

YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

England & Wales · Charity number 1136133

Details

Other names	YORK AND HULL DISTRICT OF THE METHODIST CHURCH, YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH
Status	Registered
Legal form	Previously excepted
Registered	2010-06-01
Register	View on the Charity Commission register

Contact

Address	28 The Green Acomb York YO26 5LR
Phone	07539 027151
Email	admin@yorkshirenemethodist.org
Website	www.yorkshirenemethodist.org

Activities

Objects: The purposes of the Methodist Church are and shall be deemed to have been since the date of union the advancement of -(a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;(b) any charitable purpose for the time being of any Connexional, district, circuit, local or other organisation of the Methodist Church;(c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;(d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

Activities: The primary purpose of the Yorkshire North and East District is to advance the mission of the church in the region by offering resources and expertise to Circuits which may not be available locally to enable them to engage with the wider society in the region and address its concerns.

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- City Of York
- East Riding Of Yorkshire
- Kingston Upon Hull City
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£1,466,491	£1,471,177	£2,186,892	12
2023-08-31	£984,543	£925,611	£2,191,578	10
2022-08-31	£790,136	£799,868	£2,132,646	11
2021-08-31	£678,747	£572,931	£2,142,378	11
2020-08-31	£704,752	£606,810	£2,036,562	10

Trustees

Name	Role	Appointed
Rev LESLIE MICHAEL NEWTON	Chair	2017-09-01
Andrew Barraclough		2025-01-01
Bridget Joyce Bennett		2022-01-13
Doreen Sandra Hayward		2024-09-01
Dr Julia Branson		2023-09-01
Malcolm Lucas		2017-09-09
Naomi Prince		2021-09-01
Nicholas Herbet Dominic Dawson		2026-01-22
Rev Ann Fox		2025-05-10
Rev Benjamin Paul Clowes		2023-09-01
Rev Sarah Louise Caddell		2025-11-01

Accounts

YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
(registered as a charity - registration number 1136133)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

The Trustees of the Yorkshire North and East District of the Methodist Church submit their annual report and the financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the 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) and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name: Yorkshire North and East District of the Methodist Church

Charity Number: 1136133

Address of Office: The District Office, 28 The Green, Acomb, York, YO26 5LR
01904 783 013
www.yorkshirenemethodist.org

Trustees who served during the year and up to the date of this report were as follows:

Revd. Leslie Newton (Chair)
Malcolm Lucas (Treasurer)
Naomi Prince (Young person's representative and Administrative Officer)
Bridget Bennet (Safeguarding representative)
Revd. Ben Clowes (Deputy Chair)
Julia Branson (Lay stationing representative)
Emma Crippen (Synod Secretary) (resigned 31 August 2024)
Andrew Brown (Property Secretary) (resigned 23 January 2025)
Revd. Nicholas Bentley (Grants Officer) (resigned 31 August 2024)
Revd. Ann Fox (Methodist Council representative) (resigned 19 September 2024)
Revd. Neville Simpson (Grants Officer) (appointed 1 September 2024)
Sandra Hayward (Synod Secretary) (appointed 1 September 2024)
Andrew Barraclough (Property Secretary) (appointed 23 January 2025)
Revd. Ann Fox (Ordained Synod representative) (appointed 10 May 2025)

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

REFERENCE AND ADMINISTRATIVE INFORMATION – CONTINUED

Names and addresses of advisers:

Bank:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment managers and custodian trustees:	Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
Auditor:	HPH Chartered Accountants 54 Bootham York YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and administrative information

The governing body of the District is the Methodist Church and the governing body of the Methodist Church is the Conference. The District's governing documents are the Deed of Union 1932 and The Methodist Church Act 1976 which give the authority under which the Methodist Church acts. The constitutional practice and discipline of the Methodist Church governs the activities of the District.

The District is a Registered Charity number 1136133.

Trustees

The Trustees who have served during the year are set out on page one. The members of the District Leadership Team are appointed annually as Trustees by the Representative Synod.

The principal address of the District's Independent Examiner and Bankers are listed on page two.

The Trustees under the direction of the District Treasurer are responsible for the detailed examination of the financial statements and for presenting them to Synod.

Trustees are given a short period of training prior to their first meeting at which they are made aware of their responsibilities.

Decisions within the Methodist Church are reached in accordance with the rules and regulations set out in the document entitled 'Constitutional Practice and Discipline of the Methodist Church' and under the direction of the Methodist Conference. It is in accordance with these regulations that decisions are reached by the Synod, District Trustees, and other related committees within the District. Delegated authority is administered in the same way.

In their decision-making, trustees keep in mind ecumenical relationships and also opportunities for collaboration at regional level, seeking to establish a common pattern of working, whenever possible.

Pay and remuneration for key management personnel

The Chair of the District chairs the District Leadership Team (DLT). The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The levels of payment are agreed annually by the Methodist Conference. District employees are paid at an agreed level in line with Methodist guidance for the levels of expertise and experience. The Methodist Church has a policy of paying at or above the real living wage. The District Administrator and PA to the Chair is paid for this role. No other key management personnel are paid for their services except for the reimbursement of out of pocket expenses.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT – CONTINUED

Risk Assessment

The Trustees have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to monitor these risks. These are reviewed by the District Leadership Team.

- a. With regards to issues of Safeguarding, the District employs a Safeguarding Officer and an Assistant who have professional expertise in this matter and there is a well-resourced District Safeguarding Group. A considerable amount of time and effort is placed in the training and resourcing of personnel both within the District and in support of circuits and local churches.
- b. Inability to obtain assessments from Circuits. Although this District would not be liable for any shortfall in the assessment paid by any Circuit within the District to the Methodist Church Fund (the Connexion), the District may, nonetheless, feel the need to make up any shortfall. This risk has increased considerably since the impact of the Covid-19 pandemic. Local churches and circuits are needing to draw on their reserves as income from congregational giving and letting income has generally reduced. However, overall, churches and circuits continue to demonstrate considerable resilience in the face of these hard times. The District will continue to closely monitor the position in all the Circuits.
- c. Inability to attract trustees with adequate skills. The District is heavily dependent on the skills of volunteers, especially those who are trustees. At present, this risk is deemed low.

FINANCIAL REVIEW

The District Accounts includes:

- (a) The General Account which is the main operating account through which the expenditure and revenue for both operational and strategic purposes are handled. During the year the District received total income of £1,466,491 (2023: £984,543) and dispersed £1,471,177 (2023: £925,611). The overall deficit for the year was £4,686 (2023: surplus of £58,932), which was in line with expectations. The risks of operating the finances of the District are judged to be minimal. All Circuit payments which contribute to the operating account were made on time in line with the payment levels which were agreed by the Circuit meetings, DPC and District synod. Any Circuits which have difficulty in meeting their District obligations are encouraged to contact the District.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a temporary shortfall in anticipated income.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

FINANCIAL REVIEW - CONTINUED

- (b) The District holds four freehold properties being the Chair's Manse in York, Hull International House, a property purchased several years ago with proceeds from the disposal of York International House and a manse, previously owned by the Aire and Calder Methodist Circuit, which is occupied by Revd Ruth Gilson-Webb who has responsibility for church development in the District.

The trustees have continued to give a significant amount of attention to the operation of Hull International House, and are now satisfied that measures are in place to ensure that the House is able to operate safely and effectively. The DLT remains committed to seeing the House play its part in fulfilling the mission of the District and work is continuing to ensure that a secure and stable position can be established.

The District has the following principal sources of funds:

- Assessments on Circuits within the District
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Connexional Priority Fund distribution
- Interest on investments

These sums are used to administer the District and to provide grants to Circuits, Churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District. In addition, further grants have been obtained in the year to enable financial assistance to be provided to a number of churches in the District to assist with the installation of solar, battery and EV solutions.

- (c) The District Advance Fund which deals with the allocation of funding received from the Connexion for the provision of grants for the development of mission and ministry projects and property schemes generated by local Circuits and other organisations.

Reserves

It is the policy of the charity to hold reserves to provide working capital for its continued operation. At the year-end total reserves were £2,186,892 (2023: £2,191,578), of which £929,105 (2023: £652,690) were unrestricted funds and £1,257,787 (2023: £1,538,888) were restricted funds. The level of free unrestricted reserves (i.e. total unrestricted funds excluding the value of tangible fixed assets) is determined at around 6 months of expenditure needs for continued operation. It is considered inappropriate that the District maintains reserves in excess of this when the funds can be used for the work of the organisation. At 31 August 2024 the level of free unrestricted reserves amounted to £103,470 which was short of target, representing around 3 months of expenditure.

Funds held on behalf of others

The Chair's Benevolent Fund is used at the discretion of the District Chair to assist ministers and others in difficulty.

Funds held on behalf of others – Agency Transactions

Funds are held on behalf of the Joint Public Issues Team (JPIT) for Yorkshire, Racing Chaplaincy, Envoy and the Kairos Circuit.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

PUBLIC BENEFIT STATEMENT

The Trustees wish to confirm that they have complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit in exercising their powers and duties. They have done so via a detailed system of checks and balances involving regular feedback to Synod and through ensuring that actions taken, and decisions made are always in accordance with the Constitutional Practice and Discipline of the Methodist Church.

OBJECTIVES AND AIMS

Nature and Purposes

The primary purpose for which the Yorkshire North and East District is constituted is 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. 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.

The District has responsibility for the evaluation of applications by Local Churches and Circuits for approval of, or consent to, their proposals, when required, or for assistance from district or connexional bodies or funds. Wherever possible the work of the District is carried out ecumenically. The District is thus an expression, over a wider geographical area than the Circuit, of the connexional nature of the Church.

Objectives

During the year the District continued to develop work around its priorities.

The work of Safeguarding remains a priority with ongoing training of all who are involved in work with young people and vulnerable adults. The District is committed to recognising the place of Safeguarding at the heart of mission at every level.

The implementation of the Property Consents process is working well.

The awarding of Grants through the District Advance Fund continues to work well.

Yearly Objectives

- To support the activities of all the Circuits in the District, with the aim of encouraging the growth of flourishing missional communities.
- To focus on pursuing the key priorities of 1) Growing Lay Leadership, 2) Reimagining Worship, 3) Developing 'Our Voice' 4) Remodelling Governance.
- To utilise the funds made available to the District from the Connexion in order to further the mission of the circuits and local churches.
- To continue to develop appropriate models of leadership, governance and management within the District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

OBJECTIVES AND AIMS - CONTINUED

- To further encourage the implementation of the Connexion's practice of Pastoral Supervision.
- To maximise the benefits of the strong relationship between the Learning Network and the District.

Long Term Objectives

- To develop the working of Connexion and District.
- To increase the involvement of lay ministry in the life of the Church.
- To develop new expressions of church community, through engagement with the connexional aim of developing 'New Places for New People.'
- To continue work towards achieving the District's aim of being Net Zero by at least 2040.
- To facilitate the development and support of ordained ministry by presenting more opportunities for personal development alongside Pastoral Supervision.
- To further develop the opportunities for stronger ecumenical work both at local and regional level.
- To further develop leadership, governance and management within the District.
- To ensure the best use of financial resources as their location within the District bodies changes.
- To give continuing careful consideration to succession planning.

Strategies for achieving the objectives

The District Leadership Team meets regularly through the year and oversees all aspects of the District's life, creating opportunities for new ideas to be discussed and debated. Interaction, particularly between the Chair with Connexional bodies ensures that there is considerable contact with national policies and decision making and that those bodies also hear of local views and concerns. This has further been enhanced with advocacy to the Strategies and Resources Committee and the Methodist Council. Communication from Synod and Conference is widely circulated, and the Leadership Team is seeking to further improve the effectiveness of communication within the District.

We believe we have strong financial controls in position.

Grant making policy

The DLT oversees the awarding of grants for the development of Mission and Ministry Projects and for Property Schemes generated by the local churches, circuits and other organisations. A sub-committee is empowered to award seed funding grants up to a maximum of £1,000 each to encourage churches and circuits to try "new things to reach new people". It is the policy and approach of the District to review grant requests on a case by case basis taking into consideration the funds available for disbursement, the particular mission and funding needs of each applicant and the overall spread of mission needs across the District.

Extent of the use of volunteers in achieving aims

Volunteers are involved in all aspects of the work of the District from personnel and administration to representational roles as well as providing the income with which the Charity operates. The level of dependence on voluntary workers within the District is extremely high, as it is in any Church organisation.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

ACHIEVEMENTS AND PERFORMANCE

- Circuits are looking at plans to enable the best use of resources to further their mission.
- The year's available funds to various projects have been allocated by the District Leadership Team.
- Safeguarding initiatives and training are well advanced in planning and implementation.
- The District continues to move forward with its commitment to becoming a Net Zero Carbon District by at least 2040 and much work has been done and a lot achieved, although it is recognised that there remains a lot more to do.

Given the ongoing challenges as churches feel the long-term impact of the pandemic, the Trustees are content with this year's achievements in relation to their objectives. Almost all applications for grants have received funding and safeguarding is now running to plan in the District. There continues to be some closures of churches around the District, but overall there is viability and strength in many parts of the District.

Ecumenical working is still below our hopes and ambitions, but the Trustees remain hopeful of making further progress in this area.

The "Kairos Circuit" continues seeking to offer people an opportunity to discover and grow in faith in new ways.

Much work has been done in envisaging how governance and trusteeship responsibilities can be managed in new ways so as to lift burdens from church members. The newly formed "Bridge Circuit" is meeting this challenge and represents the merging of four Circuits operating with a Modified Constitution. It is expected that a fifth Circuit will join the Bridge Circuit at the start of the next connexional year and some other Circuits, whilst retaining their own independence, are utilising the expertise offered by the Bridge Circuit.

CHALLENGES FOR THE FUTURE

As noted above impact of the Covid pandemic continues to be significant as we look to the future. Reserves continue to be widely used in supporting churches. On the other hand, there have been great strides made in developing online ministry and mission. The District continues to encourage further work in this area, not least through the employment of a Digital Communications Enabler.

Overall, despite some churches experiencing growth, there is a continuing decline in numbers attending and belonging to the church, and that concern is deepened with the recognition of an ageing demographic. The District continues to offer as much help as possible to support circuits and is keen to explore the imaginative work underway through the New Places for New People connexional initiative. It is also committed to ensure that governance structures are able to encourage and support new work, rather than hinder it.

The District is sustaining its priority of responding to the Climate Emergency. Considerable work continues to be undertaken in helping churches respond to the District's commitment to become a Net Zero Carbon District by at least 2040.

All that said, it is with confidence that we approach these challenges and a trust that with prayer we will fulfil the purposes which God has in mind for us. We believe that the District is as well-equipped as possible to both encompass change and respond to new ideas.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, our responsibility as Trustees requires us to follow best practice and:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity at any time and which enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of the charity and for their proper application, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees is aware at the time of the District Leadership Team meeting when approval is given, there is no relevant information needed by the Charity's auditor of which the auditor is unaware. Each Trustee has taken all steps that he or she should have taken as a member of the Board of Trustees to become acquainted with any relevant audit information and to establish that the auditor is aware.

