

The Methodist Church
Wolverhampton and Shrewsbury District

Registered Charity Number 1134902

Trustees' Annual Report and Financial Statements
for the year ended
31st August 2020

The Methodist Church

Wolverhampton and Shrewsbury District

**Trustees' Annual Report and Financial Statements
for the year ended 31st August 2020**

CONTENTS

	Pages
Trustees' Annual Report	2 - 7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Accounts	11 - 22
Declarations	23
Independent Examiner's Report	24

Wolverhampton and Shrewsbury Methodist District

Trustees' Annual Report for the year ended 31st August 2020

Reference and administrative information

Registered charity name Wolverhampton and Shrewsbury Methodist District

Registered charity number 1134902

Trustees (members of the District Policy Committee)

The members of the District Policy Committee at the date of this report and those who served during the year ended 31st August 2020 are as follows:

Rev Rachel Parkinson - Chair
Rev Pauline Salter - Deputy Chair
Mr Andrew Beattie - Synod Secretary
Mr Christopher Reed - District Treasurer

Rev David Alford (appointed 1/9/20)
Mr William Burden (until 31/8/20)
Rev Christopher Collins
Rev Nicholas Collison
Rev Alan Combes (appointed 18/1/20)
Rev Joanne Cox-Darling (appointed 1/9/20)
Rev Margaret Eales (appointed 1/9/20)
Mrs Angela Evans
Mr Roy Evans (until 31/8/20)
Rev Richard Hall
Miss Jacqueline Hill (until 18/1/20)
Mrs Gillian Jolly
Rev Kevin Jones (until 6/1/20)
Rev Derrick Lander (until 15/10/19)
Rev David Lavender

Rev Susan Levitt
Mr Ian Mason
Mr Leon Murray
Mr Brian Oakley
Rev Christopher Parkes (until 31/8/20)
Rev Hendry Ponniah (appointed 1/9/19)
Mr Peter Prescott (until 31/8/20)
Mrs Margaret Reynolds
Rev Neil Richardson
Miss Andrea Sheppick (until 26/3/20)
Rev Teddy Siwila
Rev Julia Skitt (appointed 1/9/20)
Mr Keith Walton (appointed 1/9/20)
Mr Robert Whitehouse
Rev Denise Williams

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Website wsmethodist.org.uk

Independent examiner Ian Cattell FCA
Crombies Accountants Limited
34 Waterloo Road
Wolverhampton
WV1 4DG

Bankers The Co-operative Bank PLC
PO Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

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

Wolverhampton and Shrewsbury Methodist District

Trustees' Annual Report for the year ended 31st August 2020

Objectives and activities

The purpose of the Wolverhampton and Shrewsbury District is laid out in Standing Order 400A of the Constitutional Practice and Discipline of the Methodist Church, namely that: *"the District is constituted to advance the mission of the Church in the region, by providing opportunities for Circuits to work together and support each other, by offering them resources of finance, personnel and expertise which may not be available locally and by enabling them to engage with the wider society of the region as a whole and address its concerns."* The central priorities of the Methodist Church are Worship, Learning and Caring, Service and Evangelism.

The District comprises around 200 local Methodist churches grouped into 12 circuits and served by a ministerial team of around 50 active ministers and around 30 lay employees. A number of supernumerary (retired) ministers also offer significant support.

There were 6,891 people holding membership of churches in the District in October 2019. Seventy people were brought into membership in the previous year but overall there was a fall of 136 on the previous year because of the deaths of members. However, despite the fact that presenting these numbers has become the traditional way of the District making this account to its membership, the wider community and the Charity Commission, the pandemic has revealed that both the "objective" and "activity" of the District is far less tied to numbers of people associated with numbers of church buildings than may have previously appeared.

The District theme for 2019-20 was "What's the Story...?" This picked up the theme of the President and Vice-President of the Methodist Conference who visited the District in January 2020. "The story" turned out to be much as expected for the first half of the year and radically different for the second.

A major focus at the Autumn Synod was racial justice and inclusion, placing emphasis on the testimony of members. The Synod also reflected on Brexit and on the climate crisis, as a result of which we voted to register our intent to become an Eco-District under the scheme run by A Rocha.

An important chapter in the life of the District came to an end with the decision to close the District Children's Holiday scheme which had run since 1964 and been instrumental in providing a holiday to a huge number of children suffering disadvantage. The decision arose largely because of the decreasing number of experienced volunteers available to run the holiday safely. The District remains committed to the welfare of disadvantaged children and families across our geography and has a targeted grant scheme available to churches able to work in this area.

In February 2020 severe floods affected swathes of the District as the Rivers Wye and Severn breached their banks. A flood appeal raised more than £12K for the support of rural communities hit by the flooding and, specifically, the town of Tenbury Wells which was very badly affected.

The lockdown in March brought drastic changes to the life of all the churches as buildings closed, though very limited on-site activity remained in a few places in order to allow facilities such as Food Banks to continue. Most premises remained closed throughout the Spring and Summer. The Circuits and churches proved remarkably adaptable, establishing patterns of online worship with remarkable speed. Essential meetings also moved online. It is notable that lack of broadband connection has not been as much of a barrier as might be anticipated since a significant number of church members regularly join worship or meetings by phone. This has been supplemented by mailings and personal phone calls for those who would otherwise be excluded.

The very strong community identity of our churches means that the story of lockdown is overwhelmingly one of loss, both for our members and for the communities who gather on our premises. The financial implications for churches across the District are also likely to be very significant. Nevertheless, the necessity of adjusting to new ways of relating has brought some significant gains. It has proved what we have long said - that the church is more than just the building. In some cases, relationships have been strengthened, especially across larger geographical areas; new skills have been learned and new talents come to the fore.

The District had responsibility for awarding £217K in grants during the year. £206K were "Ministry" grants, supporting projects operating across the entire District, within Circuits and in individual churches.

Wolverhampton and Shrewsbury Methodist District

Trustees' Annual Report for the year ended 31st August 2020

Public benefit

The activities mentioned above were undertaken so as to further the District's purposes for the public benefit and the District Policy Committee has had regard to the guidance on public benefit issued by the Charity Commission when exercising its powers or duties to which the guidance is relevant.

