Fund assessments they are the income of the Methodist Church Fund and are not recognised as income in the District's accounts.

vi Consolidation

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

vii Expenditure

Expenditure 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.

viii Grants

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

ix VAT

The District is not VAT registered. All input VAT is charged with the expenses to which it refers.

x Tangible fixed assets

Assets are capitalised if they can be used for more than one year and individually cost at least £2,500. Freehold property is stated at market value. The District manse was valued by Sparks Ellison, Estate Agency as at 31 August 2024. Depreciation is provided on the building at 2% per annum on cost except in the years the manse is revalued.

xi Ownership of Methodist Property

Under the Methodist Church Act 1976 the ownership of Methodist Property in England, Wales and Scotland was on 16 April 1977 automatically transferred to the Trustees for Methodist Church Purposes (TMCP). Property includes stocks, shares, unit trust investments and all other securities as well as land, buildings and chattels. TMCP holds such property as Custodian Trustees. The management of this property is vested in the relevant Managing Trustees who must act in accordance with the Model Trusts and the Standing Orders made under them. The property for which the District are managing trustees is included in the District Accounts.

xii Ministers' manse costs

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

These costs are shown in the Property Costs note to the accounts.

xiii Investments

The investments of the Southampton 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 or losses arising on investments at the end of the year are shown in the SOFA and in Note 11 below.

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Notes to the Accounts
For the year ended 31 August 2025

xiv 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.

xv Methodist Church Fund

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

2 Assessment on Circuits

In the year ending 31 August 2025 the District was made up of 11 circuits: 26/1 Southampton; 26/2 Winchester, Eastleigh and Romsey; 26/4 Berkshire and Hampshire Borders; 26/5 Yeovil & Blackmore Vale; 26/6 Meon Valley; 26/7 East Solent & Downs; 26/8 Dorset South and West, 26/9 Poole Bay; 26/10 Christchurch and Wimbourne; 26/11 Isle of Wight; 26/12 Salisbury.

The circuits have paid their assessments to the District totalling £119,978 (2024: £120,012) and to the Methodist Church Fund during the year. The circuit assessments are determined by the District based on the number of paid staff in the circuits.

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 £633,492 (2024: £634,668) all of which were collected 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.

3 Other income

	2024-25 £	2023-24 £
Lay employee - shared costs	2,255	2,316
Wessex URC Synod re Portsmouth University Chaplaincy	2,592	2,526
Contributions towards the costs of conferences/ training courses	2,426	2,570
Refund of contribution to the Methodist Church Pensions Reserve		55,000
Total	7,273	62,412

4 Cost of the District Chair and Trustees

The members of the District Policy Committee are the trustees of the District. The stipend, employer's national insurance and employer's pension contributions of the District Chair are paid by the Methodist Connexion. These amounts, with a total value of £50,045, do not appear in the District Accounts. The Chair's other costs are met mostly by the District. These are shown in note 6.

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 District Chair undertakes the primary executive role within the District. Apart from the District Chair 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 and other expenses have been reimbursed to 10 (2024:9) trustees for the expenses set out in the table below.

	2024-25 £	2023-24 £
Travel expenses	2,417	2,170
Other reimbursed expenses	2,514	1,526
Total	4,931	3,696

The other reimbursed expenses include stationery, postage and equipment purchased on behalf of the District.

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

5 Grants, donations and related support costs

Grants and donations totalling £295,636 were paid during the year (2024: £241,419). Grants from the District Advance Fund can be made for more than one financial year. Grants are accrued in the year they are committed. After adjusting for the increase in the value of accrued grants the expenditure on grants in 2024-25 was £329,834.

	2024-25 £	2023-24 £
Unrestricted:		
From the District Advance Fund	310,699	229,872
From the District Development Fund	2,932	2,880
From the Portsmouth Chaplaincy Fund	10,213	9,953
Other		
- Churches Together subscriptions	2,990	2,990
Sub total	326,834	245,695
- From the Benevolent Fund	-	250
- From the Mission Alongside the Poor Fund	3,000	6,000
Sub total	3,000	6,250
Total	329,834	251,945

Expenditure on charitable activities through the District Advance Fund

The District Advance 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. The District acts as accounting body for the financial support to the University of Portsmouth free church chaplain. Since September 2021 the free church chaplain has been employed by the University and is paid a housing allowance by the District and Wessex URC Synod. The payment of the housing allowance is administered via the Methodist Church lay employee payroll for tax purposes but the chaplain is not an employee of the District. The payment of the housing allowance is treated as a grant in the District accounts. Wessex Synod is recharged for its share of the grant. During the year the following grants were paid.