Approved by the District Leadership Team on behalf of the Trustees on 23 June 2025 and signed on their behalf by:

Malcolm Lucas
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

Opinion

We have audited the financial statements of Yorkshire North and East District of The Methodist Church for the year ended 31 August 2024 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and the Statement of Recommended Practice.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of trustees and management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

Use of our report

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

HPH, Chartered Accountants

Statutory Auditor

54 Bootham

YORK

YO30 7XZ

23 June 2025

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

		Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
	Notes				
Income and endowments from:					
Donations and grants	2a	217,957	589,604	807,561	552,847
Charitable activities	2b	-	27,320	27,320	20,212
Other activities	2c	298,562	257,652	556,214	367,672
Investments - interest receivable		1,620	73,776	75,396	43,812
Total income		518,139	948,352	1,466,491	984,543
Expenditure on:					
Raising funds	4	47,653	36,963	84,616	94,018
Charitable activities	5	428,071	958,490	1,386,561	831,593
Total		475,724	995,453	1,471,177	925,611
Net income/(expenditure)		42,415	(47,101)	(4,686)	58,932
Transfers between funds		234,000	(234,000)	-	-
Net movement in funds		276,415	(281,101)	(4,686)	58,932
Reconciliation of funds:					
Total funds brought forward at 1 September 2023		652,690	1,538,888	2,191,578	2,132,646
Total funds carried forward at 31 August 2024		£ 929,105	£ 1,257,787	£ 2,186,892	£ 2,191,578

The notes on pages 17 to 26 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

BALANCE SHEET AS AT 31 AUGUST 2024

				Total	
	Notes	Unrestricted Funds	Restricted Funds	2024 £	2023 £
Fixed assets:					
Tangible assets	8	825,635	243,729	1,069,364	839,509
<i>Total fixed assets</i>		825,635	243,729	1,069,364	839,509
Current assets:					
Debtors	9	13,283	-	13,283	12,950
Cash at Bank and in hand		136,078	1,017,478	1,153,556	1,359,206
<i>Total current assets</i>		149,361	1,017,478	1,166,839	1,372,156
Liabilities:					
Creditors: Amounts falling due within one year	10	45,891	3,420	49,311	20,087
<i>Net current assets</i>		103,470	1,014,058	1,117,528	1,352,069
Total net assets		£ 929,105	£ 1,257,787	£ 2,186,892	£ 2,191,578
The funds of the charity:					
Unrestricted - General fund	14	929,105	-	929,105	652,690
Restricted - Other funds	13	-	1,257,787	1,257,787	1,538,888
<i>Total charity funds</i>		£ 929,105	£ 1,257,787	£ 2,186,892	£ 2,191,578

The financial statements were approved by the Trustees on 23 June 2025 and signed on its behalf by:

Malcolm Lucas
Trustee

The notes on pages 17 to 26 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	12	28,350	54,457
Cash flows from investing activities:			
Purchase of property, plant and equipment		(234,000)	-
Net cash used in investing activities		(234,000)	-
Change in cash and cash equivalents in the reporting period		(205,650)	54,457
Cash and cash equivalents at the beginning of the reporting period		1,359,206	1,304,749
Cash and cash equivalents at the end of the reporting period		<u><u>£ 1,153,556</u></u>	<u><u>£ 1,359,206</u></u>

The notes on pages 17 to 26 form part of these financial statements

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the relevant version of the 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The registered address is: 28 The Green, Acomb, York, YO26 5LR.

(b) Going concern

The Charity has cash resources and has no requirement for external funding. The coronavirus pandemic has had little effect on the District's finances and it is expected that this will continue to be the case. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

(c) Income recognition

Received from Circuits

Income received from Circuits has been accounted for on the accruals basis.

Circuits contribute funds to the District each quarter, to fund the activities of the Church.

Grants, District development enabler and donations

This income is accounted for on an accruals basis.

Interest received and other income

This income is accounted for on an accruals basis.

Circuit assessment income and expenditure is not included in the District accounts. The District is only used to transfer the resources from the Circuits to the Methodist Church and therefore has no entitlement to the income.

(d) Expenditure recognition and irrecoverable VAT

Cost of generating funds

Cost of generating voluntary income

These represent the costs of the manse and the Chair's travel, administration and secretarial expenses.

Cost of charitable activities

The District's connexion assessment and District Travel Fund payments, and other costs of charitable activities are shown here.

Grants to institutions

Grants are payments made to third parties in the furtherance of the charitable objectives of the Church.

Governance costs

Governance costs include independent examiner's fees and bank charges.

The Charity is not registered for VAT. Irrecoverable VAT is included with the item of expense to which it relates.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

1. Accounting policies - continued

(e) Fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt. Where cost is not available, a reasonable estimate of cost or of the buildings current value to the District is used. Where an estimate based on insurance value is used this takes account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation. A professional valuation is not required, but if available, that figure is used. Provision is made for depreciation where appropriate, as follows:

Furniture and fittings	15% reducing balance per annum
Hull International House - Furniture and equipment	over 10 years straight line
Website development	over 3 years straight line

(f) Investments

Fixed asset investments are included at market value on the balance sheet date. Any gain or loss on investment is taken to the SOFA.

(g) Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

(h) Fund accounting

The funds held constitute: General Funds held for any purpose of the District which are Unrestricted, Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose, the aim and use of each designated fund is set out in the notes to the financial statements, Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in notes 13 and 14 to these accounts. Any funds may be held in ways other than in cash.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

The Church only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and any short term deposit accounts with a maturity of three months or less from the date of opening.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2024

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2024</i> £	<i>2023</i> £
2a. Donations and grants				
Received from Circuits	63,763	-	63,763	116,788
Grants	154,194	589,604	743,798	436,059
	<u>£ 217,957</u>	<u>£ 589,604</u>	<u>£ 807,561</u>	<u>£ 552,847</u>

In 2023 the amount of donations and grants which related to restricted funds was £405,059.

2b. Charitable activities

York International House Rents	-	27,320	27,320	20,212
	<u>£ -</u>	<u>£ 27,320</u>	<u>£ 27,320</u>	<u>£ 20,212</u>

In 2023 the amount of income from charitable activities which related to restricted funds was £20,212.

2c. Other activities

Hull International House Income	-	152,225	152,225	171,516
Miscellaneous Other Income	298,562	105,427	403,989	196,156
	<u>£ 298,562</u>	<u>£ 257,652</u>	<u>£ 556,214</u>	<u>£ 367,672</u>

In 2023 the amount of income from other activities which related to restricted funds was £293,555.

3. Funds received as agent

	Balance held at beginning of year £	Amount received £	Amount paid out £	Balance held at end of year £
Name of party:				
Methodist Church Fund	-	608,741	(608,741)	-
JPIT Yorkshire	4,028	-	-	4,028
Racing Chaplaincy	761	-	(761)	-
Envoy	2,513	-	(288)	2,225
Kairos Fund	-	21,512	(21,512)	-
Total	<u>£ 7,302</u>	<u>£ 630,253</u>	<u>£ (631,302)</u>	<u>£ 6,253</u>

In 2023 the amount received and paid out as agent was £588,544 and £588,719 respectively.

4. Expenditure on raising funds

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2024</i> £	<i>2023</i> £
Manse costs	12,273	1,012	13,285	17,130
Expenditure on other District property	572	32,026	32,598	39,372
<i>Chair's travel and secretarial costs</i>				
Travel	8,155	-	8,155	7,919
Secretarial	12,000	-	12,000	12,000
	<u>20,155</u>	<u>-</u>	<u>20,155</u>	<u>19,919</u>
Employees' and volunteers' travel	13,781	652	14,433	13,452
<i>Depreciation</i>				
Furniture and fittings	872	3,273	4,145	4,145
Total	<u>£ 47,653</u>	<u>£ 36,963</u>	<u>£ 84,616</u>	<u>£ 94,018</u>

In 2023, the expenditure on raising funds which related to restricted funds was £42,874.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

5. Expenditure on charitable activities

	<i>Unrestricted</i>	<i>Restricted</i>	<i>2024</i>	<i>2023</i>
	£	£	£	£
Synod, committees and administration	19,969	5,354	25,323	19,595
Salaries and associated costs	160,084	96,889	256,973	162,552
Grants and donations	3,569	523,159	526,728	326,861
Other expenses	219,624	331,383	551,007	291,542
Training, appraisal and development	2,855	1,705	4,560	8,778
	406,101	958,490	1,364,591	809,328
<i>Work of the District</i>				
Safeguarding officer	19,450	-	19,450	19,745
	19,450	-	19,450	19,745
<i>Governance costs</i>				
Independent examiner's fees	2,520	-	2,520	2,520
	2,520	-	2,520	2,520
Total	£ 428,071	£ 958,490	£ 1,386,561	£ 831,593

In 2023, the amount of expenditure on charitable activities which related to restricted funds was £626,107.

Grants to institutions

Grants made to institutions from the District Advance Fund (a restricted fund) included the following grants, in line with the charity's aims.

		£
<i>Ministry grants</i>		
Yorkshire North & East District	- Digital Communications Enabler	30,000
	- Circuit Support Team	80,000
	- Youth work	12,500
	- Net Zero	21,177
	- NPNP costs	7,260
	- "Flourish 2026"	10,000
	- assessment support	93,736
Kairos - NPNP matched funding (2 years)		30,000
Hull International House - general overheads		20,000
The Bridge Circuit - establishment support		20,127
Mosaic Church, Hull - leadership support		10,000
Persian Ministry project		15,334
Driffild Methodist Church - family worker		6,000
Nidd Valley - grant for work of Deacon		17,000
Hull (Centre and West) Circuit - leadership support		4,800
		£ 377,934
<i>Property grants</i>		
Yorkshire North & East District - purchase of manse		234,000
South Holderness Circuit - solar panels		6,200
Hull International House - staircase refurbishment and fire doors		75,000
		£ 315,200
<i>Seed Funding grants (7 grants)</i>		£ 3,650
<i>Warm Space grants (1 grants)</i>		£ 500
		£ 697,284
Total Grants Paid		

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

	2024 £	2023 £
6. Net income before investment gains/(losses)		
This is stated after charging:		
Depreciation	4,145	4,145
Statutory accounts preparation	1,350	1,260
Auditor's/Independent examiner's fee for reporting on the accounts	6,150	1,260
	<u> </u>	<u> </u>

Depreciation of £872 relates to unrestricted funds (2023: £872), £3,273 relates to restricted funds (2023: £3,273).

7. Staff costs

Staff working for the Yorkshire North and East District of the Methodist Church are employed by the Yorkshire North and East District.

Gross salaries	350,413	223,097
Employer's national insurance	24,565	13,351
Employer's pension contributions	19,878	8,568
	<u> </u>	<u> </u>
	<u>£ 394,856</u>	<u>£ 245,016</u>

No employees earned more than £60,000 during the year.

The average monthly head count was 12 (2023: 10).

The key management personnel of the charity comprise of the trustees and the District executives. The total employee benefits of the key management personnel were £19,992 (2023: £20,557).

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

8. Tangible Fixed Assets

	Freehold property £	Furnitures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 September 2023	827,351	63,275	890,626
Additions in year	234,000	-	234,000
At 31 August 2024	1,061,351	63,275	1,124,626
<i>Depreciation</i>			
At 1 September 2023	-	51,117	51,117
Charge for year	-	4,145	4,145
At 31 August 2024	-	55,262	55,262
<i>Net book value</i>			
At 31 August 2024	£ 1,061,351	£ 8,013	£ 1,069,364
At 31 August 2023	£ 827,351	£ 12,158	£ 839,509

Assets with a net book value of £243,729 (2023: £247,002) relate to restricted funds.

9. Debtors

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2024</i> £	<i>2023</i> £
Trade debtors	6,776	-	6,776	6,641
Sundry debtors and prepayments	6,507	-	6,507	6,309
	£ 13,283	£ -	£ 13,283	£ 12,950

In 2023, none of the debtors related to restricted funds.

10. Creditors: amounts falling due within one year

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2024</i> £	<i>2023</i> £
Trade creditors	24,493	-	24,493	-
Accruals and deferred income	9,000	3,420	12,420	6,640
Other creditors	6,145	-	6,145	6,145
Amounts held as agents	6,253	-	6,253	7,302
	£ 45,891	£ 3,420	£ 49,311	£ 20,087

In 2023, creditors of £4,120 related to restricted funds.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

11. Related Party transactions

Funds of £608,741 were received from the circuits on behalf of the Central Methodist Fund during the reporting period of which £608,741 was paid over to the Central Methodist Fund.

During the year out of pocket expenses relating to travel of £4,087 (2023: £4,105) were paid on behalf of six (2023: five) trustees.

One trustee received remuneration during the year for her role within the District: Naomi Prince as District Administrator and PA to the Chair. The total amount paid to her, including pension contributions of £1,064, totalled £19,992 (2023: £20,557). The remuneration is arrived at by consideration of similar positions in other parts of the Methodist Church and is allowable under the constitution. The husband of trustee Emma Crippen received £28,704 during the year as Digital Communications Enabler. No trustee (2023: None) received any remuneration in respect of their trusteeship role.

There were no other related party transactions.

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	2024 £	2023 £
Net (expenditure)/income for the reporting period	(4,686)	58,932
<i>Adjustments for:</i>		
Depreciation charges	4,145	4,145
Increase in debtors	(333)	(9,925)
Increase in creditors	29,224	1,305
Net cash provided by operating activities	£ 28,350	£ 54,457
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,153,556	1,359,206
Total cash and cash equivalents	£ 1,153,556	£ 1,359,206

Cash and cash equivalents amounting to £1,017,478 (2023: £1,292,733) related to restricted funds.

ANALYSIS OF CHANGES IN NET DEBT	At 1 Sept 23 £	Cash-flows £	At 31 Aug 24 £
Cash	1,359,206	(205,650)	1,153,556

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

13. Restricted Funds

	Chair's Benevolent Fund £	District Advance Fund £	York International House £	Hull International House £	York City Centre Proceeds £	Hull City Centre Proceeds £	Net Zero Funds £	Total £
<i>Current year</i>								
Balance at 1 September 2023	7,695	983,809	198,266	95,384	83,260	156,725	13,749	1,538,888
Income	1,899	520,594	27,480	207,313	4,095	7,708	179,263	948,352
Expenditure	(118)	(466,141)	(28,737)	(257,315)	(21,725)	(8,000)	(213,417)	(995,453)
Net income/(expenditure)	1,781	54,453	(1,257)	(50,002)	(17,630)	(292)	(34,154)	(47,101)
Transfers between funds	-	(288,718)	54,718	-	-	-	-	(234,000)
Balance at 31 August 2024	<u>£ 9,476</u>	<u>£ 749,544</u>	<u>£ 251,727</u>	<u>£ 45,382</u>	<u>£ 65,630</u>	<u>£ 156,433</u>	<u>(£ 20,405)</u>	<u>£ 1,257,787</u>
<i>Comparative year</i>								
Balance at 1 September 2022	9,403	891,598	199,517	93,339	100,631	152,459	-	1,446,947
Income	1,647	440,073	21,115	171,516	2,816	4,266	119,489	760,922
Expenditure	(3,355)	(347,862)	(22,366)	(169,471)	(20,187)	-	(105,740)	(668,981)
Net income/(expenditure)	(1,708)	92,211	(1,251)	2,045	(17,371)	4,266	13,749	91,941
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2023	<u>£ 7,695</u>	<u>£ 983,809</u>	<u>£ 198,266</u>	<u>£ 95,384</u>	<u>£ 83,260</u>	<u>£ 156,725</u>	<u>£ 13,749</u>	<u>£ 1,538,888</u>

Chair's Benevolent Fund

This fund makes small grants to ministers and lay people in need, at the discretion of the chair.