Achievements and performance

- The supervision programme approved by the Methodist Connexion has been extended as planned and now includes all ministers. Supervision has moved online.
- Four candidates from the District were accepted for ministerial training, the highest number of accepted candidates for any District in the Connexion.
- In November 2019 the children and young people of the Methodist Church, meeting at the 3Generate Youth Assembly, elected Phoebe Parkin of the Telford Circuit to be Youth President for 2020/21. This was a fruit of investment in the skills of young people in preceding years.
- Circuits in the District engaged in internal conversations on the Report of the Connexional Marriage and Relationships Task Group, *God in Love Unites Us*, in preparation for expected decisions of the Methodist Conference in June 2020. In the event, as a result of the pandemic, consideration of this report was postponed until 2021.
- As a result of much preparatory work with the Hereford Diocese over the preceding year, two intergenerational missionaries were appointed jointly by the District and Diocese to work in the Craven Arms / Clun / Bishops Castle area.
- A visit by Justin Welby, Archbishop of Canterbury, to the Hereford Diocese included a visit to the "Butty Van" - an initiative designed to counter rural isolation run by the Borderlands Chaplaincy, a joint District and Diocese project.
- The Reimagine Church Conference, organised jointly with the Birmingham District, inspired Methodists from across the West Midlands. The main speaker was Michael Harvey, speaking on how to develop a culture of invitation.

Financial review

The above activities and achievements illustrate the work of the District and the attached accounts show how the financial resources necessary for that work have been raised and expended. The accounts are also the means by which members of the District Policy Committee, as trustees, account for their stewardship of those funds to the circuits, the membership of the churches within the District and the wider community.

The finances of the District are held in eight different funds to account properly for the different purposes for which money comes into the District. Most of the income comes from other parts of the Methodist Church: assessments are received from the Circuits in the District to fund the work done directly and the payment to the Connexion of a contribution to the Methodist Church Fund, and distributions are received via the Connexional structure of the Methodist Church to fund grant-making activities, as explained more fully in Note 2 to the accounts.

The income of the District for the year ended 31st August 2020 was £923,939 and expenditure was £906,807. The resulting surplus of £17,132 increased reserves to £533,728 (2019 £516,596) of which £265,000 was the book value of the District Chair's manse, leaving free reserves of £268,728 across all eight funds. A review of significant matters affecting District finances is as follows:

District Expenses Fund (unrestricted)

The budget for 2019/20 was set with the aim of producing a deficit of £2,000 but the second half of the year was affected by the Covid-19 pandemic, which led to a drastic reduction in travel and meeting costs. By the end of the year the Fund was showing a surplus of £10,085 with free reserves standing at £85,153.

District Training Fund (designated)

Training grants of £4,609 were paid, a 50% reduction, which left a surplus for the year of £2,291 (2019 deficit £1,120). Closing reserves at £17,311 (2019 £15,020) were high because of the exceptional circumstances.

Wolverhampton and Shrewsbury Methodist District

Trustees' Annual Report for the year ended 31st August 2020

Manse Fund (designated)

There was an underspend on the manse maintenance budget in the District Expenses Fund of £1,000 and this was transferred to the Manse Fund, boosting its reserves to £33,585.

District Advance Fund (restricted)

Income from the levy on Circuit Model Trust Funds was up by some £10,000 on the previous year. The value of grants awarded was £216,597 including internal transfers, which again exceeded the total income of the Fund, thereby reducing its reserves by a further £7,581 to £49,622.

Agricultural Chaplaincy Fund (restricted)

Part of the proceeds of the flood appeal was allocated to this Fund to support the work being done by Borderlands Rural Chaplaincy with communities in the affected areas. The scale of activities undertaken by the Chaplaincy continued to expand until temporarily restricted by the lockdown, and its income and expenditure were both up on the previous year. At the year-end its reserves stood at £66,743 (2019 £53,004).

Children Support Fund (restricted)

The money in this Fund is left over from the annual children's holiday that ceased after 2018 and, with the consent of the donors, it is being used to offer grants to churches who want to work with children in deprived circumstances. During the year grants of £3,100 were made, leaving a balance of £12,319 available for further grant-making.

Chair's Benevolent Fund (restricted)

The income of this Fund was mainly the proceeds of the flood appeal, which was divided between Tenbury Wells flood relief campaign and Borderlands Rural Chaplaincy (by transfer to the Agricultural Chaplaincy Fund - see above). There was a small amount of other donations received and grants paid and the balance carried forward is £2,068.

Komera Partnership Fund (restricted)

Donations and other income more or less matched the grants paid over to our partners in Rwanda, leaving a balance of £1,927 at the year-end (2019 £2,127).

Reserves policies

The reserves policy for the District Expenses Fund is based on a free reserves target of 10% of total circuit assessments, to reflect the risk that a circuit may not be able to meet their assessment in full. For 2020/21 circuit assessments are £601,299, giving a reserves target of £60,000. The actual level of free reserves at 31st August 2020 was £85,153 or 14.2% of circuit assessments (2019 12.3%). The excess reserves over target have arisen partly because of the exceptional effects of the pandemic and the associated lockdowns, and future budgets will address this with the objective of bringing the reserves down in line with the policy.

The District Training Fund does not have a specific reserve requirement. It has excess funds at present and no further income will be sought for the time being.

The Manse Fund reserve requirement was increased to £40,000 to cover major repairs to the Chair's manse in excess of the annual budget. The increase in the fund balance this year to £33,585 is a step towards the new target.

The reserves in the District Advance Fund are already stated after taking into account future commitments and as the annual tranche of funding is received in September/October this Fund does not need more than a nominal balance of reserves at the year-end.

The Agricultural Chaplaincy Fund held reserves of £66,743 at the end of the year, representing 11.7 months' expenditure (2019 10.5 months' expenditure). The scale and scope of the chaplaincy is becoming significant and its funding is dependent on grants from various sources, many of which are under financial pressure. In these circumstances, reserves of up to one year's expenditure are considered appropriate to ensure the resilience of the project.

Wolverhampton and Shrewsbury Methodist District

Trustees' Annual Report for the year ended 31st August 2020

The Children Support Fund is currently using money left over following the cessation of the annual holiday to make small grants and therefore has no particular reserves requirement.

The Chair's Benevolent Fund and the Komera Partnership Fund are there to make grants to beneficiaries from the funds that have been raised for those purposes and thus do not require any specific target levels of reserves.

Investment policy

Surplus monies of the District's Funds (other than the District Advance Fund) are held in an interest-bearing deposit account with the Central Finance Board of the Methodist Church, which is a common deposit fund reporting directly to Conference. The District Advance Fund is held by the Trustees for Methodist Church Purposes as custodian trustees on behalf of the District, and this fund is also invested in an interest-bearing account with the Central Finance Board.