Given to	£	Type of grant	£
Churches	119,890	Ministry	94,239
Circuits	31,000	Property	82,651
Institutions	26,000		
	176,890		176,890
Accrued grants August 2024	424,800		
Accrued grants August 2025	558,609		
	133,809		
Portsmouth University Chaplaincy Fund (District grant)	7,621		
District	67,203		
New Places for New People - Compass project	35,000		
Mission Alongside the Poor funding	8,913		

The income of the fund was £495,257 (2024: £418,368) during the year which is more than the total paid out in grants in the year. The Property & Grants Committee is aware that grant applications must demonstrate public benefit. The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Property & Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

6 Salaries and associated costs

	2024-25 £	2023-24 £
Salaries	132,079	98,472
Employer's National Insurance contributions	14,764	9,736
Employer's pension contributions	6,309	4,144
Total salaries costs	153,152	112,352
Chairs Travel & Expenses	4,727	8,994
Other Staff Costs	1,653	1,420
Removal expenses	-	7,249
Staff Travel	6,571	5,316
	12,951	22,979
Total staff and associated costs	166,103	135,331

The number of lay employees during the year was 3.34 FTE. No employees received employee benefits that totalled more than £60,000.

The lay employees are employees of the District and are paid salaries at rates set by the District. The lay employees are paid at least the Living Wage as required by the Methodist Conference.

The District provides a defined contributions pension scheme for its lay employees via The Pensions Trust. This is a multi employer pension scheme. The District matches employees pension contributions up to 6% of salary costs.

7 Property costs

	2024-25 £	2023-24 £
Hire of premises	752	775
District manse costs	3,289	11,364
Total	4,041	12,139

8 Office/ Administrative expenses

	2024-25 £	2023-24 £
Printing, postage and stationery	251	402
Telephone costs	964	782
Equipment	2,154	1,728
Insurance	1,529	1,581
Safeguarding support	3,118	758
TMCP management fees for investment funds (note 11)	3,047	2,066
Total	11,063	7,317

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

9 Synods, Committees and Conferences

	2024-25 £	2023-24 £
Synod expenses	412	2,418
Training & conferences	17,006	14,630
Travel expenses	5,477	4,884
Total	22,895	21,941

10 Other outgoings

	2024-25 £	2023-24 £
New Places for New People Compass project		
District Property Secretary	9,259	14,197
GDPR compliance	5,842	8,227
Professional fees	1,202	1,353
Churches Together Hampshire and Isle of Wight	530	530
Sundry outgoings	-	432
Total	16,833	24,739

11 Investment management fees

During the year the District paid £3,047 to TMCP, the custodians of the District's investment funds (2024: £2,066). This represents fees for the management of the District Advance Fund (£2,388), District Reserve Fund (£226) and MIH Fund (£433).

The sum of £348 (2024: £14,516 unrealised gain) represents an unrealised gain in the invested funds of the MIH Fund (£219) and District Reserve Fund (£129).

12 Transfers between Funds

During the year £54,203 was withdrawn from the District Advance Fund to part fund the Intergenerational Mission Enabler post. £13,000 was withdrawn to fund training and ministers conference expenses, £7,621 was withdrawn to provide a grant to the University of Portsmouth free church chaplain towards housing costs, £35,000 was withdrawn to part fund the Compass New Places for New People project in Portsmouth and £8,913 was transferred to the Mission Alongside the Poor fund. The general fund received interest income of £2,348 from the MIH Fund.

13 District Manse

The District manse was revalued at 31 August 2025 by Sparks Ellison Estate Agents. The valuation at 31 August 2025 was £735,000.

	Land £	Buildings £	Total £
Balance brought forward at 1 September 2024	275,000	460,000	735,000
Revaluations in the year	0	0	0
Balance carried forward at 31 August 2025	275,000	460,000	735,000

14 Debtors and prepayments

Debtors and prepayments were made up as follows:

	2024-25 £	2023-24 £
Trade debtors		
Channel Islands District	4,571	2,316
Wessex Synod	224	210
Prepayments and accrued income	4,795	2,526
Payments in advance	-	7,696
Other accrued income	-	-
Total	4,795	10,222

15 Investments with Trustees for Methodist Church Purposes (TMCP)

The District's investment assets are held by TMCP in Managed Mixed Funds. The movement in the funds during the year were:

	District Reserve (forms part of the General Fund) £	MIH Fund £	Total £
Balance brought forward at 1 September 2024	69,598	130,828	200,426
Units sold during the year		-283	-283
Unrealised gains on revaluation	128	219	347
Unrealised losses on revaluation			
Balance carried forward at 31 August 2025	69,726	130,764	200,490

The cash funds that support the District Advance Fund, the MIH Fund and the District Reserve account are held by TMCP in Trustees Interest Funds on which interest is credited each month. The interest paid on the District Advance Fund is held in the fund. The interest earned on the MIH Fund and District Reserve are credited to the general fund and used to support the District's day to day running costs.

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

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 an 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.