District Advance Fund

This fund makes grants towards projects advancing the mission of the Church, both for people and property.

York International House

This fund provides (primarily) student accommodation in a property owned by the District. Surpluses in the fund are used to fund University chaplaincy work in York.

Hull International House

Hull International House is a property in Hull which offers accommodation for students and those on low incomes with the aim of promoting a community spirit generated by residents and staff.

York City Centre Proceeds

This fund comprises the sale proceeds of former property in York city centre. The fund is available for mission purposes in York city centre and is currently being used to fund the work of a deacon.

Hull City Centre Proceeds

This fund comprises the sale of Hull Central Hall and other property. The fund is available for mission purposes in Hull city centre and is currently funding work at Selby Street Mission in Hull.

Net Zero Funds

This fund is for administering grants paid to the District from a number of different funders for the purpose of installing solar, battery and EV solutions to a number of churches in the Yorkshire North and East Methodist District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

14. Unrestricted Funds - General Account

	General Account	
<i>Current year</i>	£	£
Balance at 1 September 2023		652,690
Income	518,139	
Expenditure	(475,724)	
Net income/(expenditure)		42,415
Gain/(loss) on investments		-
Transfers between funds		234,000
Balance at 31 August 2024		<u><u>£ 929,105</u></u>
 <i>Comparative year</i>	 £	 £
Balance at 1 September 2022		685,699
Income	223,621	
Expenditure	(256,630)	
Net income/(expenditure)		(33,009)
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2023		<u><u>£ 652,690</u></u>

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2024**

15. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2023 £
Income and endowments from:			
Donations and grants	147,788	405,059	552,847
Charitable activities	-	20,212	20,212
Other trading activities	74,117	293,555	367,672
Investments	1,716	42,096	43,812
Total	223,621	760,922	984,543
Expenditure on:			
Raising funds	51,144	42,874	94,018
Charitable activities	205,486	626,107	831,593
Total	256,630	668,981	925,611
Net (expenditure)/income	(33,009)	91,941	58,932
Transfers between funds	-	-	-
Net movement in funds	(33,009)	91,941	58,932
Reconciliation of funds:			
Total funds brought forward at 1 September 2022	685,699	1,446,947	2,132,646
Total funds carried forward at 31 August 2023	£ 652,690	£ 1,538,888	£ 2,191,578

Accounts

YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
(registered as a charity - registration number 1136133)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees of the Yorkshire North and East District of the Methodist Church submit their annual report and the financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the 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) and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name: Yorkshire North and East District of the Methodist Church

Charity Number: 1136133

Address of Office: The District Office, 28 The Green, Acomb, York, YO26 5LR
01904 783 013
www.yorkshirenemethodist.org

Trustees who served during the year and up to the date of this report were as follows:

Revd Leslie Newton (Chair)
Mrs Emma Crippen (Representative Synod Secretary)
Mr Alister McClure (Methodist Council representative) (resigned 31 August 2023)
Mr Andrew Brown (Property Secretary)
Mr Malcolm Lucas (Treasurer)
Revd Nicholas Bentley (Grants Officer)
Mrs Beverley Duffy (Lay stationing representative) (resigned 31 August 2023)
Miss Naomi Prince (Young person's representative and Administrative Officer)
Revd Neville Simpson (Superintendents' representative and Deputy Chair) (resigned 31 August 2023)
Bridget Bennett (Safeguarding representative)
Revd Ben Clowes (Deputy Chair) (appointed 1 September 2023)
Revd. Ann Fox (Methodist Council representative) (appointed 1 September 2023)
Julia Branson (Lay stationing representative) (appointed 1 September 2023)

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

REFERENCE AND ADMINISTRATIVE INFORMATION – CONTINUED

Names and addresses of advisers:

Bank:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment managers and custodian trustees:	Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
Independent Examiner:	Sarah B Wearing HPH, Chartered Accountants 54 Bootham York YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and administrative information

The governing body of the District is the Methodist Church and the governing body of the Methodist Church is the Conference. The District's governing documents are the Deed of Union 1932 and The Methodist Church Act 1976 which give the authority under which the Methodist Church acts. The constitutional practice and discipline of the Methodist Church governs the activities of the District.

The District is a Registered Charity number 1136133.

Trustees

The Trustees who have served during the year are set out on page one. The members of the District Leadership Team are appointed annually as Trustees by the Representative Synod.

The principal address of the District's Independent Examiner and Bankers are listed on page two.

The Trustees under the direction of the District Treasurer are responsible for the detailed examination of the financial statements and for presenting them to Synod.

Trustees are given a short period of training prior to their first meeting at which they are made aware of their responsibilities.

Decisions within the Methodist Church are reached in accordance with the rules and regulations set out in the document entitled 'Constitutional Practice and Discipline of the Methodist Church' and under the direction of the Methodist Conference. It is in accordance with these regulations that decisions are reached by the Synod, District Trustees, and other related committees within the District. Delegated authority is administered in the same way.

In their decision-making, trustees keep in mind ecumenical relationships and also opportunities for collaboration at regional level, seeking to establish a common pattern of working, whenever possible.

Pay and remuneration for key management personnel

The Chair of the District chairs the District Leadership Team (DLT). The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The levels of payment are agreed annually by the Methodist Conference. District employees are paid at an agreed level in line with Methodist guidance for the levels of expertise and experience. The Methodist Church has a policy of paying at or above the real living wage. The District Administrator and PA to the Chair is paid for this role. No other key management personnel are paid for their services except for the reimbursement of out of pocket expenses.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT – CONTINUED

Risk Assessment

The Trustees have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to monitor these risks. These are reviewed by the District Leadership Team.

- a. With regards to issues of Safeguarding, the District employs a Safeguarding Officer and an Assistant who have professional expertise in this matter and there is a well-resourced District Safeguarding Group. A considerable amount of time and effort is placed in the training and resourcing of personnel both within the District and in support of circuits and local churches.
- b. Inability to obtain assessments from Circuits. Although this District would not be liable for any shortfall in the assessment paid by any Circuit within the District to the Methodist Church Fund (the Connexion), the District may, nonetheless, feel the need to make up any shortfall. This risk has increased considerably since the impact of the Covid-19 pandemic. Local churches and circuits are needing to draw on their reserves as income from congregational giving and letting income has generally reduced. However, overall, churches and circuits continue to demonstrate considerable resilience in the face of these hard times. The District will continue to closely monitor the position in all the Circuits.
- c. Inability to attract trustees with adequate skills. The District is heavily dependent on the skills of volunteers, especially those who are trustees. At present, this risk is deemed low.

FINANCIAL REVIEW

The District Accounts includes:

- (a) The General Account which is the main operating account through which the expenditure and revenue for both operational and strategic purposes are handled. During the year the District received total income of £984,543 (2022: £790,136) and dispersed £925,611 (2022: £799,868). The overall surplus for the year was £58,932 (2022: deficit of £9,732), which was in line with expectations. The risks of operating the finances of the District are judged to be minimal. All Circuit payments which contribute to the operating account were made on time in line with the payment levels which were agreed by the Circuit meetings, DPC and District synod. Any Circuits which have difficulty in meeting their District obligations are encouraged to contact the District.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a temporary shortfall in anticipated income.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

FINANCIAL REVIEW - CONTINUED

- (b) The District continues to hold three freehold properties being the Chair's Manse in York, Hull International House and a property purchased several years ago with proceeds from the disposal of York International House. Since 31 August 2023 the District has acquired a manse, previously owned by the Aire and Calder Methodist Circuit, which is occupied by Revd Ruth Gilson-Webb who has responsibility for church development in the District.

The trustees have continued to give a significant amount of attention to the operation of Hull International House, and are now satisfied that measures are in place to ensure that the House is able to operate safely and effectively. The DLT remains committed to seeing the House play its part in fulfilling the mission of the District and work is continuing to ensure that a secure and stable position can be established.

The District has the following principal sources of funds:

- Assessments on Circuits within the District
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Connexional Priority Fund distribution
- Interest on investments

These sums are used to administer the District and to provide grants to Circuits, Churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District. In addition, a grant has been obtained in the year from "Energy for Tomorrow" to enable financial assistance to be provided to a number of churches in the District to assist with the installation of solar, battery and EV solutions.

- (c) The District Advance Fund which deals with the allocation of funding received from the Connexion for the provision of grants for the development of mission and ministry projects and property schemes generated by local Circuits and other organisations.

Reserves

It is the policy of the charity to hold reserves to provide working capital for its continued operation. At the year-end total reserves were £2,191,578 (2022: £2,132,646), of which £652,690 (2022: £685,699) were unrestricted funds and £1,538,888 (2022: £1,446,947) were restricted funds. The level of free unrestricted reserves (i.e. total unrestricted funds excluding the value of tangible fixed assets) is determined at around 6 months of expenditure needs for continued operation. It is considered inappropriate that the District maintains reserves in excess of this when the funds can be used for the work of the organisation. At 31 August 2023 the level of free unrestricted reserves amounted to £63,456 which was short of target, representing around 3 months of expenditure.

Funds held on behalf of others

The Chair's Benevolent Fund is used at the discretion of the District Chair to assist ministers and others in difficulty.

Funds held on behalf of others – Agency Transactions

Funds are held on behalf of the Joint Public Issues Team (JPIT) for Yorkshire, Racing Chaplaincy, Envoy and the Kairos Circuit.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

PUBLIC BENEFIT STATEMENT

The Trustees wish to confirm that they have complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit in exercising their powers and duties. They have done so via a detailed system of checks and balances involving regular feedback to Synod and through ensuring that actions taken, and decisions made are always in accordance with the Constitutional Practice and Discipline of the Methodist Church.

OBJECTIVES AND AIMS

Nature and Purposes

The primary purpose for which the Yorkshire North and East District is constituted is 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. 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.

The District has responsibility for the evaluation of applications by Local Churches and Circuits for approval of, or consent to, their proposals, when required, or for assistance from district or connexional bodies or funds. Wherever possible the work of the District is carried out ecumenically. The District is thus an expression, over a wider geographical area than the Circuit, of the connexional nature of the Church.

Objectives

During the year the District continued to develop work around its priorities.

The work of Safeguarding remains a priority with ongoing training of all who are involved in work with young people and vulnerable adults. The District is committed to recognising the place of Safeguarding at the heart of mission at every level.

The implementation of the Property Consents process is working well.

The awarding of Grants through the District Advance Fund continues to work well.

Yearly Objectives

- To support the activities of all the Circuits in the District, with the aim of encouraging the growth of flourishing missional communities.
- To focus on pursuing the key priorities of 1) Growing Lay Leadership, 2) Reimagining Worship, 3) Developing 'Our Voice' 4) Remodelling Governance.
- To utilise the funds made available to the District from the Connexion in order to further the mission of the circuits and local churches.
- To continue to develop appropriate models of leadership, governance and management within the District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

OBJECTIVES AND AIMS - CONTINUED

- To further encourage the implementation of the Connexion's practice of Pastoral Supervision.
- To maximise the benefits of the strong relationship between the Learning Network and the District.

Long Term Objectives

- To develop the working of Connexion and District.
- To increase the involvement of lay ministry in the life of the Church.
- To develop new expressions of church community, through engagement with the connexional aim of developing 'New Places for New People.'
- To continue work towards achieving the District's aim of being Net Zero by at least 2040.
- To facilitate the development and support of ordained ministry by presenting more opportunities for personal development alongside Pastoral Supervision.
- To further develop the opportunities for both ecumenical working and working at regional level.
- To further develop leadership, governance and management within the District.
- To ensure the best use of financial resources as their location within the District bodies changes.
- To give continuing careful consideration to succession planning.

Strategies for achieving the objectives

The District Leadership Team meets regularly through the year and oversees all aspects of the District's life, creating opportunities for new ideas to be discussed and debated. Interaction, particularly between the Chair with Connexional bodies ensures that there is considerable contact with national policies and decision making and that those bodies also hear of local views and concerns. This has further been enhanced with advocacy to the Strategies and Resources Committee and the Methodist Council. Communication from Synod and Conference is widely circulated, and the Leadership Team is seeking to further improve the effectiveness of communication within the District.

We believe we have strong financial controls in position.

Grant making policy

The DLT oversees the awarding of grants for the development of Mission and Ministry Projects and for Property Schemes generated by the local churches, circuits and other organisations. A sub-committee is empowered to award seed funding grants up to a maximum of £1,000 each to encourage churches and circuits to try "new things to reach new people". During the year under review they have also awarded a number of "warm space" grants to support churches in helping their communities tackle the challenge of high heating bills. It is the policy and approach of the District to review grant requests on a case by case basis taking into consideration the funds available for disbursement, the particular mission and funding needs of each applicant and the overall spread of mission needs across the District.

Extent of the use of volunteers in achieving aims

Volunteers are involved in all aspects of the work of the District from personnel and administration to representational roles as well as providing the income with which the Charity operates. The level of dependence on voluntary workers within the District is extremely high, as it is in any Church organisation.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

ACHIEVEMENTS AND PERFORMANCE

- Circuits are looking at plans to enable the best use of resources to further their mission.
- The year's available funds to various projects have been allocated by the District Leadership Team.
- Safeguarding initiatives and training are well advanced in planning and implementation.
- During the year funding was awarded which enabled the District to employ a Net Zero Officer. This role is vital in helping the District to move forward with its commitment to becoming a Net Zero Carbon District by at least 2040 and much work has been done and a lot achieved, although it is recognised that there remains a lot more to do.

Given the ongoing challenges as churches feel the long-term impact of the pandemic, the Trustees are content with this year's achievements in relation to their objectives. Almost all applications for grants have received funding and safeguarding is now running to plan in the District. There continues to be some closures of churches around the District, but overall there is viability and strength in many parts of the District.

Ecumenical working is still below our hopes and ambitions, but the Trustees remain hopeful of making further progress in this area.

The "Kairos Circuit" continues seeking to offer people an opportunity to discover and grow in faith in new ways.