Plans for the future

The main task for the District in 2020/21 will be to make every effort to stay true to our priorities of Worship, Learning & Caring, Service, and Evangelism whilst adjusting to the varied circumstances presented by Covid-19 and amid all the uncertainties that arise as a result.

The recruitment of a part-time Property Consultant to the team in November 2020 will allow the District to resource Circuits wanting to use their property to enable their mission, either through redevelopment or sale. This appointment should also allow progress towards the aim of reducing the carbon footprint of the District.

Structure, governance and management

The District, as part of the Methodist Church, is constituted under the terms of the Deed of Union of 1932, which was promulgated under the authority of legislation that is now found in the Methodist Church Act 1976. This Act provides the foundation on which all the remainder of the constitutional structure of the Church is raised.

The governing body of the Methodist Church in Great Britain is the Conference. Under the authority of the Act and the Deed of Union, Conference makes and amends Standing Orders, which are published annually in the Constitutional Practice and Discipline of the Methodist Church. This is the basis for governance of the Church as a connexion of local churches, circuits and districts working together within the one framework.

The District Synod is the principal body responsible for the affairs of the District and is constituted in accordance with the Deed of Union and Standing Orders. It is the church court for the District, serving as a link between the Conference and the Connexional Team on the one hand and the Circuits and Local Churches on the other. It has oversight of all District affairs.

The Synod annually appoints the members of the District Policy Committee whose responsibilities include the formulation and promotion of policy and the supervision of the use of resources of personnel, property and finance. Under charity law the members of the District Policy Committee are treated as the Trustees of the Charity and the names of the Trustees who served during the year or have been appointed since are shown above.

The District Policy Committee nominates persons to the Synod for appointment as district officers and as members of the District Policy Committee and other district committees. In addition, the Chair of the District, the Secretary of the Synod and any member of the Methodist Council nominated by the Synod are ex-officio members of the District Policy Committee.

The District is one of thirty-one Districts of the Methodist Church in Great Britain. The Wolverhampton and Shrewsbury District brings together twelve Circuits, based in the City of Wolverhampton, two West Midlands Metropolitan Boroughs, parts of Staffordshire and Worcestershire, most of Shropshire, about half of Herefordshire and parts of Wales. The structure of the District and its constituent Circuits and Churches, and their inter-relationships with each other, is explained more fully in Note 2 to the accounts.

Wolverhampton and Shrewsbury Methodist District

Trustees' Annual Report for the year ended 31st August 2020

Statement of trustees' responsibilities

Charity law requires the District Policy Committee (as Trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its financial activities for that period, together with its assets and liabilities at the end of the period, and adequately distinguish any material special trust or other restricted fund of the Charity. In preparing those financial statements the District Policy Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP and the Accounting Regulations and with applicable Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The District Policy Committee also has overall responsibility for ensuring that there is in place an appropriate system of controls, financial and otherwise, to provide reasonable confidence and assurance that:

- the District's administration is operating effectively and efficiently;
- the assets of the District are properly safeguarded against unauthorised loss or damage;
- proper records are maintained and information produced for management control, fiscal and statutory reasons; and
- the District complies with the relevant laws and guidelines.

This report was approved by the District Policy Committee as Trustees on 23rd March 2021 and is signed on their behalf by:

R Parkinson

REV R.E. PARKINSON

District Chair

J Christopher Reed

J.C. REED

District Treasurer

Trustees

Wolverhampton and Shrewsbury Methodist District

Statement of Financial Activities for the year ended 31 August 2020

		District Expenses Fund (unrestricted)	Desig- nated Funds (unrestricted)	District Advance Fund (restricted)	Other Restrict- ed Funds (restricted)	Total Funds 2019/20	Total Funds 2018/19
	Note	£	£	£	£	£	£
Income from:							
Donations and grants							
Grants from connexional funds	3	22,126	-	-	22,000	44,126	29,174
Other grants and donations	4	-	-	-	58,279	58,279	44,851
<i>Total donations and grants</i>		<u>22,126</u>	<u>-</u>	<u>-</u>	<u>80,279</u>	<u>102,405</u>	<u>74,025</u>
Charitable activities							
Assessments on circuits	5	601,376	6,900	-	-	608,276	604,967
Levies on circuit model trust funds		-	-	85,656	-	85,656	75,105
Distribution from Connexional Priority Fund		-	-	110,957	-	110,957	113,390
Other charitable activities	6	600	-	-	-	600	14,760
<i>Total charitable activities</i>		<u>601,976</u>	<u>6,900</u>	<u>196,613</u>	<u>-</u>	<u>805,489</u>	<u>808,222</u>
Other trading activities	7	-	-	-	1,219	1,219	614
Investments	8	1,201	-	3,077	548	4,826	4,505
Other income	9	-	-	10,000	-	10,000	-
<i>Total income</i>		<u>625,303</u>	<u>6,900</u>	<u>209,690</u>	<u>82,046</u>	<u>923,939</u>	<u>887,366</u>
Expenditure on:							
Raising funds	13	-	-	674	-	674	740
Charitable activities							
Contribution to Methodist Church Fund		529,636	-	-	-	529,636	538,347
Other charitable activities undertaken directly	14	70,077	4,609	-	65,306	139,992	137,556
Grant funding of charitable activities	15	6,768	-	177,037	15,403	199,208	251,919
Support costs	16	37,297	-	-	-	37,297	37,163
<i>Total charitable activities</i>		<u>643,778</u>	<u>4,609</u>	<u>177,037</u>	<u>80,709</u>	<u>906,133</u>	<u>964,985</u>
<i>Total expenditure</i>		<u>643,778</u>	<u>4,609</u>	<u>177,711</u>	<u>80,709</u>	<u>906,807</u>	<u>965,725</u>
Net income/(expenditure)		(18,475)	2,291	31,979	1,337	17,132	(78,359)
Transfers between funds	17	28,560	1,000	(39,560)	10,000	-	-
Net movement in funds		10,085	3,291	(7,581)	11,337	17,132	(78,359)
Total funds brought forward		340,068	47,605	57,203	71,720	516,596	594,955
Total funds carried forward		<u><u>350,153</u></u>	<u><u>50,896</u></u>	<u><u>49,622</u></u>	<u><u>83,057</u></u>	<u><u>533,728</u></u>	<u><u>516,596</u></u>