16 Central Finance Board (CFB) and cash at bank

The District has a current account at CAF Bank Ltd. The sums held on this account are immediately available. In addition the District has a deposit account at the Central Finance Board of the Methodist Church. 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.

17 Creditors and accrued expenses

	2024-25 £	2023-24 £
Creditors:		
Trade creditors	339	104
Total creditors	339	104
Accruals:		
Independent Examiner	530	530
Reimbursed expenses	2,476	473
Total accruals	3,006	1,003
Total of creditors and accrued expenses	3,345	1,107

It is expected that all sums accrued at 31 August 2025 will be paid during the year to 31 August 2026.

18 Grant commitments from the District Advance Fund

Some grants awarded by the District are payable in instalments over more than one financial year. Grants are recognised in full when the award is made once the District accepts that there is a legal or constructive obligation to make the payment and that such payment is probable.

Grants of £558,609 were committed as at 31 August 2025 which are payable in future years:

	Payable at 31 August 2025 £	Payable at 31 August 2024 £
Current liability		
Payable in 2025-26	283,830	
Payable in 2024-25		215,962
Long term liability		
Payable in 2025-26		85,099
Payable in 2026-27	145,207	74,928
Payable in 2027-28	116,827	48,611
Payable in 2028-29	12,745	
Total commitment	558,609	424,800

19 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at 31 August 2025 (2024: Nil).

20 Independent examiner

An accrual has been made for the fee of the independent examiner in the sum of £530 for the year (2023: £530). The independent examiner provided no additional services during the year.

21 Volunteer contributions

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in the United Kingdom 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, manse, finance, policy, grants, training, development. The contribution of volunteers has not been valued and included in the accounts.

22 Unrestricted funds

The District has 6 unrestricted funds 4 of which are earmarked for specific purposes.

The general fund is for use at the discretion of the trustees in the furtherance of the general objectives of the District. The balance at 31 August 2025 was £166,188 (2024: £139,453).

The District Advance Fund funds ministry and property grants to churches, circuits and institutions. The balance at 31 August 2025 was £366,135 (2024: £302,702). The balance at 31 August 2025 reflects commitments of £588,609 that are payable in future years as set out in note 18.

Four designated funds are held to serve specific purposes but are not restricted by any document or deed to that purpose alone. These funds comprise:

The District Development Fund which funds courses and conferences. The balance at 31 August 2025 was £42,047 (2024: £45,888).

The Portsmouth Chaplaincy Fund - The District acts as accounting body for the financial support to the University of Portsmouth free church chaplain. From September 2021 the free church chaplain has been employed by the University and is paid a housing allowance by the District and Wessex URC Synod. This fund reflects the grant payment to the chaplain, the employers National Insurance payable on the payment of the grant via the Methodist Church lay employee payroll and the recharging of a share of the costs to the Wessex URC Synod. At 31 August 2025 the balance on the fund was £5 (2024: £5).

Since 2021-22 the Methodist Connexion has distributed Mission Alongside the Poor funds to Districts. These monies are held in a separate fund to be used to provide grants to churches and circuits in the District to enable them to support those experiencing cost of living related pressures in their local communities. Grants totalling £3,000 were paid during 2024-25 (2024: £8,000). The balance on the fund at 31 August 2025 was £20,355.

The Property Reserve shows the value of the District manse. The District manse was revalued as at 31 August 2025. The balance in the reserve at 31 August 2025 was £735,000. (2024: £735,000)

The movements in these funds in the year ending 31 August 2025 are shown in note 24.

23 Restricted Funds

The Benevolent Fund provides financial support to ministers and lay people in the District in need of support. The balance at 31 August 2025 was £2,131 (2024: £2,131).

The MIH fund is used to fund repairs and maintenance to the District manse. The balance at 31 August 2025 was £131,056. (2024: £130,837).

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

The New Places for New People fund was used to fund the cost of a Mission Development Worker who supported the development phase of the District's New Places for New People project in Portsmouth (the Compass project). Funding for a second phase of work focussed on Portsmouth alongside research based support for other circuits to explore New Places for New People opportunities was approved during 2022-23 with the first of several annual grant payments being made to the District. A Pioneer was appointed in September 2024 to lead the second phase of the Compass project. The balance held at 31 August 2025 was £29,173. (2024: £14,649).

The movements in these funds in the year ending 31 August 2025 are shown in note 24.