Much work has been done in envisaging how governance and trusteeship responsibilities can be managed in new ways so as to lift burdens from church members. This has led to the formation of a new "Bridge Circuit" being the merging of four Circuits operating with a Modified Constitution and benefitting from the appointment of an Operations Manager.

CHALLENGES FOR THE FUTURE

As noted above impact of the Covid pandemic continues to be significant as we look to the future. Reserves continue to be widely used in supporting churches. On the other hand, there have been great strides made in developing online ministry and mission. The District continues to encourage further work in this area, not least through the employment of a Digital Communications Enabler.

Overall, despite some churches experiencing growth, there is a continuing decline in numbers attending and belonging to the church, and that concern is deepened with the recognition of an ageing demographic. The District continues to offer as much help as possible to support circuits and is keen to explore the imaginative work underway through the New Places for New People connexional initiative. It is also committed to ensure that governance structures are able to encourage and support new work, rather than hinder it.

The District is sustaining its priority of responding to the Climate Emergency. Considerable work continues to be undertaken in helping churches respond to the District's commitment to become a Net Zero Carbon District by at least 2040.

All that said, it is with confidence that we approach these challenges and a trust that with prayer we will fulfil the purposes which God has in mind for us. We believe that the District is as well-equipped as possible to both encompass change and respond to new ideas.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, our responsibility as Trustees requires us to follow best practice and:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity at any time and which enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of the charity and for their proper application, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the District Leadership Team on behalf of the Trustees on 18 June 2024 and signed on their behalf by:

Malcolm Lucas
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

I report to the Trustees on my examination of the financial statements of the Yorkshire North and East District of the Methodist Church ("the Charity") for the year ended 31 August 2023.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 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.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants 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 Charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Sarah Wearing FCA, DChA
HPH, Chartered Accountants, 54 Bootham, York, YO30 7XZ

18 June 2024

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

		Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
	Notes				
Income and endowments from:					
Donations and grants	2a	147,788	405,059	552,847	532,563
Charitable activities	2b	-	20,212	20,212	16,894
Other activities	2c	74,117	293,555	367,672	235,320
Investments - interest receivable		1,716	42,096	43,812	5,359
Total income		223,621	760,922	984,543	790,136
Expenditure on:					
Raising funds	4	51,144	42,874	94,018	60,525
Charitable activities	5	205,486	626,107	831,593	739,343
Total		256,630	668,981	925,611	799,868
Net (expenditure)/income		(33,009)	91,941	58,932	(9,732)
Transfers between funds		-	-	-	-
Net movement in funds		(33,009)	91,941	58,932	(9,732)
Reconciliation of funds:					
Total funds brought forward at 1 September 2022		685,699	1,446,947	2,132,646	2,142,378
Total funds carried forward at 31 August 2023		£ 652,690	£ 1,538,888	£ 2,191,578	£ 2,132,646

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

BALANCE SHEET AS AT 31 AUGUST 2023

				Total	
	Notes	Unrestricted Funds	Restricted Funds	2023 £	2022 £
Fixed assets:					
Tangible assets	8	589,234	250,275	839,509	843,654
<i>Total fixed assets</i>		<u>589,234</u>	<u>250,275</u>	<u>839,509</u>	<u>843,654</u>
Current assets:					
Debtors	9	12,950	-	12,950	3,025
Cash at Bank and in hand		66,473	1,292,733	1,359,206	1,304,749
<i>Total current assets</i>		<u>79,423</u>	<u>1,292,733</u>	<u>1,372,156</u>	<u>1,307,774</u>
Liabilities:					
Creditors: Amounts falling due within one year	10	15,967	4,120	20,087	18,782
<i>Net current assets</i>		<u>63,456</u>	<u>1,288,613</u>	<u>1,352,069</u>	<u>1,288,992</u>
Total net assets		£ 652,690	£ 1,538,888	£ 2,191,578	£ 2,132,646
The funds of the charity:					
Unrestricted - General fund	14	652,690	-	652,690	685,699
Restricted - Other funds	13	-	1,538,888	1,538,888	1,446,947
<i>Total charity funds</i>		<u>£ 652,690</u>	<u>£ 1,538,888</u>	<u>£ 2,191,578</u>	<u>£ 2,132,646</u>

The financial statements were approved by the Trustees on 18 June 2024 and signed on its behalf by:

Malcolm Lucas
Trustee

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	12	54,457	(3,158)
Change in cash and cash equivalents in the reporting period		54,457	(3,158)
Cash and cash equivalents at the beginning of the reporting period		1,304,749	1,307,907
Cash and cash equivalents at the end of the reporting period		£ 1,359,206	£ 1,304,749

The notes on pages 14 to 23 form part of these financial statements

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the relevant version of the 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The registered address is: 28 The Green, Acomb, York, YO26 5LR.

(b) Going concern

The Charity has cash resources and has no requirement for external funding. The coronavirus pandemic has had little effect on the District's finances and it is expected that this will continue to be the case. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

(c) Income recognition

Received from Circuits

Income received from Circuits has been accounted for on the accruals basis.

Circuits contribute funds to the District each quarter, to fund the activities of the Church.

Grants, District development enabler and donations

This income is accounted for on an accruals basis.

Interest received and other income

This income is accounted for on an accruals basis.

Circuit assessment income and expenditure is not included in the District accounts. The District is only used to transfer the resources from the Circuits to the Methodist Church and therefore has no entitlement to the income.

(d) Expenditure recognition and irrecoverable VAT

Cost of generating funds

Cost of generating voluntary income

These represent the costs of the manse and the Chair's travel, administration and secretarial expenses.

Cost of charitable activities

The District's connexion assessment and District Travel Fund payments, and other costs of charitable activities are shown here.

Grants to institutions

Grants are payments made to third parties in the furtherance of the charitable objectives of the Church.

Governance costs

Governance costs include independent examiner's fees and bank charges.

The Charity is not registered for VAT. Irrecoverable VAT is included with the item of expense to which it relates.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies - continued

(e) Fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt. Where cost is not available, a reasonable estimate of cost or of the buildings current value to the District is used. Where an estimate based on insurance value is used this takes account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation. A professional valuation is not required, but if available, that figure is used. Provision is made for depreciation where appropriate, as follows:

Furniture and fittings	15% reducing balance per annum
Hull International House - Furniture and equipment	over 10 years straight line
Website development	over 3 years straight line

(f) Investments

Fixed asset investments are included at market value on the balance sheet date. Any gain or loss on investment is taken to the SOFA.

(g) Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

(h) Fund accounting

The funds held constitute: General Funds held for any purpose of the District which are Unrestricted, Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose, the aim and use of each designated fund is set out in the notes to the financial statements, Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in notes 13 and 14 to these accounts. Any funds may be held in ways other than in cash.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

The Church only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and any short term deposit accounts with a maturity of three months or less from the date of opening.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2023

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2023</i> £	<i>2022</i> £
2a. Donations and grants				
Received from Circuits	116,788	-	116,788	120,899
Grants	31,000	405,059	436,059	411,664
	<u>£ 147,788</u>	<u>£ 405,059</u>	<u>£ 552,847</u>	<u>£ 532,563</u>

In 2022 the amount of donations and grants which related to restricted funds was £353,664.

2b. Charitable activities

York International House Rents	-	20,212	20,212	16,894
	<u>£ -</u>	<u>£ 20,212</u>	<u>£ 20,212</u>	<u>£ 16,894</u>

In 2022 the amount of income from charitable activities which related to restricted funds was £16,894.

2c. Other activities

Hull International House Income	-	171,516	171,516	118,306
Miscellaneous Other Income	74,117	122,039	196,156	117,014
	<u>£ 74,117</u>	<u>£ 293,555</u>	<u>£ 367,672</u>	<u>£ 235,320</u>

In 2022 the amount of income from other activities which related to restricted funds was £127,122.

3. Funds received as agent

	Balance held at beginning of year £	Amount received £	Amount paid out £	Balance held at end of year £
Name of party:				
Methodist Church Fund	-	558,480	(558,480)	-
JPIT Yorkshire	4,028	-	-	4,028
Racing Chaplaincy	761	-	-	761
Envoy	2,688	-	(175)	2,513
Kairos Fund	-	30,064	(30,064)	-
Total	<u>£ 7,477</u>	<u>£ 588,544</u>	<u>£ (588,719)</u>	<u>£ 7,302</u>

In 2022 the amount received and paid out as agent was £576,293 and £576,468 respectively.

4. Expenditure on raising funds

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2023</i> £	<i>2022</i> £
Manse costs	17,130	-	17,130	5,191
Expenditure on other District property	751	38,621	39,372	26,546
<i>Chair's travel and secretarial costs</i>				
Travel	7,919	-	7,919	3,334
Secretarial	12,000	-	12,000	12,000
	<u>19,919</u>	<u>-</u>	<u>19,919</u>	<u>15,334</u>
Employees' and volunteers' travel	12,472	980	13,452	9,309
<i>Depreciation</i>				
Furniture and fittings	872	3,273	4,145	4,145
Total	<u>£ 51,144</u>	<u>£ 42,874</u>	<u>£ 94,018</u>	<u>£ 60,525</u>

In 2022, the expenditure on raising funds which related to restricted funds was £30,710.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Expenditure on charitable activities

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2023</i> £	<i>2022</i> £
Synod, committees and administration	16,182	3,413	19,595	26,528
Salaries and associated costs	70,969	91,583	162,552	198,110
Grants and donations	9,062	317,799	326,861	213,154
Other expenses	78,230	213,312	291,542	257,732
Training, appraisal and development	8,778	-	8,778	10,151
	183,221	626,107	809,328	705,675
<i>Work of the District</i>				
Safeguarding officer	19,745	-	19,745	31,148
<i>Governance costs</i>				
Independent examiner's fees	2,520	-	2,520	2,520
Total	£ 205,486	£ 626,107	£ 831,593	£ 739,343

In 2022, the amount of expenditure on charitable activities which related to restricted funds was £487,257.

Grants to institutions

Grants made to institutions from the District Advance Fund (a restricted fund) included the following grants, in line with the charity's aims.

		£
<i>Ministry grants</i>		
Yorkshire North & East District	- Digital Communications Enabler	31,600
	- Circuit Support Team	50,000
	- Youth work	12,500
	- Wellbeing	11,000
	- NPNP costs	6,732
	- "Flourish" weekend	20,500
	- Salary support	4,500
The Bridge Circuit	- Establishment support	6,540
Mosaic Church, Hull	- Leadership support	12,000
Princes Avenue, Hull	- Persian Ministry support	15,333
Willerby, Hull	- Pastor for older persons	3,640
		£ 174,345
<i>Property grants</i>		
Nafferton Methodist Church	- Refurbishment	50,000
Acomb Methodist Church	- Garden Room	4,695
Killinghall Methodist Church	- Refurbishment	25,000
Sewerby Methodist Church	- Net zero project	25,000
Wesley Centre, Malton	- Refurbishment	50,000
		£ 154,695
<i>Seed Funding grants (10 grants)</i>		£ 6,032
<i>Warm Space grants (17 grants)</i>		£ 8,250
<i>Other grants</i>		
Homelessness and housing research project		£ 2,000
	Total Grants Paid	£ 345,322

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

	2023 £	2022 £
6. Net income before investment gains/(losses)		
This is stated after charging:		
Depreciation	4,145	4,145
Statutory accounts preparation	1,260	1,260
Independent examiner's fee for reporting on the accounts	1,260	1,260
	<u> </u>	<u> </u>

Depreciation of £872 relates to unrestricted funds (2022: £872), £3,273 relates to restricted funds (2022: £3,273).

7. Staff costs

Staff working for the Yorkshire North and East District of the Methodist Church are employed by the Yorkshire North and East District.

Gross salaries	223,097	228,283
Employer's national insurance	13,351	15,557
Employer's pension contributions	8,568	11,282
	<u> </u>	<u> </u>
	<u>£ 245,016</u>	<u>£ 255,122</u>

No employees earned more than £60,000 during the year.

The average monthly head count was 10 (2022: 11).

The key management personnel of the charity comprise of the trustees and the District executives. The total employee benefits of the key management personnel were £20,557 (2022: £25,598).

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Tangible Fixed Assets

	Freehold property £	Furnitures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 September 2022	827,351	63,275	890,626
Additions in year	-	-	-
At 31 August 2023	827,351	63,275	890,626
<i>Depreciation</i>			
At 1 September 2022	-	46,972	46,972
Charge for year	-	4,145	4,145
At 31 August 2023	-	51,117	51,117
<i>Net book value</i>			
At 31 August 2023	£ 827,351	£ 12,158	£ 839,509
At 31 August 2022	£ 827,351	£ 16,303	£ 843,654

Assets with a net book value of £247,002 (2022: £250,275) relate to restricted funds.

9. Debtors

	<i>Unrestricted</i> £	<i>Restricted</i> £	2023 £	2022 £
Trade debtors	6,641	-	6,641	694
Sundry debtors and prepayments	6,309	-	6,309	2,331
	£ 12,950	£ -	£ 12,950	£ 3,025

In 2022, none of the debtors related to restricted funds.

10. Creditors: amounts falling due within one year

	<i>Unrestricted</i> £	<i>Restricted</i> £	2023 £	2022 £
Accruals and deferred income	2,520	4,120	6,640	5,160
Other creditors	6,145	-	6,145	6,145
Amounts held as agents	7,302	-	7,302	7,477
	£ 15,967	£ 4,120	£ 20,087	£ 18,782

In 2022, creditors of £2,640 related to restricted funds.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Related Party transactions

Funds of £558,480 were received from the circuits on behalf of the Central Methodist Fund during the reporting period of which £558,480 was paid over to the Central Methodist Fund.

During the year out of pocket expenses relating to travel of £4,105 (2022: £3,922) were paid on behalf of five (2022: five) trustees.

One trustee received remuneration during the year for her role within the District: Naomi Prince as District Administrator and PA to the Chair. The total amount paid to her, including pension contributions of £1,007, totalled £20,557 (2022: £25,598). The remuneration is arrived at by consideration of similar positions in other parts of the Methodist Church and is allowable under the constitution. The husband of trustee Emma Crippen received £32,127 during the year as Digital Communications Enabler. No trustee (2022: None) received any remuneration in respect of their trusteeship role.

There were no other related party transactions.

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
Net income/(expenditure) for the reporting period	58,932	(9,732)
<i>Adjustments for:</i>		
Depreciation charges	4,145	4,145
(Increase)/decrease in debtors	(9,925)	2,104
Increase in creditors	1,305	325
Net cash provided by/(used in) operating activities	£ 54,457	£ (3,158)
 ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,359,206	1,304,749
Total cash and cash equivalents	£ 1,359,206	£ 1,304,749

Cash and cash equivalents amounting to £1,292,733 (2022: £1,199,312) related to restricted funds.