Wolverhampton and Shrewsbury Methodist District

Balance Sheet as at 31 August 2020

	District Expenses Fund (unrestricted)	Designated Funds (unrestricted)	District Advance Fund (restricted)	Other Restricted Funds (restricted)	Total Funds at 31 Aug 20	Total Funds at 31 Aug 19
<i>Note</i>	£	£	£	£	£	£
Fixed assets						
Tangible assets	18 265,000	-	-	-	265,000	265,000
Current assets						
Debtors	19 405	480	-	626	1,511	1,536
Cash on deposit:						
Trustees for Methodist Church Purposes	-	-	352,899	-	352,899	337,219
Central Finance Board	116,250	50,575	-	76,109	242,934	211,936
Cash at bank	1,974	955	-	6,682	9,611	7,894
Prepaid currency cards	386	-	-	400	786	199
<i>Total current assets</i>	<u>119,015</u>	<u>52,010</u>	<u>352,899</u>	<u>83,817</u>	<u>607,741</u>	<u>558,784</u>
Liabilities						
Creditors due within 1 year:						
Creditors	20 33,862	1,114	-	260	35,236	26,805
Grants payable	21 -	-	151,125	500	151,625	161,583
	<u>33,862</u>	<u>1,114</u>	<u>151,125</u>	<u>760</u>	<u>186,861</u>	<u>188,388</u>
<i>Net current assets</i>	85,153	50,896	201,774	83,057	420,880	370,396
<i>Total assets less current liabilities</i>	350,153	50,896	201,774	83,057	685,880	635,396
Creditors due after 1 year:						
Grants payable	21 -	-	152,152	-	152,152	118,800
<i>Total net assets</i>	<u><u>350,153</u></u>	<u><u>50,896</u></u>	<u><u>49,622</u></u>	<u><u>83,057</u></u>	<u><u>533,728</u></u>	<u><u>516,596</u></u>
Represented by	22					
Unrestricted Funds:						
District Expenses Fund	350,153				350,153	340,068
Designated Funds:						
District Training Fund		17,311			17,311	15,020
Manse Fund		33,585			33,585	32,585
Restricted Funds:						
District Advance Fund			49,622		49,622	57,203
Agricultural Chaplaincy Fund				66,743	66,743	53,004
Children Support Fund				12,319	12,319	14,523
Chair's Benevolent Fund				2,068	2,068	2,066
Komera Partnership Rwanda				1,927	1,927	2,127
<i>Total funds</i>	<u><u>350,153</u></u>	<u><u>50,896</u></u>	<u><u>49,622</u></u>	<u><u>83,057</u></u>	<u><u>533,728</u></u>	<u><u>516,596</u></u>

The notes on pages 10 to 22 form part of these accounts

The accounts were approved by the District Policy Committee as Trustees on 23rd March 2021 and are signed on their behalf by:

R Parkinson

REV R.E. PARKINSON

District Chair

Wolverhampton and Shrewsbury Methodist District

Statement of Cash Flows for the year ended 31 August 2020

		Total Funds 2019/20	Total Funds 2018/19
	Note	£	£
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	See below	44,156	(4,380)
Cash flows from investing activities			
Interest receivable		4,826	4,505
Increase/(decrease) in cash and cash equivalents in the year		48,982	125
Cash and cash equivalents at beginning of year		557,248	557,123
Cash and cash equivalents at end of year		606,230	557,248
Represented by			
Cash on deposit:			
Trustees for Methodist Church Purposes		352,899	337,219
Central Finance Board		242,934	211,936
Cash at bank		9,611	7,894
Prepaid currency cards		786	199
		606,230	557,248
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year as per Statement of Financial Activities	Page 8	17,132	(78,359)
Deduct interest receivable (investing activity)		(4,826)	(4,505)
Decrease/(increase) in debtors	Note 19	25	(918)
Increase/(decrease) in creditors	Notes 20, 21	31,825	79,402
Net cash provided by/(used in) operating activities		44,156	(4,380)

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

1 Basis of accounting and accounting policies

(a) Basis of preparation

The accounts have been prepared in accordance with the following:

- i) The Charities SORP (FRS 102) - 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 2015),
- ii) FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (as above), and
- iii) The Charities Act 2011.

The Charities SORP (FRS 102) has been used, despite the relevant 2008 accounting regulations still requiring use of the Charities SORP 2005, on the grounds that it is necessary to use the newer SORP in order to comply with the legal obligation to give a true and fair view.

The accounts have been prepared under the historical cost convention except for the use of an historical insured value as the deemed cost of the District manse. The accruals basis has been used to show a true and fair view of the District's financial position and activities.

(b) Public benefit entity

The Wolverhampton and Shrewsbury Methodist District (the "District") meets the definition of a public benefit entity in FRS 102 as its primary objectives require it to act so as to provide public, community or social benefit rather than to provide economic benefit to its members or participants.

(c) Going concern

The trustees consider there are no material uncertainties that would cast significant doubt on the District's ability to continue as a going concern for the foreseeable future, being a period of more than 12 months from the date these accounts are approved. They reached their view having taken into account the financial position of the District shown in these accounts, budgets for the next two years, and the connexional structure of the Methodist Church of Great Britain of which the District forms an integral part.

(d) Funds

The District operates a District Expenses Fund, which is the general unrestricted fund that can be used for any District purposes and holds cash, other current assets and the District manse. In addition there are designated funds holding cash and current assets designated for particular purposes but which may be used for other District purposes at the discretion of the trustees. There are also several restricted funds holding cash and current assets which can only be used for the specified purpose because of the terms on which their funding was received whether by grant, donation or fundraising.

(e) Income recognition

Income is recognised when the District becomes entitled to the economic benefit of the income, it is probable (i.e. more likely than not) that it will be received, and its monetary value can be measured reliably. No attempt is made to measure the considerable value of services or time donated by volunteers.

The District acts as agent in the following matters:

- i) collections taken at Synod for various charities, which are paid over to the respective charities shortly afterwards; and
- ii) payments received from the Methodist Church Fund to reimburse the District for the expenses of District representatives attending the Methodist Conference.

The receipts and payments for the above matters are not income or expenditure of the District and are therefore not reflected in the Statement of Financial Activities.

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

1 Basis of accounting and accounting policies (continued)

(f) Expenditure recognition

Expenditure is recognised when there is a legal or constructive obligation committing the District to pay out resources, it is probable (i.e. more likely than not) that settlement will be required, and the amount of the obligation can be measured reliably.