Particulars	2025	2024	2023	2022	2021	2020
Balance b/f	14,649	14,649	14,649	14,649	14,649	14,649
Grant income	14,524	14,524	14,524	14,524	14,524	14,524
Expenditure	(14,524)	(14,524)	(14,524)	(14,524)	(14,524)	(14,524)
Balance c/f	14,649	14,649	14,649	14,649	14,649	14,649
Total	14,649	14,649	14,649	14,649	14,649	14,649

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

Note 26: Statement of Financial Activities for the year ended 31 August 2024 for comparative purposes

	Note	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Total 2023-24	Total 2022-23
		£	£	£	£	£	£
Income and Endowments							
Donations and legacies						0	0
Income from investments		8,345	46,341			0	0
Charitable activities					3,754	58,440	28,816
Assessments on circuits	2	120,012				120,012	120,000
Circuit Model Trust Funds			163,269			163,269	165,638
Connexional Advance & Property Fund			153,758			153,758	67,443
New Places for New People Connexional grant						0	28,000
Mission Alongside the Poor Connexional grant				8,759	0	8,759	8,306
Total income from charitable activities		120,012	317,027	8,759	0	445,798	389,387
Other income	3	2,316	55,000	5,096	0	62,412	10,261
Total income and endowments		130,673	418,368	13,855	3,754	566,650	428,464
Expenditure							
Expenditure on activities							
Grants and donations	5	2,990	229,872	18,833	250	251,945	274,061
Salaries and associated costs	6	135,331				135,331	126,647
Property costs	7	12,139				12,139	7,161
Office/ Administrative expenses	8	4,677	1,538	758	344	7,317	4,753
Synods, Committees and Conferences	9	7,302		14,639		21,941	19,583
Other outgoings	10	9,067			14,629	23,696	2,379
Total charitable expenditure		171,506	231,410	34,230	15,223	452,369	434,584
Net income/(expenditure) before investment gains/ losses		-40,833	186,958	-20,375	-11,469	114,281	-6,120
Gains/loss in value of investment assets	11	4,998			9,518	14,516	-8,773
Net incoming/(outgoing resources before transfers)		-35,835	186,958	-20,375	-1,951	128,797	-14,893
Transfers between funds	12	46,101	-61,773	19,510	-3,838	0	0
Net income/expenditure for the year		10,266	125,185	-865	-5,789	128,797	-14,893
Gains on the revaluation of fixed assets	13					0	-65,000
Total funds brought forward		129,187	177,517	796,200	153,406	1,256,310	1,336,203
Total funds carried forward		139,453	302,702	795,335	147,617	1,385,107	1,256,310

Declarations and Scrutiny

I confirm that these accrual based accounts for the year ended 31 August 2025 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee.

Signature of Treasurer

Date: 28 February 2026

Name and address of treasurer: Christine Holland, 9 Ellerton Close, Theale, Reading RG7 5QN

Presentation to the District Policy Committee

I confirm that the annual report and accounts for the year ended 31 August 2025 were presented to the District Policy Committee at its meeting on 7 March 2026 and were approved.

Signature of the Chair of the meeting

Name of the Chair of the meeting

Rev'd Rachel Bending

Date 7 March 2026

Independent Examiner's Report to the Trustees of the Southampton Methodist District

I report to the trustees on my examination of the accounts of the Southampton Methodist District ('the District') for the year ended 31 August 2025.

Responsibilities and basis of report

As the charity trustees of the District 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 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

Since the District's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of The Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the District as required by section 130 of the Act; or
2. the accounts do not comply with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view', which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signature of independent examiner

Name of independent examiner: Claire Connell

Address 86 Silverdale Road, Earley, Reading RG6 7LT

Date

14th March 2026

Southampton Methodist District
Notes to the Accounts
For the year ended 31 August 2025

24 Summary of movements on significant individual funds

Unrestricted Funds

Unrestricted Fund Name	Opening Balance	Income	Expenditure	Unrealised investment losses and revaluations	Transfers	Closing Balances
	£	£	£		£	£
General Fund	139,453	128,020	157,965	129	56,551	166,188
District Development Fund	45,888	2,425	19,266		13,000	42,047
District Advance Fund	302,702	495,257	313,087		-118,737	366,135
Portsmouth Chaplaincy	5	2,592	10,213		7,621	5
Mission Alongside the Poor	14,442		3,000		8,913	20,355
Property Reserve	735,000					735,000
Totals	1,237,490	628,294	503,531	129	-32,652	1,329,730

Restricted Funds

Restricted Fund Name	Opening Balance	Income	Expenditure	Unrealised investment losses	Transfers & accruals	Closing Balance
	£	£	£	£	£	£
Benevolent Fund	2,131					2,131
District (MIH) Fund	130,837	2,782	434	219	-2,348	131,056
New Places for New People	14,649	28,000	48,476		35,000	29,173
Totals	147,617	30,782	48,910	219	32,652	162,360

25 Connected organisations and related parties

All of the District trustees are members of a church and circuit within the District and may be trustees of these churches or circuits.

Connected organisations include the Methodist Conference, circuits and churches within the District, other Methodist Districts, Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes. All of these entities have their own trustees and autonomous administration such that the Southampton Methodist District has no significant influence over any of them nor them over the District. They are therefore not considered to be related parties.

There were no related party transactions.