ANALYSIS OF CHANGES IN NET DEBT	At 1 Sept 22 £	Cash-flows £	At 31 Aug 23 £
Cash	1,304,749	54,457	1,359,206

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

13. Restricted Funds

	Kairos Fund £	Chair's Benevolent Fund £	District Advance Fund £	York International House £	Hull International House £	York City Centre Proceeds £	Hull City Centre Proceeds £	Energy for Tomorrow £	Total £
<i>Current year</i>									
Balance at 1 September 2022	-	9,403	891,598	199,517	93,339	100,631	152,459	-	1,446,947
Income	-	1,647	440,073	21,115	171,516	2,816	4,266	119,489	760,922
Expenditure	-	(3,355)	(347,862)	(22,366)	(169,471)	(20,187)	-	(105,740)	(668,981)
Net income/(expenditure)	-	(1,708)	92,211	(1,251)	2,045	(17,371)	4,266	13,749	91,941
Transfers between funds	-	-	-	-	-	-	-	-	-
Balance at 31 August 2023	£ -	£ 7,695	£ 983,809	£ 198,266	£ 95,384	£ 83,260	£ 156,725	£ 13,749	£ 1,538,888
<i>Comparative year</i>									
Balance at 1 September 2021	39,885	2,560	759,191	197,586	140,973	154,800	167,245	-	1,462,240
Income	28,000	8,623	330,240	17,087	118,312	198	214	-	502,674
Expenditure	(67,885)	(1,780)	(197,833)	(15,156)	(165,946)	(54,367)	(15,000)	-	(517,967)
Net income/(expenditure)	(39,885)	6,843	132,407	1,931	(47,634)	(54,169)	(14,786)	-	(15,293)
Transfers between funds	-	-	-	-	-	-	-	-	-
Balance at 31 August 2022	£ -	£ 9,403	£ 891,598	£ 199,517	£ 93,339	£ 100,631	£ 152,459	£ -	£ 1,446,947

Kairos Fund (formerly Pioneer Nursery Fund)

This fund supports a new single church/circuit for those interested in pioneering new forms of church and is funded by a connexional grant.

Chair's Benevolent Fund

This fund makes small grants to ministers and lay people in need, at the discretion of the chair.

District Advance Fund

This fund makes grants towards projects advancing the mission of the Church, both for people and property.

York International House

This fund provides (primarily) student accommodation in a property owned by the District. Surpluses in the fund are used to fund University chaplaincy work in York.

Hull International House

Hull International House is a property in Hull which offers accommodation for students and those on low incomes with the aim of promoting a community spirit generated by residents and staff.

York City Centre Proceeds

This fund comprises the sale proceeds of former property in York city centre. The fund is available for mission purposes in York city centre and is currently being used to fund the work of a deacon.

Hull City Centre Proceeds

This fund comprises the sale of Hull Central Hall and other property. The fund is available for mission purposes in Hull city centre and is currently funding work at Selby Street Mission in Hull.

Energy for Tomorrow

This fund is for administering a grant paid to the District for the purpose of installing solar, battery and EV solutions to a number of churches in the Yorkshire North and East Methodist District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

14. Unrestricted Funds - General Account

	General Account	
<i>Current year</i>	£	£
Balance at 1 September 2021		685,699
Income	223,621	
Expenditure	(256,630)	
Net income/(expenditure)		(33,009)
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2022		£ 652,690
<i>Comparative year</i>	£	£
Balance at 1 September 2020		680,138
Income	287,462	
Expenditure	(281,901)	
Net income/(expenditure)		5,561
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2021		£ 685,699

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2022 £
Income and endowments from:			
Donations and grants	178,899	353,664	532,563
Charitable activities	-	16,894	16,894
Other trading activities	108,198	127,122	235,320
Investments	365	4,994	5,359
Total	<u>287,462</u>	<u>502,674</u>	<u>790,136</u>
Expenditure on:			
Raising funds	29,815	30,710	60,525
Charitable activities	252,086	487,257	739,343
Total	<u>281,901</u>	<u>517,967</u>	<u>799,868</u>
Net income/(expenditure)	5,561	(15,293)	(9,732)
Transfers between funds	-	-	-
Net movement in funds	5,561	(15,293)	(9,732)
Reconciliation of funds:			
Total funds brought forward at 1 September 2021	680,138	1,462,240	2,142,378
Total funds carried forward at 31 August 2022	<u><u>£ 685,699</u></u>	<u><u>£ 1,446,947</u></u>	<u><u>£ 2,132,646</u></u>

Accounts

YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
(registered as a charity - registration number 1136133)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees of the Yorkshire North and East District of the Methodist Church submit their annual report and the financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the 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) and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name: Yorkshire North and East District of the Methodist Church

Charity Number: 1136133

Address of Office: The District Office, 28 The Green, Acomb, York, YO26 5LR
01904 783 013
www.yorkshirenemethodist.org

Trustees who served during the year and up to the date of this report were as follows:

Revd Leslie Newton (Chair)
Mrs Emma Crippen (Representative Synod Secretary)
Mr Alister McClure (Methodist Council representative)
Mr Andrew Brown (Property Secretary)
Mr Malcolm Lucas (Treasurer)
Revd Nicholas Bentley (Grants Officer)
Mrs Beverley Duffy (Lay stationing representative)
Miss Naomi Prince (Young person's representative)
Ms Siân Henderson (Administrative Officer) (resigned 31 August 2022)
Revd Neville Simpson (Superintendents' representative and Deputy Chair)
Bridget Bennett (Safeguarding representative)

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

REFERENCE AND ADMINISTRATIVE INFORMATION – CONTINUED

Names and addresses of advisers:

Bank:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment managers and custodian trustees:	Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
Independent Examiner:	Sarah B Wearing HPH, Chartered Accountants 54 Bootham York YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and administrative information

The governing body of the District is the Methodist Church and the governing body of the Methodist Church is the Conference. The District's governing documents are the Deed of Union 1932 and The Methodist Church Act 1976 which give the authority under which the Methodist Church acts. The constitutional practice and discipline of the Methodist Church governs the activities of the District.

The District is a Registered Charity number 1136133.

Trustees

The Trustees who have served during the year are set out on page one. All members of the District Policy Consultation were formerly appointed annually as Trustees by the Representative Synod. With effect from 1 September 2021, the members of the District Leadership Team are now appointed annually as Trustees by the Representative Synod.

The principal address of the District's Independent Examiner and Bankers are listed on page two.

The Trustees under the direction of the District Treasurer are responsible for the detailed examination of the financial statements and for presenting them to Synod.

Trustees are given a short period of training prior to their first meeting at which they are made aware of their responsibilities.

Decisions within the Methodist Church are reached in accordance with the rules and regulations set out in the document entitled 'Constitutional Practice and Discipline of the Methodist Church' and under the direction of the Methodist Conference. It is in accordance with these regulations that decisions are reached by the Synod, District Trustees, and other related committees within the District. Delegated authority is administered in the same way.

In their decision-making, trustees keep in mind ecumenical relationships and also opportunities for collaboration at regional level, seeking to establish a common pattern of working, whenever possible.

Pay and remuneration for key management personnel

The Chair of the District chairs the District Leadership Team (DLT). The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The levels of payment are agreed annually by the Methodist Conference. District employees are paid at an agreed level in line with Methodist guidance for the levels of expertise and experience. The Methodist Church has a policy of paying at or above the real living wage and pay levels are increased in line with the incremental rise of the real living wage. No other key management personnel are paid for their services except for the reimbursement of out of pocket expenses.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT – CONTINUED

Risk Assessment

The Trustees have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to monitor these risks. These are reviewed by the District Leadership Team.

- a. With regards to issues of Safeguarding, the District employs a Safeguarding Officer who has professional expertise in this matter and there is a well-resourced District Safeguarding Group. A considerable amount of time and effort is placed in the training and resourcing of personnel both within the District and in support of circuits and local churches.
- b. Inability to obtain assessments from Circuits. Although this District would not be liable for any shortfall in the assessment paid by any Circuit within the District to the Methodist Church Fund (the Connexion), the District may, nonetheless, feel the need to make up any shortfall. This risk has increased considerably due to the continuing impact of the Covid-19 pandemic. Local churches and circuits are needing to draw on their reserves as income from congregational giving and letting income has generally reduced. However, overall, churches and circuits continue to demonstrate considerable resilience in the face of these hard times. The District will continue to closely monitor the position in all the Circuits.
- c. Inability to attract trustees with adequate skills. The District is heavily dependent on the skills of volunteers, especially those who are trustees. At present, this risk is deemed low.

FINANCIAL REVIEW

The District Accounts includes:

- (a) The General Account which is the main operating account through which the expenditure and revenue for both operational and strategic purposes are handled. During the year the District received total income of £790,136 (2021: £678,747) and dispersed £799,868 (2021: £572,931). The overall deficit for the year was £9,732 (2021: surplus of £105,816), which was in line with expectations. The risks of operating the finances of the District are judged to be minimal. All Circuit payments which contribute to the operating account were made on time in line with the payment levels which were agreed by the Circuit meetings, DPC and District synod. Any Circuits which have difficulty in meeting their District obligations are encouraged to contact the District.

The continuing impact of the Covid pandemic was the only significant event during the year which affected the finances within the District, and as noted above, this has not had a significant impact on the District finances.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a temporary shortfall in anticipated income.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

FINANCIAL REVIEW - CONTINUED

- (b) The District continues to hold the three freehold properties being the Chair's Manse in York, Hull International House and a property purchased several years ago with proceeds from the disposal of York International House. The District also invested proceeds from York International House in creating flats on the first floor of a church within the York Circuit. This church is in the process of being disposed, with a consequential loss of rental income from these flats. The income from these properties supports the work of the Methodist Chaplain to the University of York. As a result of the reduced income the work of the Methodist Chaplain has been significantly reduced from 1st September 2022.

Over the last year, the trustees have given a significant amount of attention to the operation of Hull International House, seeking to ensure that the House is able to operate safely and effectively. The DLT remains committed to seeing the House play its part in fulfilling the mission of the District and work is continuing to ensure that a secure and stable position can be established.

The District has the following principal sources of funds:

- Assessments on Circuits within the District
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Interest on investments

These sums are used to administer the District and to provide grants to Circuits, Churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District.

- (c) The District Advance Fund which deals with the allocation of funding received from the Connexion for the provision of grants for the development of mission and ministry projects and property schemes generated by local Circuits and other organisations.

Reserves

It is the policy of the charity to hold reserves to provide working capital for its continued operation. At the year end total reserves were £2,132,646 (2021: £2,142,378), of which £685,699 (2021: £680,138) were unrestricted funds and £1,446,947 (2021: £1,462,240) were restricted funds. The level of free unrestricted reserves (i.e. total unrestricted funds excluding the value of tangible fixed assets) is determined at around 6 months of expenditure needs for continued operation. It is considered inappropriate that the District maintains reserves in excess of this when the funds can be used for the work of the organisation. At 31 August 2022 the level of free unrestricted reserves amounted to £92,320 which was short of target, representing around 4 months of expenditure.

Funds held on behalf of others

The Chair's Benevolent Fund is used to assist ministers and others in difficulty.

Funds held on behalf of others – Agency Transactions

Funds are held on behalf of the Joint Public Issues Team for Yorkshire, Racing Chaplaincy and Envoy.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

PUBLIC BENEFIT STATEMENT

The Trustees wish to confirm that they have complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit in exercising their powers and duties. They have done so via a detailed system of checks and balances involving regular feedback to Synod and through ensuring that actions taken, and decisions made are always in accordance with the Constitutional Practice and Discipline of the Methodist Church.

OBJECTIVES AND AIMS

Nature and Purposes

The primary purpose for which the Yorkshire North and East District is constituted is 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. 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.

The District has responsibility for the evaluation of applications by Local Churches and Circuits for approval of, or consent to, their proposals, when required, or for assistance from district or connexional bodies or funds. Wherever possible the work of the District is carried out ecumenically. The District is thus an expression, over a wider geographical area than the Circuit, of the connexional nature of the Church.

Objectives

During the year the District continued to develop work around its priorities.

The work of Safeguarding remains a priority with ongoing training of all who are involved in work with young people and vulnerable adults. The District is committed to recognising the place of Safeguarding at the heart of mission at every level.

The implementation of the Property Consents process is working well.

The awarding of Grants through the District Advance Fund continues to work well.

Yearly Objectives

- To support the activities of all the Circuits in the District, with the aim of encouraging the growth of flourishing missional communities.
- To focus on pursuing the key priorities of 1) Growing Lay Leadership, 2) Reimagining Worship, 3) Developing 'Our Voice' 4) Remodelling Governance.
- To utilise the funds made available to the District from the Connexion in order to further the mission of the circuits and local churches.
- To continue to develop appropriate models of leadership, governance and management within the District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

OBJECTIVES AND AIMS - CONTINUED

- To further encourage the implementation of the Connexion's practice of Pastoral Supervision.
- To maximise the benefits of the strong relationship between the Learning Network and the District.

Long Term Objectives

- To develop the working of Connexion and District.
- To increase the involvement of lay ministry in the life of the Church.
- To develop new expressions of church community, through engagement with the connexional aim of developing 'New Places for New People.'
- To continue work towards achieving the District's aim of being Net Zero by at least 2040.
- To facilitate the development and support of ordained ministry by presenting more opportunities for personal development alongside Pastoral Supervision.
- To further develop the opportunities for both ecumenical working and working at regional level.
- To further develop leadership, governance and management within the District.
- To ensure the best use of financial resources as their location within the District bodies changes.
- To give continuing careful consideration to succession planning.

Strategies for achieving the objectives

The District Leadership Team meets regularly through the year and oversees all aspects of the District's life, creating opportunities for new ideas to be discussed and debated. Interaction, particularly between the Chair with Connexional bodies ensures that there is considerable contact with national policies and decision making and that those bodies also hear of local views and concerns. This has further been enhanced with advocacy to the Strategies and Resources Committee and the Methodist Council. Communication from Synod and Conference is widely circulated, and the Leadership Team is seeking to further improve the effectiveness of communication within the District.

We believe we have strong financial controls in position.

Grant making policy

The DLT oversees the awarding of grants for the development of Mission and Ministry Projects and for Property Schemes generated by the local churches, circuits and other organisations. A sub-committee is empowered to award seed funding grants up to a maximum of £1,000 each to encourage churches and circuits to try "new things to reach new people". It is the policy and approach of the District to review requests on a case by case basis taking into consideration the funds available for disbursement, the particular mission and funding needs of each applicant and the overall spread of mission needs across the District.

Extent of the use of volunteers in achieving aims

Volunteers are involved in all aspects of the work of the District from personnel and administration to representational roles as well as providing the income with which the Charity operates. The level of dependence on voluntary workers within the District is extremely high, as it is in any Church organisation.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

ACHIEVEMENTS AND PERFORMANCE

- Circuits are looking at plans to enable the best use of resources to further their mission.
- The year's available funds to various projects have been allocated by the District Leadership Team.
- Safeguarding initiatives and training are well advanced in planning and implementation.
- During the year external funding was awarded which enabled the District to employ a Wellbeing Officer. This role is primarily focussed around supporting lay employees within the District, but also contributes to helping the District create a good culture of wellbeing.