(g) Grants payable

The District makes a significant number of grants to third parties in furtherance of its objects, sometimes as one-off payments and sometimes as a series of periodic payments that may cover several years. As soon as a grant is awarded to a third party they have a valid expectation that the District will discharge its obligation to make the payments whenever they are to become due. This creates a constructive obligation in respect of the total value of the award. Even though multi-year grant awards are subject to annual monitoring, no specific conditions are imposed that would make the awards conditional and payment of the full amount is therefore probable. Accordingly all awards are immediately recognised as expenditure and a liability for future payments is recorded.

(h) Value added tax

Since the District is not registered for value added tax ("VAT"), all input VAT is charged with the expense to which it relates.

(i) Pensions

All employees of the District are either auto-enrolled in or invited to join a defined contribution pension scheme managed by The Pensions Trust. The District's contribution is set at 6% of salary and the District has no liability beyond making its contributions and paying over the deductions for the employees' contributions. There were no contributions outstanding at the year-end.

(j) Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost more than £1,000. They are valued at historical cost, except for the District Chair's manse, which is stated at deemed cost, being its insured value in 2011. The manse is currently the only fixed asset held and it is assessed each year for any indication of impairment.

(k) Depreciation

Depreciation is provided to write-off the cost of a fixed asset, less its residual value, over its useful economic life. In the case of the manse, its residual value is estimated and provided it is not less than cost no depreciation is required.

(l) Debtors and creditors

Debtors are stated at the amount the District expects to receive or the amount it has paid in advance for goods or services. Creditors are stated at the amount the District expects to pay or the amount it has received as an advance payment for goods or services.

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

2 Controlling body, connected organisations and glossary of terms

The ultimate controlling body of the District is the Conference of the Methodist Church in Great Britain.

The "Conference" is a representative body drawn from across the Connexion, and is the policy-making and governing body of the Church. It makes and amends Standing Orders, which are published annually in the Constitutional Practice and Discipline of the Methodist Church, as the basis for governance of the Church throughout the Connexion.

The "Connexion" is the larger connected community of the Methodist Church in Great Britain, comprising the Conference, the central team of Connexional Officers and support systems directed by the Methodist Council, and the regional organisation of Districts, Circuits and Churches.

"Districts" are regional bodies comprising a number of Circuits.

"Circuits" are local groupings of churches.

"Churches" are the local places to which Methodists belong.

Each of the entities in these layers of the church community is a separate charity with its own trustees and many of the District's trustees are also trustees of some of these. However, the District has no significant influence over any of these entities nor, with the exception of the Conference, do they have significant influence over the District. The District is bound by the Standing Orders laid down by Conference as law and policy but within that framework it is able to determine for itself how to fulfill its role. All the entities within the Connexion are therefore connected organisations in relation to the District but, because of the lack of significant influence, they are not considered related parties for accounting purposes.

The District receives grants from Connexional funds to support certain aspects of its work. It also receives the proceeds of an annual levy set by Conference charged on money held in trust funds by its Circuits. Conference has also set a levy to be charged on most property sales within the Connexion for the Connexional Priority Fund. Part of the proceeds of this fund is distributed annually to the Districts.

Conference has established the Methodist Church Fund as a major source of finance for the activities of the Church and it determines an assessment to be paid into the fund each year, which is allocated between the Districts. The Districts in turn make an assessment on their Circuits to collect the Methodist Church Fund assessment together with a contribution to District expenses.

Many Circuits and Churches make grants and donations and provide personnel to support District activities. The District in turn makes grants to Circuits and Churches for personnel and property projects.

The "Trustees for Methodist Church Purposes" is the legal owner and custodian trustee of all property held on Methodist model trusts.

The "Central Finance Board of the Methodist Church" manages a common deposit fund and a series of pooled investment funds for Methodist entities.

Insurance cover is provided to the District by Methodist Insurance PLC.

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

3 Grants from connexional funds

	2019/20 £	2018/19 £
Connexional Priority Fund grant supporting the reaffirmation of "Our Calling" to support the work of the Ministry & Mission Co-ordinator (District Expenses Fund)	22,126	7,174
Mission in Britain Fund grant to fund the appointment of area co-ordinators for the Agricultural Chaplaincy	22,000	22,000
	<u>44,126</u>	<u>29,174</u>

The above grants represent the second year's instalments of three-year grants in both cases. The total amounts awarded were £140,800 but future payments are subject to the work for which the grants were sought being delivered and to monitoring and evaluation.

4 Other grants and donations

	Agric. Chaplaincy Fund (restricted) £	Chair's Benevol- ent Fund (restricted) £	Komera Partner- ship Fund (restricted) £	Other Funds £	Total Funds £
2019/20					
Donations from churches	8,358	302	50	746	9,456
Donations from individuals	1,838	-	2,185	50	4,073
Grant from Shropshire & Marches Circuit	10,000	-	-	-	10,000
Grant from Hereford Diocese	16,000	-	-	-	16,000
Flood appeal donations	-	12,227	-	-	12,227
Other donations and grants	5,428	-	500	-	5,928
Gift aid	446	-	149	-	595
	<u>42,070</u>	<u>12,529</u>	<u>2,884</u>	<u>796</u>	<u>58,279</u>

In response to the severe flooding in the Severn and Wye valleys in February 2020, an appeal was launched to give an opportunity for the whole District to express their support for the communities affected. The proceeds were divided between a Tenbury Wells ecumenical relief campaign (£4,500 - see note 15 below) and Borderlands Rural Chaplaincy (£7,727 - by a transfer to the Agricultural Chaplaincy Fund - see note 17 below).

2018/19

Donations from churches	4,137	200	5,833	709	10,879
Donations from individuals	1,917	-	977	30	2,924
Grant from Shropshire & Marches Circuit	10,000	-	-	-	10,000
Grant from Hereford Diocese	16,000	-	-	-	16,000
Other donations and grants	-	20	152	4,579	4,751
Gift aid	121	-	176	-	297
	<u>32,175</u>	<u>220</u>	<u>7,138</u>	<u>5,318</u>	<u>44,851</u>

5 Assessments on circuits

The Methodist Conference levies an annual assessment on the Circuits through the several Districts to finance the Methodist Church Fund ("MCF"). The assessment is payable by the Districts who then collect Circuit assessments to cover the MCF assessment plus a contribution to District expenses and training.

The allocation of the MCF assessment between Districts is based on staffing numbers at Circuit and District level. The allocation of the Circuit assessment between the Circuits is the subject of agreement between the District Treasurer and the Circuit Treasurers and is based on a number of factors, including staffing levels and membership and attendance statistics.

The Circuit Treasurers believe this produces a fairer way of allocating the costs between Circuits. Accordingly the District cannot be said to act merely as agent for the collection of the MCF assessment and the full Circuit assessments are therefore shown as income of the District and the MCF assessment paid to the Connexion is shown as expenditure.