Given the ongoing challenges as churches feel the long-term impact of the pandemic, the Trustees are content with this year's achievements in relation to their objectives. Almost all applications for grants have received funding and safeguarding is now running to plan in the District. There continues to be some closures of churches around the District, but overall there is viability and strength in many parts of the District.

Ecumenical working is still below our hopes and ambitions, but the Trustees remain hopeful of making further progress in this area. There have been some positive and encouraging conversations with the Diocese of Leeds, through Ripon Cathedral, exploring rural mission and ministry. Also, a shared appointment between the Church of England and the Methodist Church is looking likely to come to pass in Ryedale.

A new Circuit, the "Kairos Circuit" was formed on the 1st September 2021. It seeks to offer people an opportunity to discover and grow in faith in new ways.

CHALLENGES FOR THE FUTURE

As noted above the Covid pandemic has presented challenges as we look to the future. Reserves continue to be widely used in supporting churches. On the other hand, there have been great strides made in developing online ministry and mission. The District continues to encourage further work in this area, not least through the employment of a Digital Communications Enabler.

Overall, despite some churches experiencing growth, there is a continuing decline in numbers attending and belonging to the church, and that concern is deepened with the recognition of an ageing demographic. The District continues to offer as much help as possible to support circuits and is keen to explore the imaginative work underway through the New Places for New People connexional initiative. It is also committed to ensure that governance structures are able to encourage and support new work, rather than hinder it.

The District is sustaining its priority of responding to the Climate Emergency. Considerable work continues to be undertaken in helping churches respond to the District's commitment to become a Net Zero Carbon District by at least 2040.

All that said, it is with confidence that we approach these challenges and a trust that with prayer we will fulfil the purposes which God has in mind for us. We believe that the District is as well-equipped as possible to both encompass change and respond to new ideas.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, our responsibility as Trustees requires us to follow best practice and:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity at any time and which enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of the charity and for their proper application, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the District Leadership Team on behalf of the Trustees on 18 May 2023 and signed on their behalf by:

Malcolm Lucas
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

I report to the Trustees on my examination of the financial statements of the Yorkshire North and East District of the Methodist Church ("the Charity") for the year ended 31 August 2022.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 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.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants 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 Charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Sarah Wearing FCA, DChA
HPH, Chartered Accountants, 54 Bootham, York, YO30 7XZ

18 May 2023

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

		Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
	Notes				
Income and endowments from:					
Donations and grants	2a	178,899	353,664	532,563	375,014
Charitable activities	2b	-	16,894	16,894	19,244
Other activities	2c	108,198	127,122	235,320	281,318
Investments - interest receivable		365	4,994	5,359	3,171
Total income		287,462	502,674	790,136	678,747
Expenditure on:					
Raising funds	4	29,815	30,710	60,525	40,957
Charitable activities	5	252,086	487,257	739,343	531,974
Total		281,901	517,967	799,868	572,931
Net income/(expenditure)		5,561	(15,293)	(9,732)	105,816
Transfers between funds		-	-	-	-
Net movement in funds		5,561	(15,293)	(9,732)	105,816
Reconciliation of funds:					
Total funds brought forward at 1 September 2021		680,138	1,462,240	2,142,378	2,036,562
Total funds carried forward at 31 August 2022		£ 685,699	£ 1,446,947	£ 2,132,646	£ 2,142,378

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

BALANCE SHEET AS AT 31 AUGUST 2022

				Total	
	Notes	Unrestricted Funds	Restricted Funds	2022 £	2021 £
Fixed assets:					
Tangible assets	8	593,379	250,275	843,654	847,799
<i>Total fixed assets</i>		<u>593,379</u>	<u>250,275</u>	<u>843,654</u>	<u>847,799</u>
Current assets:					
Debtors	9	3,025	-	3,025	5,129
Cash at Bank and in hand		105,437	1,199,312	1,304,749	1,307,907
<i>Total current assets</i>		<u>108,462</u>	<u>1,199,312</u>	<u>1,307,774</u>	<u>1,313,036</u>
Liabilities:					
Creditors: Amounts falling due within one year	10	16,142	2,640	18,782	18,457
<i>Net current assets</i>		<u>92,320</u>	<u>1,196,672</u>	<u>1,288,992</u>	<u>1,294,579</u>
Total net assets		<u>£ 685,699</u>	<u>£ 1,446,947</u>	<u>£ 2,132,646</u>	<u>£ 2,142,378</u>
The funds of the charity:					
Unrestricted - General fund	14	685,699	-	685,699	680,138
Restricted - Other funds	13	-	1,446,947	1,446,947	1,462,240
<i>Total charity funds</i>		<u>£ 685,699</u>	<u>£ 1,446,947</u>	<u>£ 2,132,646</u>	<u>£ 2,142,378</u>

The financial statements were approved by the Trustees on 18 May 2023 and signed on its behalf by:

Malcolm Lucas
Trustee

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	12	(3,158)	135,630
Change in cash and cash equivalents in the reporting period		(3,158)	135,630
Cash and cash equivalents at the beginning of the reporting period		1,307,907	1,172,277
Cash and cash equivalents at the end of the reporting period		£ 1,304,749	£ 1,307,907

The notes on pages 14 to 23 form part of these financial statements

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the relevant version of the 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The registered address is: 28 The Green, Acomb, York, YO26 5LR.

(b) Going concern

The Charity has cash resources and has no requirement for external funding. The coronavirus pandemic has had little effect on the District's finances and it is expected that this will continue to be the case. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

(c) Income recognition

Received from Circuits

Income received from Circuits has been accounted for on the accruals basis.

Circuits contribute funds to the District each quarter, to fund the activities of the Church.

Grants, District development enabler and donations

This income is accounted for on an accruals basis.

Interest received and other income

This income is accounted for on an accruals basis.

Circuit assessment income and expenditure is not included in the District accounts. The District is only used to transfer the resources from the Circuits to the Methodist Church and therefore has no entitlement to the income.

(d) Expenditure recognition and irrecoverable VAT

Cost of generating funds

Cost of generating voluntary income

These represent the costs of the manse and the Chair's travel, administration and secretarial expenses.

Cost of charitable activities

The District's connexion assessment and District Travel Fund payments, and other costs of charitable activities are shown here.

Grants to institutions

Grants are payments made to third parties in the furtherance of the charitable objectives of the Church.

Governance costs

Governance costs include independent examiner's fees and bank charges.

The Charity is not registered for VAT. Irrecoverable VAT is included with the item of expense to which it relates.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies - continued

(e) Fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt. Where cost is not available, a reasonable estimate of cost or of the buildings current value to the District is used. Where an estimate based on insurance value is used this takes account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation. A professional valuation is not required, but if available, that figure is used. Provision is made for depreciation where appropriate, as follows:

Furniture and fittings	15% reducing balance per annum
Hull International House - Furniture and equipment	over 10 years straight line
Website development	over 3 years straight line

(f) Investments

Fixed asset investments are included at market value on the balance sheet date. Any gain or loss on investment is taken to the SOFA.

(g) Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

(h) Fund accounting

The funds held constitute: General Funds held for any purpose of the District which are Unrestricted, Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose, the aim and use of each designated fund is set out in the notes to the financial statements, Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in notes 13 and 14 to these accounts. Any funds may be held in ways other than in cash.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

The Church only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and any short term deposit accounts with a maturity of three months or less from the date of opening.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2022

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2022</i> £	<i>2021</i> £
2a. Donations and grants				
Received from Circuits	120,899	-	120,899	126,699
Grants	58,000	353,664	411,664	248,315
	<u>£ 178,899</u>	<u>£ 353,664</u>	<u>£ 532,563</u>	<u>£ 375,014</u>

In 2021 the amount of donations and grants which related to restricted funds was £248,315.

2b. Charitable activities

York International House Rents	-	16,894	16,894	19,244
	<u>£ -</u>	<u>£ 16,894</u>	<u>£ 16,894</u>	<u>£ 19,244</u>

In 2021 the amount of income from charitable activities which related to restricted funds was £19,244.

2c. Other activities

Hull International House Income	-	118,306	118,306	132,545
Miscellaneous Other Income	108,198	8,816	117,014	148,773
	<u>£ 108,198</u>	<u>£ 127,122</u>	<u>£ 235,320</u>	<u>£ 281,318</u>

In 2021 the amount of income from other activities which related to restricted funds was £180,086.

3. Funds received as agent

	Balance held at beginning of year £	Amount received £	Amount paid out £	Balance held at end of year £
Name of party:				
Methodist Church Fund	-	576,293	(576,293)	-
JPIT Yorkshire	4,028	-	-	4,028
Racing Chaplaincy	761	-	-	761
Envoy	2,863	-	(175)	2,688
Total	<u>£ 7,652</u>	<u>£ 576,293</u>	<u>£ (576,468)</u>	<u>£ 7,477</u>

In 2021 the amount received and paid out as agent was £584,286 and £581,423 respectively.

4. Expenditure on raising funds

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2022</i> £	<i>2021</i> £
Manse costs	5,191	-	5,191	4,999
Expenditure on other District property	1,396	25,150	26,546	18,662
<i>Chair's travel and secretarial costs</i>				
Travel	3,334	-	3,334	496
Secretarial	12,000	-	12,000	12,000
	<u>15,334</u>	<u>-</u>	<u>15,334</u>	<u>12,496</u>
Employees' and volunteers' travel	7,022	2,287	9,309	655
<i>Depreciation</i>				
Furniture and fittings	872	3,273	4,145	4,145
Total	<u>£ 29,815</u>	<u>£ 30,710</u>	<u>£ 60,525</u>	<u>£ 40,957</u>

In 2021, the expenditure on raising funds which related to restricted funds was £21,838.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Expenditure on charitable activities

	<i>Unrestricted</i>	<i>Restricted</i>	<i>2022</i>	<i>2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Synod, committees and administration	22,330	4,198	26,528	7,421
Salaries and associated costs	122,450	75,660	198,110	185,884
Grants and donations	5,221	207,933	213,154	132,260
Other expenses	58,802	198,930	257,732	164,142
Training, appraisal and development	9,615	536	10,151	5,791
	<u>218,418</u>	<u>487,257</u>	<u>705,675</u>	<u>495,498</u>
<i>Work of the District</i>				
Safeguarding officer	31,148	-	31,148	33,956
<i>Governance costs</i>				
Independent examiner's fees	2,520	-	2,520	2,520
Total	<u>£ 252,086</u>	<u>£ 487,257</u>	<u>£ 739,343</u>	<u>£ 531,974</u>

In 2021, the amount of expenditure on charitable activities which related to restricted funds was £327,006.

Grants to institutions

Grants made to institutions from the District Advance Fund (a restricted fund) included the following grants, in line with the charity's aims.

		<i>£</i>
<i>Ministry grants</i>		
Yorkshire North & East District	- Digital Communications Enabler	30,000
	- Circuit Support Team	22,000
	- Remodelling Governance Project	6,000
Mosaic Church, Hull	- Leadership support	12,000
Clowes Memorial, Hull	- Families and children's worker	2,667
Princes Avenue, Hull	- Persian Ministry support	15,333
Willerby, Hull	- Pastor for older persons	3,640
Driffild-Hornsea Circuit	- Family worker	6,000
York Circuit	- York University Chaplaincy	24,000
Kairos Circuit	- Development support	30,000
		<u>£ 151,640</u>
<i>Property grants</i>		
Wesley Centre, Harrogate	- Refurbishing kitchen and toilets	6,500
Acomb, York	- re Garden Room project	15,305
Bransholme, S. Holderness	- Vandal proof windows	2,000
		<u>£ 23,805</u>
<i>Seed Funding grants</i>		
York Circuit	- "Walk the Talk York" podcast	650
Wesley Chapel, Harrogate	- Christmas shoppers event	200
Queen Street, Scarborough	- Noah's Ark library	500
Wetherby	- Junior Church mobile library	300
Clowes Memorial, Hull	- Youth club resources	500
	- Lego church	500
Hedon	- Digital hub	1,000
Tadcaster Circuit	- Prayer cards	300
Bilton Area, Nidd Valley	- Monday Fun Station	500
Brough, Hull	- Homes for Ukraine project	400
		<u>£ 4,850</u>
<i>Other grants</i>		
Connexional Pension Reserve Fund		£ 15,375
	Total Grants Paid	<u>£ 195,670</u>

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022 £	2021 £
6. Net income before investment gains/(losses)		
This is stated after charging:		
Depreciation	4,145	4,145
Statutory accounts preparation	1,260	1,260
Independent examiner's fee for reporting on the accounts	1,260	1,260
	<u>4,145</u>	<u>1,260</u>

Depreciation of £872 relates to unrestricted funds (2021: £872), £3,273 relates to restricted funds (2021: £3,273).

7. Staff costs

Staff working for the Yorkshire North and East District of the Methodist Church are employed by the Yorkshire North and East District.

Gross salaries	228,283	209,557
Employer's national insurance	15,557	13,755
Employer's pension contributions	11,282	8,342
	<u>£ 255,122</u>	<u>£ 231,654</u>

No employees earned more than £60,000 during the year.

The average monthly head count was 11 (2021: 11).

The key management personnel of the charity comprise of the trustees and the District executives. The total employee benefits of the key management personnel were £25,598 (2021: £36,447).

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Tangible Fixed Assets

	Freehold property £	Furnitures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 September 2021	827,351	63,275	890,626
Additions in year	-	-	-
At 31 August 2022	827,351	63,275	890,626
<i>Depreciation</i>			
At 1 September 2021	-	42,827	42,827
Charge for year	-	4,145	4,145
At 31 August 2022	-	46,972	46,972
<i>Net book value</i>			
At 31 August 2022	£ 827,351	£ 16,303	£ 843,654
At 31 August 2021	£ 827,351	£ 20,448	£ 847,799

Assets with a net book value of £250,275 (2021: £253,548) relate to restricted funds.

9. Debtors

	<i>Unrestricted</i> £	<i>Restricted</i> £	2022 £	2021 £
Trade debtors	694	-	694	2,760
Sundry debtors and prepayments	2,331	-	2,331	2,369
	£ 3,025	£ -	£ 3,025	£ 5,129

In 2021, none of the debtors related to restricted funds.

10. Creditors: amounts falling due within one year

	<i>Unrestricted</i> £	<i>Restricted</i> £	2022 £	2021 £
Accruals and deferred income	2,520	2,640	5,160	4,660
Other creditors	6,145	-	6,145	6,145
Amounts held as agents	7,477	-	7,477	7,652
	£ 16,142	£ 2,640	£ 18,782	£ 18,457

In 2021, creditors of £2,140 related to restricted funds.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Related Party transactions

Funds of £576,293 were received from the circuits on behalf of the Central Methodist Fund during the reporting period of which £576,293 was paid over to the Central Methodist Fund.