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

5 Assessments on circuits (continued)	District Expenses Fund (unrestricted) £	Designated Funds (unrestricted) £	District Advance Fund (restricted) £	Other Restrict- ed Funds (restricted) £	Total Funds £
2019/20					
For Methodist Church Fund	529,636	-	-	-	529,636
For District expenses and training	71,740	6,900	-	-	78,640
	<u>601,376</u>	<u>6,900</u>	<u>-</u>	<u>-</u>	<u>608,276</u>
2018/19					
For Methodist Church Fund	538,347	-	-	-	538,347
For District expenses and training	58,820	7,800	-	-	66,620
	<u>597,167</u>	<u>7,800</u>	<u>-</u>	<u>-</u>	<u>604,967</u>

6 Other charitable activities	District Expenses Fund (unrestricted) 2019/20 £	District Expenses Fund (unrestricted) 2018/19 £
Charges and fundraising for visit to Rwanda to support the District's Komera Partnership	-	11,460
Circuit contribution to cost of employing lay worker	600	-
Funding received for "Thy Kingdom Come" activities	-	3,300
	<u>600</u>	<u>14,760</u>

7 Other trading activities	Komera Partner- ship Fund (restricted) 2019/20 £	Komera Partner- ship Fund (restricted) 2018/19 £
Sale of beneficiary-made merchandise	<u>1,219</u>	<u>614</u>

The merchandise is made in Rwanda by women working together for peace and the well-being of their communities under a project set up by the Peacekeeping, Healing and Reconciliation Programme ("PHARP"), one of the partners supported by the Komera Partnership Fund. The proceeds have been remitted as grants to PHARP.

8 Investment income	District Expenses Fund (unrestricted) £	Designated Funds (unrestricted) £	District Advance Fund (restricted) £	Other Restrict- ed Funds (restricted) £	Total Funds £
Interest receivable:					
2019/20	1,201	-	3,077	548	4,826
2018/19	1,022	-	3,039	444	4,505

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

9 Other income

	District Advance Fund (restricted) 2019/20 £	District Advance Fund (restricted) 2018/19 £
Repayment of unspent grant made in previous year	<u>10,000</u>	<u>-</u>

A grant had been made to Telford Circuit in 2018/19 to support the employment of a youth worker. In the event, the project did not go ahead and the grant was repaid in 2019/20.

10 Payments to trustees

The members of the District Policy Committee are the trustees of the District and none of them received any remuneration for their role as trustee. One of the trustees, Mrs Margaret Reynolds, was paid under a contract of employment as District Safeguarding Officer, as follows:

	2019/20 £	2018/19 £
Safeguarding Officer:		
Salary	14,517	14,110
Employer's national insurance contributions	803	773

The Chair of the District, Rev Rachel Parkinson, is a trustee and is regarded as the sole key management person of the District. Under the authority of the Methodist Conference, the Chair was paid by the Connexion and was required to occupy the manse owned and maintained by the District. Total annual costs were as follows:

	2019/20 £	2018/19 £
Stipend and chair's allowance	31,065	30,210
Employer's national insurance contributions	3,075	3,019
Employer's contributions to defined benefit pension scheme	6,685	6,501
District manse maintenance and running costs	<u>8,436</u>	<u>4,409</u>
	<u>49,261</u>	<u>44,139</u>

During the year four (2018/19 seven) trustees received reimbursement of expenses incurred in carrying out their duties:

	2019/20 £	2018/19 £
Cost of travel for District purposes	2,802	5,201
Postage, telephone, stationery, hospitality, conferences and sundries	<u>2,084</u>	<u>1,799</u>
	<u>4,886</u>	<u>7,000</u>

11 Independent examiner

	2019/20 £	2018/19 £
Fees charged for independent examination of accounts	<u>1,620</u>	<u>1,620</u>

The independent examiners did not carry out any other work for the District during the year.

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

12 Staff costs	2019/20	2018/19
	No.	No.
Average number of full-time employees during the year	2.0	1.3
Average number of part-time employees during the year	4.8	4.6
Average full-time equivalent number of staff during the year	4.2	3.4
	2019/20	2018/19
	£	£
Salaries	122,919	97,031
Employer's national insurance contributions	9,381	6,877
Employer's contributions to defined contribution pension scheme	6,318	4,229
Apprenticeship levy	614	484
	<u>139,232</u>	<u>108,621</u>
Charged to:		
District Expenses Fund (unrestricted)	79,687	56,849
Agricultural Chaplaincy Fund (restricted)	59,545	51,772
	<u>139,232</u>	<u>108,621</u>

All staff are paid at a rate above the living wage and no employees received emoluments of more than £60,000. Members of staff served as Agricultural Chaplain, Ministry and Mission Co-ordinator, Safeguarding Officer and in other support and administrative posts.

13 Expenditure on raising funds	District Advance Fund (restricted) 2019/20	District Advance Fund (restricted) 2018/19
	£	£
Trustees for Methodist Church Purposes investment management fees	674	740

The Trustees for Methodist Church Purposes hold the District Advance Fund as custodian trustees and invest it in a deposit fund at the Central Finance Board of the Methodist Church. The management fee is 0.2%pa of the fund value.

14 Other charitable activities undertaken directly	District Expenses Fund (unrestricted)	Designated Funds (unrestricted)	District Advance Fund (restricted)	Other Restricted Funds (restricted)	Total Funds
	£	£	£	£	£
2019/20					
Ministry & Mission Co-ordinator	39,613	-	-	-	39,613
Intergenerational Lay Worker	9,248	-	-	-	9,248
Safeguarding costs	17,502	-	-	-	17,502
Agricultural chaplaincy costs	-	-	-	65,006	65,006
Supervision and other District services	2,729	-	-	-	2,729
Komera Partnership visits	-	-	-	-	-
Training and other activities	985	4,609	-	300	5,894
	<u>70,077</u>	<u>4,609</u>	<u>-</u>	<u>65,306</u>	<u>139,992</u>
2018/19					
Ministry & Mission Co-ordinator	26,701	-	-	-	26,701
Safeguarding costs	18,199	-	-	-	18,199
Agricultural chaplaincy costs	-	-	-	60,200	60,200
Other District services	2,208	-	-	-	2,208
Komera Partnership visits	11,491	-	-	-	11,491
Training and other activities	9,462	9,025	-	270	18,757
	<u>68,061</u>	<u>9,025</u>	<u>-</u>	<u>60,470</u>	<u>137,556</u>

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

15 Grant funding of charitable activities

	District Expenses Fund (unrestricted) £	Designated Funds (unrestricted) £	District Advance Fund (restricted) £	Other Restrict- ed Funds (restricted) £	Total Funds £
2019/20					
Grants paid in year:					
Local ecumenical organisations	6,768	-	19,686	-	26,454
Grants to circuits and churches	-	-	133,550	-	133,550
Grants to partners in Rwanda	-	-	-	4,303	4,303
Tenbury Wells flood relief (from flood appeal)	-	-	-	4,500	4,500
Other grants	-	-	540	6,600	7,140
	<u>6,768</u>	<u>-</u>	<u>153,776</u>	<u>15,403</u>	<u>175,947</u>
Grants awarded but unpaid at end of year	-	-	303,277	-	303,277
Grants awarded but unpaid at start of year	-	-	(280,016)	-	(280,016)
	<u>6,768</u>	<u>-</u>	<u>177,037</u>	<u>15,403</u>	<u>199,208</u>
2018/19					
Grants paid in year:					
Local ecumenical organisations	6,075	-	18,911	-	24,986
Grants to circuits and churches	3,459	-	156,488	-	159,947
Grants to partners in Rwanda	-	-	-	7,592	7,592
Other grants	-	-	750	-	750
	<u>9,534</u>	<u>-</u>	<u>176,149</u>	<u>7,592</u>	<u>193,275</u>
Grants awarded but unpaid at end of year	-	-	280,016	-	280,016
Grants awarded but unpaid at start of year	-	-	(221,372)	-	(221,372)
	<u>9,534</u>	<u>-</u>	<u>234,793</u>	<u>7,592</u>	<u>251,919</u>

All these grants were made to organisations and none was made to an individual.

The grants awarded during the year from the District Advance Fund are for personnel, ecumenical, outreach or property projects related to mission and ministry, predominantly within circuits or local churches.

	2019/20 £	2018/19 £
Personnel, ecumenical and outreach projects	166,057	223,785
Property projects	10,980	11,008
	<u>177,037</u>	<u>234,793</u>

There were 13 grants awarded during the year, of which the following grants were the largest and accounted for 53% of the total, each being payable in annual instalments:

Wolverhampton Pioneer Ministry - to fund half the cost of employing the Team Leader for 3 years from September 2020 in partnership with Lichfield Diocese, who fund the other half.	£ 44,637
Walsall Circuit - to support the work of Ablewell Advice Service for 3 years from September 2020	£ 30,000
Shropshire & Marches Circuit - to support the employment of a lay worker in the Llanymynech cluster for 2 years from September 2020	£ 20,000

There are no support costs included in the cost of grant funding as they would not be material. The District Advance Fund is overseen by the Resourcing Mission Committee, the work of which is largely carried out by its officers, predominantly the District Grants Officer, on a voluntary basis.

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

16 Support costs

	2019/20	2018/19
	£	£
Chair's travel and miscellaneous expenses	2,006	3,638
Administration staff costs	17,861	17,986
District office expenses	4,062	4,340
District manse expenses	8,436	4,409
Synod expenses	1,088	2,028
Meeting, travel and other administrative expenses	2,185	3,063
Governance costs	1,659	1,699
	<u>37,297</u>	<u>37,163</u>

17 Transfers between funds

	District Expenses Fund (unrestricted) £	Designated Funds (unrestricted) £	District Advance Fund (restricted) £	Other Restricted Funds (restricted) £	Total Funds £
2019/20 transfers to/(from) funds					
Ministry & Mission Co-ordinator costs	18,000	-	(18,000)	-	-
Agricultural chaplaincy costs	-	-	(10,000)	10,000	-
Intergenerational Lay Worker costs	10,400	-	(10,400)	-	-
Coach fares to 3Generate	1,160	-	(1,160)	-	-
Underspend on manse maintenance	(1,000)	1,000	-	-	-
	<u>28,560</u>	<u>1,000</u>	<u>(39,560)</u>	<u>10,000</u>	<u>-</u>

Within Other Restricted Funds there was a transfer of £7,727 from the Chair's Benevolent Fund to the Agricultural Chaplaincy Fund, being part of the proceeds of the flood appeal allocated to Borderlands Rural Chaplaincy (see note 4 above).

2018/19 transfers to/(from) funds

Ministry & Mission Co-ordinator costs	20,950	-	(20,950)	-	-
Agricultural chaplaincy costs	-	-	(17,000)	17,000	-
Cost of Courageous Day Out	8,491	-	(8,491)	-	-
Coach fares to 3Generate	1,050	-	(1,050)	-	-
Production of films on vocation	-	-	-	-	-
Underspend on manse maintenance	(4,800)	4,800	-	-	-
	<u>25,691</u>	<u>4,800</u>	<u>(47,491)</u>	<u>17,000</u>	<u>-</u>

18 Tangible fixed assets

District manse	31/8/20	31/8/19
	£	£
Deemed cost	<u>265,000</u>	<u>265,000</u>

The Chair's manse is stated at deemed cost, being its insured value in 2011. The manse was professionally valued at £370,000 by Jackson Lile & Close on 27th January 2020 and accordingly no depreciation has been provided.

19 Debtors

	31/8/20	31/8/19
	£	£
Prepayments - deposits for retreat fees and manse maintenance	885	480
Accrued income - gift aid refund receivable	626	32
Other debtors	-	1,024
	<u>1,511</u>	<u>1,536</u>

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

20 Creditors

	31/8/20 £	31/8/19 £
Accrued expenses		
Reimbursement of employees' and volunteers' expenses	892	2,114
Accrued expenses due to third party suppliers	2,674	2,260
Bristol Methodist District - Probationers' Retreat	1,114	-
Use of facilities at Beckminster Methodist Church	40	-
	<u>4,720</u>	<u>4,374</u>
Deferred income		
Grants received in advance	27,525	22,126
Insurance claim to cover future repairs	-	165
Other creditors	2,991	140
	<u>35,236</u>	<u>26,805</u>

21 Liabilities for grants payable in future years

	31/8/20 £	31/8/19 £
Grants payable within one year:		
District Advance Fund grants	151,125	161,216
Children Support Fund grant	500	-
District Training Fund grants	-	367
	<u>151,625</u>	<u>161,583</u>
Grants payable after more than one year:		
District Advance Fund grants:		
Payable in - 2020/21	-	89,400
2021/22	97,177	26,400
2022/23	51,575	3,000
2023/24	3,400	-
	<u>152,152</u>	<u>118,800</u>
Total grant commitments	<u>303,777</u>	<u>280,383</u>