During the year out of pocket expenses relating to travel of £3,922 (2021: £545) were paid on behalf of five (2021: two) trustees.

Two trustees received remuneration during the year for their roles within the District: Sian Henderson as District Administrator and PA to the Chair, and Naomi Prince who succeeded her in this role in August 2022. The total amount paid to them, including pension contributions of £1,156, totalled £25,598 (2021: £36,447). The remuneration is arrived at by consideration of similar positions in other parts of the Methodist Church and is allowable under the constitution. The husband of trustee Emma Crippen received £29,328 during the year as Digital Communications Enabler. No trustee (2021: None) received any remuneration in respect of their trusteeship role.

There were no other related party transactions.

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	2022 £	2021 £
Net (expenditure)/income for the reporting period	(9,732)	105,816
<i>Adjustments for:</i>		
Depreciation charges	4,145	4,145
Decrease in debtors	2,104	25,180
Increase in creditors	325	489
Net cash (used in)/provided by operating activities	(£ 3,158)	£ 135,630
 ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,304,749	1,307,907
Total cash and cash equivalents	£ 1,304,749	£ 1,307,907

Cash and cash equivalents amounting to £1,199,312 (2021: £1,208,695) related to restricted funds.

ANALYSIS OF CHANGES IN NET DEBT	At 1 Sept 21 £	Cash-flows £	At 31 Aug 22 £
Cash	1,307,907	(3,158)	1,304,749

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

13. Restricted Funds

	Kairos Fund £	Chair's Benevolent Fund £	District Advance Fund £	York International House £	Hull International House £	York City Centre Proceeds £	Hull City Centre Proceeds £	Total £
<i>Current year</i>								
Balance at 1 September 2021	39,885	2,560	759,191	197,586	140,973	154,800	167,245	1,462,240
Income	28,000	8,623	330,240	17,087	118,312	198	214	502,674
Expenditure	(67,885)	(1,780)	(197,833)	(15,156)	(165,946)	(54,367)	(15,000)	(517,967)
Net income/(expenditure)	(39,885)	6,843	132,407	1,931	(47,634)	(54,169)	(14,786)	(15,293)
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2022	£ -	£ 9,403	£ 891,598	£ 199,517	£ 93,339	£ 100,631	£ 152,459	£ 1,446,947
<i>Comparative year</i>								
Balance at 1 September 2020	29,342	4,494	640,419	215,954	125,544	179,193	165,342	1,360,288
Income	35,000	476	251,012	19,414	132,755	236	11,903	450,796
Expenditure	(24,457)	(2,410)	(132,240)	(37,782)	(117,326)	(24,629)	(10,000)	(348,844)
Net income/(expenditure)	10,543	(1,934)	118,772	(18,368)	15,429	(24,393)	1,903	101,952
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2021	£ 39,885	£ 2,560	£ 759,191	£ 197,586	£ 140,973	£ 154,800	£ 167,245	£ 1,462,240

Kairos Fund (formerly Pioneer Nursery Fund)

This fund supports a new single church/circuit for those interested in pioneering new forms of church and is funded by a connexional grant.

Chair's Benevolent Fund

This fund makes small grants to ministers and lay people in need, at the discretion of the chair.

District Advance Fund

This fund makes grants towards projects advancing the mission of the Church, both for people and property.

York International House

This fund provides (primarily) student accommodation in a property owned by the District. Surpluses in the fund are used to fund University chaplaincy work in York.

Hull International House

Hull International House is a property in Hull which offers accommodation for students and those on low incomes with the aim of promoting a community spirit generated by residents and staff.

York City Centre Proceeds

This fund comprises the sale proceeds of former property in York city centre. The fund is available for mission purposes in York city centre and is currently being used to fund the work of a deacon.

Hull City Centre Proceeds

This fund comprises the sale of Hull Central Hall and other property. The fund is available for mission purposes in Hull city centre and is currently funding work at Selby Street Mission in Hull.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

14. Unrestricted Funds - General Account

	General Account	
<i>Current year</i>	£	£
Balance at 1 September 2021		680,138
Income	287,462	
Expenditure	(281,901)	
Net income/(expenditure)		5,561
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2022		£ 685,699
<i>Comparative year</i>	£	£
Balance at 1 September 2020		676,274
Income	227,951	
Expenditure	(224,087)	
Net income/(expenditure)		3,864
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2021		£ 680,138

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2022**

15. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2021 £
Income and endowments from:			
Donations and grants	126,699	248,315	375,014
Charitable activities	-	19,244	19,244
Other trading activities	101,232	180,086	281,318
Investments	20	3,151	3,171
Total	<u>227,951</u>	<u>450,796</u>	<u>678,747</u>
Expenditure on:			
Raising funds	19,119	21,838	40,957
Charitable activities	204,968	327,006	531,974
Total	<u>224,087</u>	<u>348,844</u>	<u>572,931</u>
Net income	3,864	101,952	105,816
Transfers between funds	-	-	-
Net movement in funds	3,864	101,952	105,816
Reconciliation of funds:			
Total funds brought forward at 1 September 2020	676,274	1,360,288	2,036,562
Total funds carried forward at 31 August 2021	<u><u>£ 680,138</u></u>	<u><u>£ 1,462,240</u></u>	<u><u>£ 2,142,378</u></u>

Accounts

YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
(registered as a charity - registration number 1136133)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees of the Yorkshire North and East District of the Methodist Church submit their annual report and the financial statements for the year ended 31 August 2021

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the 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) and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name: Yorkshire North and East District of the Methodist Church
Charity Number: 1136133
Address of Office: The District Office, 28 The Green, Acomb, York, YO26 5LR
01904 783 013
www.yorkshirenemethodist.org

Trustees who served during the year and up to the date of this report were as follows:

The following people were appointed from 1 September 2020 and served throughout the year:

Lindy Edwards	Alister McClure	Keith Albans
Heather Shipman	Andrew Brown	Stephen Jakeman
Leslie Newton	Ann Fox	Susan Langdale
Peter Cross	Nicholas Bentley	Emma Crippen
Malcolm Lucas	Neville Simpson	Anne Johnson
Peter Barnett	Diane Gaskill	Ann Rigby-Jones
Beverley Duffy	Timothy Duffy	Denise Williamson
Steve Barlow	Nigel Hardwick	
Sian Henderson	Benjamin Clowes	

On 1 September 2021 the above persons stood down as trustees and were replaced as trustees by the members of the District Leadership Team as follows:

Revd Leslie Newton (Chair)
Mrs Emma Crippen (Representative Synod Secretary)
Mr Alister McClure (Methodist Council representative)
Mr Andrew Brown (Property Secretary)
Mr Malcolm Lucas (Treasurer)
Revd Nicholas Bentley (Grants Officer)
Mrs Beverley Duffy (Lay stationing representative)
Miss Naomi Prince (Young person's representative)
Ms Siân Henderson (Administrative Officer)
Revd Neville Simpson (Superintendents' representative and Deputy Chair)

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

REFERENCE AND ADMINISTRATIVE INFORMATION – CONTINUED

On 13 January 2022, Mrs Bridget Bennett (Safeguarding representative) joined the District Leadership Team and was appointed a trustee.

Names and addresses of advisers:

Bank:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment managers and custodian trustees:	Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
Independent Examiner:	Sarah B Wearing HPH, Chartered Accountants 54 Bootham YORK YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and administrative information

The governing body of the District is the Methodist Church and the governing body of the Methodist Church is the Conference. The District's governing documents are the Deed of Union 1932 and The Methodist Church Act 1976 which give the authority under which the Methodist Church acts. The constitutional practice and discipline of the Methodist Church governs the activities of the District.

The District is a Registered Charity number 1136133.

Trustees

The Trustees who have served during the year are set out on page one. All members of the District Policy Consultation were formerly appointed annually as Trustees by the Representative Synod. With effect from 1 September 2021, the members of the District Leadership Team are now appointed annually as Trustees by the Representative Synod.

The principal address of the District's Independent Examiner and Bankers are listed on page two.

The Trustees under the direction of the District Treasurer are responsible for the detailed examination of the financial statements and for presenting them to Synod.

Trustees are given a short period of training prior to their first meeting at which they are made aware of their responsibilities.

Decisions within the Methodist Church are reached in accordance with the rules and regulations set out in the document entitled 'Constitutional Practice and Discipline of the Methodist Church' and under the direction of the Methodist Conference. It is in accordance with these regulations that decisions are reached by the Synod, District Trustees, and other related committees within the District. Delegated authority is administered in the same way.

All decisions reached are examined for their effect on a wider ecumenical network. This is both in accordance with a signed Covenant agreement with the York Diocese, part of the Middlesbrough Diocese, the United Reformed Church, and without formal agreement with those of other denominations. The Trustees are also keen to work at a regional level and decisions which establish a common pattern of working are made, whenever possible.

Pay and remuneration for key management personnel

The Chair of the District chairs the meetings of the District Policy Consultation (DPC) and the District Leadership Team (DLT). The members of the DPC were formerly the trustees of the District until 31 August 2021 when they were replaced as trustees by the members of the DLT. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The levels of payment are agreed annually by the Methodist Conference. District employees are paid at an agreed level in line with Methodist guidance for the levels of expertise and experience. The Methodist Church has a policy of paying at or above the real living wage and pay levels are increased in line with the incremental rise of the real living wage. No other key management personnel are paid for their services except for the reimbursement of out of pocket expenses.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT – CONTINUED

Risk Assessment

The Trustees have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to monitor these risks. These are reviewed by the District Leadership Team.

- a. With regards to issues of Safeguarding, the District employs a Safeguarding Officer who has professional expertise in this matter and there is a well-resourced Safeguarding Committee. A considerable amount of time and effort is placed in the training and resourcing of personnel both within the District and in support of circuits and local churches.
- b. Inability to obtain assessments from Circuits. Although this District would not be liable for any shortfall in the assessment paid by any Circuit within the District to the Methodist Church Fund (the Connexion), the District may, nonetheless, feel the need to make up any shortfall. This risk has increased considerably in the year due to the impact of the Covid-19 pandemic. Local churches are needing to draw on their reserves as income from congregational giving and letting income reduces. However, overall, churches and circuits are demonstrating considerable resilience in the face of these hard times. The District will continue to closely monitor the position in all the Circuits.
- c. Inability to attract trustees with adequate skills. The District is heavily dependent on the skills of volunteers, especially those who are trustees. At present, this risk is deemed low.

FINANCIAL REVIEW

The District Accounts includes:

- (a) The General Account which is the main operating account through which the expenditure and revenue for both operational and strategic purposes are handled. During the year the District received total income of £678,747 (2020: £704,752) and dispersed £572,931 (2020: £606,810). The overall surplus for the year was £105,816 (2020 surplus of £97,942), which was in line with expectations. The risks of operating the finances of the District are judged to be minimal. All Circuit payments which contribute to the operating account were made on time in line with the payment levels which were agreed by the Circuit meetings, DPC and District synod. Any Circuits which have difficulty in meeting their District obligations are encouraged to contact the District.

The Covid pandemic was the only significant event during the year which affected the finances within the District, and as noted above, this has not had a significant impact on the District finances.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a temporary shortfall in anticipated income.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW - CONTINUED

The District continues to hold the three freehold properties being the Chair's Manse in York, Hull International House and a property purchased several years ago with proceeds from the disposal of York International House. The District also invested proceeds from York International House in creating flats on the first floor of a church within the York Circuit. Income from both these properties supports the work of the Methodist Chaplain to the University of York.

The District has the following principal sources of funds:

- Assessments on Circuits within the District
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Interest on investments

These sums are used to administer the District and to provide grants to Circuits, Churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District by bringing more people to Christ or by providing facilities that might enable this to happen.

- (b) The District Advance Fund which deals with the allocation of funding received from the Connexion for the provision of grants for the development of mission and ministry projects and property schemes generated by local Circuits and other organisations.
- (c) The District is also responsible for Hull International House and the properties owned through the investment from York International House proceeds. The operation of Hull International House is managed by a separate management committee. In January 2022 the DLT appointed a contractor to review and update the policies, processes and systems of the House, recognising the need to ensure that the House meets all the requirements and standards expected given the diversity of residents that it accommodates. The York International House properties are managed to ensure the comfort of the tenants and to maximise the funds available to support the University of York Chaplaincy.

Reserves

It is the policy of the charity to hold reserves to provide working capital for its continued operation. At the year end total reserves were £2,142,378 (2020: £2,036,562), of which £680,138 (2020: £676,274) were unrestricted funds and £1,462,240 (2020: £1,360,288) were restricted funds. The level of free unrestricted reserves (i.e. total unrestricted funds excluding the value of tangible fixed assets) is determined at around 6 months of expenditure needs for continued operation. It is considered inappropriate that the District maintains reserves in excess of this when the funds can be used for the work of the organisation. At 31 August 2021 the level of free unrestricted reserves amounted to £89,160 which was short of target, representing around 2 months of expenditure.

Funds held on behalf of others

The Chair's Benevolent Fund is used to assist ministers and others in difficulty.

Funds held on behalf of others – Agency Transactions

Funds are held on behalf of the Joint Public Issues Team for Yorkshire, Racing Chaplaincy and Envoy.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

PUBLIC BENEFIT STATEMENT

The Trustees wish to confirm that they have complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit in exercising their powers and duties. They have done so via a detailed system of checks and balances involving regular feedback to Synod and through ensuring that actions taken, and decisions made are always in accordance with the Constitutional Practice and Discipline of the Methodist Church.

OBJECTIVES AND AIMS

Nature and Purposes

The primary purpose for which the Yorkshire North and East District is constituted is 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. 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.

The District has responsibility for the evaluation of applications by Local Churches and Circuits for approval of, or consent to, their proposals, when required, or for assistance from district or connexional bodies or funds. Wherever possible the work of the District is carried out ecumenically. The District is thus an expression, over a wider geographical area than the Circuit, of the connexional nature of the Church.

Objectives

During the year the District continued to develop work around its priorities. In July 2019 at a meeting of DPC (District Policy Group/Charity Trustees) it was agreed to delegate the powers of DPC to a District Leadership team for a trial period. The DPC of October 2020 agreed that this trial has been effective and the Representative Synod in April 2021 agreed to support the transfer of the District's trusteeship from the DPC to the DLT with effect from 1 September 2021. There has also been continuing work to ensure that the Yorkshire Districts work together effectively.

The work of Safeguarding remains a priority and the membership of the District Safeguarding Group has been strengthened over the last year. Training of all who are involved in work with young people and vulnerable adults remains a priority. The District is committed to recognising the place of Safeguarding at the heart of mission at every level.

The implementation of the Property Consents process is working well.

The awarding of Grants through the District Advance Fund continues to work well.