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

22 Summary of fund movements

	Fund balances brought forward	Income	Expenditure	Transfers between funds (Note 17)	Fund balances carried forward
	£	£	£	£	£
2019/20 Unrestricted fund movements					
District Expenses Fund	340,068	625,303	643,778	28,560	350,153
District Training Fund	15,020	6,900	4,609		17,311
Manses Fund	32,585	-	-	1,000	33,585
	<u>387,673</u>	<u>632,203</u>	<u>648,387</u>	<u>29,560</u>	<u>401,049</u>
2019/20 Restricted fund movements					
District Advance Fund	57,203	209,690	177,711	(39,560)	49,622
Agricultural Chaplaincy Fund	53,004	64,518	68,506	17,727	66,743
Children Support Fund	14,523	896	3,100	-	12,319
Chair's Benevolent Fund	2,066	12,529	4,800	(7,727)	2,068
Komera Partnership Fund	2,127	4,103	4,303	-	1,927
	<u>128,923</u>	<u>291,736</u>	<u>258,420</u>	<u>(29,560)</u>	<u>132,679</u>
2019/20 Total fund movements	<u>516,596</u>	<u>923,939</u>	<u>906,807</u>	<u>-</u>	<u>533,728</u>
2018/19 Unrestricted fund movements					
District Expenses Fund	347,359	620,123	653,105	25,691	340,068
District Training Fund	16,140	7,905	9,025	-	15,020
Manses Fund	27,785	-	-	4,800	32,585
	<u>391,284</u>	<u>628,028</u>	<u>662,130</u>	<u>30,491</u>	<u>387,673</u>
2018/19 Restricted fund movements					
District Advance Fund	148,693	191,534	235,533	(47,491)	57,203
Agricultural Chaplaincy Fund	41,669	54,535	60,200	17,000	53,004
Children Support Fund	9,226	5,297	-	-	14,523
Chair's Benevolent Fund	2,116	220	270	-	2,066
Komera Partnership Fund	1,967	7,752	7,592	-	2,127
	<u>203,671</u>	<u>259,338</u>	<u>303,595</u>	<u>(30,491)</u>	<u>128,923</u>
2018/19 Total fund movements	<u>594,955</u>	<u>887,366</u>	<u>965,725</u>	<u>-</u>	<u>516,596</u>

Wolverhampton and Shrewsbury Methodist District

Notes to the Accounts for the year ended 31st August 2020

23 Unrestricted funds

(a) District Expenses Fund

This is the general fund used for running the District and has no restrictions. It is financed principally by circuit assessments and the fund balance includes the book value of the District manse (£265,000).

(b) Designated funds

These funds are designated for particular purposes by the District Policy Committee but they are not held on terms that prevent their use for other District purposes if the Committee so resolve.

The District Training Fund is financed by a levy on the number of ministers in each circuit and is used to fund ministerial and lay training. From 1st September 2020 this fund will be financed by transfers from the District Advance Fund ("DAF"). Although the DAF is a restricted fund its purposes include the support of personnel working in the District and transfers to the Training Fund will be made by grants awarded in the usual way in accordance with the DAF policy as long as the Training Fund continues to meet that purpose of the DAF.

The Manse Fund is used as a reserve to cover occasional heavy expenditure on maintenance of the District manse. Manse maintenance is charged to the District Expenses Fund but any underspend compared to budget is transferred to the Manse Fund and any overspend is covered by drawing on the Manse Fund.

24 Restricted funds

(a) District Advance Fund

This fund is set up under Methodist standing orders and is funded by a levy on the end-of-year balances of the Circuit Model Trust Funds of the Circuits in the District and by a distribution from the Connexional Priority Fund, as part of the process of moving money around the Connexion to enable it to best be used for the mission of the church. The fund is administered by the Resourcing Mission Committee who award grants in accordance with the fund policy to support personnel or property projects related to mission and ministry and to support outreach, evangelism and ecumenical work.

(b) Other restricted funds

The Agricultural Chaplaincy Fund finances the work of Borderlands Rural Chaplaincy, a joint Methodist and Anglican initiative among rural communities in the Welsh borders. Its income comes mainly from grants and donations from a range of Methodist and Anglican sources and it employs a full-time chaplain and a part-time area co-ordinator, who are supported by a team of volunteers.

The Children Support Fund is used to make grants to churches who are working with children in deprived circumstances.

The Chair's Benevolent Fund provides modest sums from donations to allow the Chair to meet cases of personal need in a confidential way. In 2019/20 there was also an exceptional appeal to respond to the hardships caused by severe floods in February 2020 (see note 4 above).

The Komera Partnership Fund supports the District's partnership with the Free Methodist Church of Rwanda and the Peacebuilding Healing and Reconciliation Programme of Rwanda with funds from donations and fundraising activities.

Wolverhampton and Shrewsbury Methodist District

Accounts for the year ended 31st August 2020

DECLARATIONS

Treasurer

I confirm that these accruals-based accounts for the year ended 31st August 2020 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee.

Signature of Treasurer

J Christopher Reed

Date 23rd March 2021

Name

J. Christopher Reed FCA TEP

Address

3 Castlecroft Lane
Wolverhampton
WV3 8JX

Approval by the District Policy Committee

The trustees' annual report and accounts for the year ended 31st August 2020 were approved by the District Policy Committee as trustees on 23rd March 2021 and are signed on their behalf by:

Signature of Chair of the meeting

R Parkinson

Date 23rd March 2021

Name of the Chair of the meeting

Rev Rachel E. Parkinson

Wolverhampton and Shrewsbury Methodist District

Accounts for the year ended 31st August 2020

Independent Examiner's Report to the Trustees of Wolverhampton and Shrewsbury Methodist District

I report to the trustees on my examination of the accounts of Wolverhampton and Shrewsbury Methodist District ("the District") for the year ended 31st August 2020.

Responsibilities and basis of report

As the charity trustees of the District, you, the members of the District Policy Committee, 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

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 Institute of 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 accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008, other than any requirement that the accounts give a true and fair view, which is not a matter considered as part of an independent examination.

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

Signature of Examiner

I Cattell

Name of Examiner

Ian Cattell FCA

Relevant professional body

The Institute of Chartered Accountants
in England and Wales

Address of Examiner

Crombies Accountants Limited
34 Waterloo Road
Wolverhampton
WV1 4DG

Date

23rd March 2021