Yearly Objectives

- To facilitate the activities of all the Circuits in the District, with the aim of encouraging the growth of flourishing missional communities.
- To focus on pursuing the key priorities of 1) Growing Lay Leadership, 2) Reimagining Worship, 3) Developing 'Our Voice' 4) Remodelling Governance.
- To utilise the funds made available to the District from the Connexion in order to further the mission of the circuits and local churches.
- To continue to develop appropriate models of leadership, governance and management within the District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

OBJECTIVES AND AIMS - CONTINUED

- To further encourage the implementation of the Ministerial Development Review and Supervision.
- To maximise the benefits of the strong relationship between the Learning Network and the District.

Long Term Objectives

- To develop the working of Connexion and District
- To increase the involvement of lay ministry in the life of the Church.
- To develop new expressions of church community, through engagement with the connexional aim of developing 'New Places for New People.'
- To facilitate the development of ordained ministry by presenting more opportunities for personal development supported by the introduction of pastoral Supervision.
- To further develop the opportunities for both ecumenical working and working at regional level.
- To further develop leadership, governance and management within the District.
- To ensure the best use of financial resources as their location within the District bodies changes.
- To give increased consideration to succession planning.

Strategies for achieving the objectives

The District Leadership Team meets regularly through the year and oversees all aspects of the District's life, creating opportunities for new ideas to be discussed and debated. Interaction, particularly between the Chair with Connexional bodies ensures that there is considerable contact with national policies and decision making and that those bodies also hear of local views and concerns. This has further been enhanced with advocacy to the Strategies and Resources Committee and the Methodist Council. Communication from Synod and Conference is widely circulated, and the Leadership Team is seeking to further improve the effectiveness of communication within the District.

We believe we have strong financial controls in position.

Grant making policy

Through the appointed District Leadership Team (formerly District Grants Committee), grants are awarded for the development of Mission and Ministry Projects and for Property Schemes generated by the local churches, circuits and other organisations. A sub-committee is empowered to award seed funding grants up to a maximum of £1,000 each to encourage churches and circuits to try "new things to reach new people". It is the policy and approach of the District to review requests on a case by case basis taking into consideration the funds available for disbursement, the particular mission and funding needs of each applicant and the overall spread of mission needs across the District.

Extent of the use of volunteers in achieving aims

Volunteers are involved in all aspects of the work of the District from personnel and administration to representational roles as well as providing the income with which the Charity operates. The level of dependence on voluntary workers within the District is extremely high, as it is in any Church organisation.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

ACHIEVEMENTS AND PERFORMANCE

- Circuits are looking at plans to enable the best use of resources to further their mission
- The year's available funds to various projects have been allocated by the District Leadership Team.
- Safeguarding initiatives and training are well advanced in planning and implementation.

The Trustees are pleased with this year's achievements in relation to their objectives. Almost all applications for grants have received funding and safeguarding is now running to plan in the District. The pandemic has had a significant impact on the church at every level, with a loss of some confidence as well as a reduction in income across the District. It has accelerated the closure of some smaller and more fragile churches. However, the Trustees remain confident that overall there is viability and strength in many parts of the District.

Ecumenical working is still below our hopes and dreams, but the Trustees are hopeful of further progress in this area perhaps especially through new opportunities to partner with the Diocese of Leeds, through Ripon Cathedral, in developing rural mission and ministry,

CHALLENGES FOR THE FUTURE

As noted above the Covid pandemic has presented challenges as we look to the future. Reserves have been widely used in supporting churches through this period, and will take time to re-build. On the other hand, there have been great strides made in developing online ministry and mission. It is likely that there will be a desire to continue with some online presence and this will need to be thought through carefully to ensure that there is a workable hybrid balance.

Overall, despite some churches experiencing growth, there is a sustained decline in numbers attending and belonging to the church, and that concern is deepened with the recognition of an ageing demographic. The District is exploring how it can best support circuits in reversing this trend and is keen to explore the imaginative work underway through the New Places for New People connexional initiative. It is also committed to ensure that governance structures are able to encourage and support new work, rather than hinder it. The District continues to be concerned about the plight of homelessness and research continues to help local churches and circuits respond more effectively.

The District also recognises the Climate Emergency and has invested in work to see how the District can become a Net Zero District. Considerable work has been undertaken in beginning to help churches respond to the Districts commitment to become a Net Zero Carbon District by at least 2040.

All that said, it is with confidence that we will approach these challenges and a trust that with prayer we will fulfil the purposes which God has in mind for us. The District is as well-equipped as possible to both encompass change and respond to new ideas.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, our responsibility as Trustees requires us to follow best practice and:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity at any time and which enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of the charity and for their proper application, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the District Leadership Team on behalf of the Trustees on 19 May 2022 and signed on their behalf by:

Malcolm Lucas

Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

I report to the Trustees on my examination of the financial statements of the Yorkshire North and East District of the Methodist Church ("the Charity") for the year ended 31 August 2021.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 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.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants 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 Charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Sarah Wearing FCA, DChA
HPH, Chartered Accountants, 54 Bootham, York, YO30 7XZ

19 May 2022

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

		Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
	Notes				
Income and endowments from:					
Donations and grants	2a	126,699	248,315	375,014	403,892
Charitable activities	2b	-	19,244	19,244	39,299
Other activities	2c	101,232	180,086	281,318	252,563
Investments - interest receivable		20	3,151	3,171	8,998
Total income		227,951	450,796	678,747	704,752
Expenditure on:					
Raising funds	4	19,119	21,838	40,957	75,804
Charitable activities	5	204,968	327,006	531,974	531,006
Total		224,087	348,844	572,931	606,810
Net income		3,864	101,952	105,816	97,942
Transfers between funds		-	-	-	-
Net movement in funds		3,864	101,952	105,816	97,942
Reconciliation of funds:					
Total funds brought forward at 1 September 2020		676,274	1,360,288	2,036,562	1,938,620
Total funds carried forward at 31 August 2021		£ 680,138	£ 1,462,240	£ 2,142,378	£ 2,036,562

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

BALANCE SHEET AS AT 31 AUGUST 2021

				Total	
	Notes	Unrestricted Funds	Restricted Funds	2021 £	2020 £
Fixed assets:					
Tangible assets	8	590,978	256,821	847,799	851,944
<i>Total fixed assets</i>		<u>590,978</u>	<u>256,821</u>	<u>847,799</u>	<u>851,944</u>
Current assets:					
Debtors	9	5,129	-	5,129	30,309
Cash at Bank and in hand		100,348	1,207,559	1,307,907	1,172,277
<i>Total current assets</i>		<u>105,477</u>	<u>1,207,559</u>	<u>1,313,036</u>	<u>1,202,586</u>
Liabilities:					
Creditors: Amounts falling due within one year	10	16,317	2,140	18,457	17,968
<i>Net current assets</i>		<u>89,160</u>	<u>1,205,419</u>	<u>1,294,579</u>	<u>1,184,618</u>
Total net assets		<u>£ 680,138</u>	<u>£ 1,462,240</u>	<u>£ 2,142,378</u>	<u>£ 2,036,562</u>
The funds of the charity:					
Unrestricted - General fund	14	680,138	-	680,138	676,274
Restricted - Other funds	13	-	1,462,240	1,462,240	1,360,288
<i>Total charity funds</i>		<u>£ 680,138</u>	<u>£ 1,462,240</u>	<u>£ 2,142,378</u>	<u>£ 2,036,562</u>

The financial statements were approved by the Trustees on 19 May 2022 and signed on its behalf by:

Malcolm Lucas
Trustee

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	12	135,630	82,847
Change in cash and cash equivalents in the reporting period		135,630	82,847
Cash and cash equivalents at the beginning of the reporting period		1,172,277	1,089,430
Cash and cash equivalents at the end of the reporting period		£ 1,307,907	£ 1,172,277

The notes on pages 14 to 23 form part of these financial statements

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the relevant version of the 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The registered address is: 28 The Green, Acomb, York, YO26 5LR.

(b) Going concern

The Charity has cash resources and has no requirement for external funding. The coronavirus pandemic has had little effect on the District's finances and it is expected that this will continue to be the case. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

(c) Income recognition

Received from Circuits

Income received from Circuits has been accounted for on the accruals basis.

Circuits contribute funds to the District each quarter, to fund the activities of the Church.

Grants, District development enabler and donations

This income is accounted for on an accruals basis.

Interest received and other income

This income is accounted for on an accruals basis.

Circuit assessment income and expenditure is not included in the District accounts. The District is only used to transfer the resources from the Circuits to the Methodist Church and therefore has no entitlement to the income.

(d) Expenditure recognition and irrecoverable VAT

Cost of generating funds

Cost of generating voluntary income

These represent the costs of the manse and the Chair's travel, administration and secretarial expenses.

Cost of charitable activities

The District's connexion assessment and District Travel Fund payments, and other costs of charitable activities are shown here.

Grants to institutions

Grants are payments made to third parties in the furtherance of the charitable objectives of the Church.

Governance costs

Governance costs include independent examiner's fees and bank charges.

The Charity is not registered for VAT. Irrecoverable VAT is included with the item of expense to which it relates.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies - continued

(e) Fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt. Where cost is not available, a reasonable estimate of cost or of the buildings current value to the District is used. Where an estimate based on insurance value is used this takes account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation. A professional valuation is not required, but if available, that figure is used. Provision is made for depreciation where appropriate, as follows:

Furniture and fittings	15% reducing balance per annum
Hull International House - Furniture and equipment	over 10 years straight line
Website development	over 3 years straight line

(f) Investments

Fixed asset investments are included at market value on the balance sheet date. Any gain or loss on investment is taken to the SOFA.

(g) Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

(h) Fund accounting

The funds held constitute: General Funds held for any purpose of the District which are Unrestricted, Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose, the aim and use of each designated fund is set out in the notes to the financial statements, Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in notes 13 and 14 to these accounts. Any funds may be held in ways other than in cash.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

The Church only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and any short term deposit accounts with a maturity of three months or less from the date of opening.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2021

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £	<i>2020</i> £
2a. Donations and grants				
Received from Circuits	126,699	-	126,699	127,753
Grants	-	248,315	248,315	276,139
	<u>£ 126,699</u>	<u>£ 248,315</u>	<u>£ 375,014</u>	<u>£ 403,892</u>

In 2020 the amount of donations and legacies which related to restricted funds was £234,457.

2b. Charitable activities

York International House Rents	-	19,244	19,244	39,299
	<u>£ -</u>	<u>£ 19,244</u>	<u>£ 19,244</u>	<u>£ 39,299</u>

In 2020 the amount of income from charitable activities which related to restricted funds was £39,299.

2c. Other activities

Hull International House Income	-	132,545	132,545	150,912
Miscellaneous Other Income	101,232	47,541	148,773	101,651
	<u>£ 101,232</u>	<u>£ 180,086</u>	<u>£ 281,318</u>	<u>£ 252,563</u>

In 2020 the amount of income from other activities which related to restricted funds was £178,820.

3. Funds received as agent

	Balance held at beginning of year £	Amount received £	Amount paid out £	Balance held at end of year £
Name of party:				
Methodist Church Fund	-	581,073	(581,073)	-
JPIT Yorkshire	4,028	-	-	4,028
Racing Chaplaincy	761	-	-	761
Envoy	-	3,213	(350)	2,863
Total	<u>£ 4,789</u>	<u>£ 584,286</u>	<u>£ (581,423)</u>	<u>£ 7,652</u>

In 2020 the amount received and paid out as agent was £575,787 and £576,026 respectively.

4. Expenditure on raising funds

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £	<i>2020</i> £
Manse costs	4,999	-	4,999	3,648
Expenditure on other District property	224	18,438	18,662	45,169
<i>Chair's travel and secretarial costs</i>				
Travel	26	-	26	2,659
Secretarial	12,000	-	12,000	12,000
Hospitality, retreat and other expenses	-	-	-	221
	<u>12,026</u>	<u>-</u>	<u>12,026</u>	<u>14,880</u>
Employees' and volunteers' travel	998	127	1,125	7,566
<i>Depreciation</i>				
Furniture and fittings	872	3,273	4,145	4,541
Total	<u>£ 19,119</u>	<u>£ 21,838</u>	<u>£ 40,957</u>	<u>£ 75,804</u>

In 2020, the expenditure on raising funds which related to restricted funds was £48,120.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Expenditure on charitable activities

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £	<i>2020</i> £
Synod, committees and administration	3,325	4,096	7,421	28,825
Salaries and associated costs	98,913	86,971	185,884	170,266
Grants and donations	20	132,240	132,260	123,583
Other expenses	60,458	103,684	164,142	152,926
Training, appraisal and development	5,776	15	5,791	14,022
	168,492	327,006	495,498	489,622
<i>Work of the District</i>				
Safeguarding officer	33,956	-	33,956	38,864
<i>Governance costs</i>				
Independent examiner's fees	2,520	-	2,520	2,520
Total	£ 204,968	£ 327,006	£ 531,974	£ 531,006

In 2020, the amount of expenditure on charitable activities which related to restricted funds was £312,848.

Grants to institutions

Grants made to institutions from the District Advance Fund (a restricted fund) included the following grants for the benefit of people, in line with the charity's aims.

		£
<i>Ministry grants</i>		
Yorkshire North & East District	- Digital Communications Enabler	18,645
	- Circuit Support Team	38,765
	- Homelessness project	2,000
	- Remodelling Governance Project	9,000
Hull (Centre and West) Circuit	- Church leadership (Mosaic)	8,000
	- Family worker (Clowes)	2,667
South Holderness	- Children's and Family Worker (Bransholme)	10,000
Driffeld-Hornsea Circuit	- Additional ministry costs	3,000
	- Family worker (Driffeld)	6,000
		£ 98,077
<i>Property grants</i>		
York Circuit	- Poppleton redevelopment scheme	25,000
Hull (Centre and West) Circuit	- Clowes refurbishment scheme	1,212
		£ 26,212
<i>Seed Funding grants</i>		
Pocklington & Market Weighton Circuit	- Easter gift bags	500
Nidd Valley Circuit	- Pop up Nativity/Easter project	600
York Circuit	- Christmas in a bag (Copmanthorpe)	500
	- Open studio and café project (Southlands)	360
Hull (Centre and West) Circuit	- Christmas hampers for the needy (Trinity)	1,000
Ripon & Lower Dales Circuit	- Make your own Christingle	475
	- Toddlers soft play project	810
Pateley Bridge Circuit	- "Try praying" project	675
Thirsk & Northallerton Circuit	- Art workshop project (St James)	1,000
Tadcaster Circuit	- Coffe pot project (Appleton Roebuck)	250
Hull Hospitals Chaplaincy	- Resources for the bereaved	500
		£ 6,670
	Total Grants Paid	£ 130,959

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
6. Net income before investment gains/(losses)		
This is stated after charging:		
Depreciation	4,145	4,541
Statutory accounts preparation	1,260	1,260
Independent examiner's fee for reporting on the accounts	1,260	1,260
	<u> </u>	<u> </u>

Depreciation of £872 relates to unrestricted funds (2020: £872), £3,273 relates to restricted funds (2020: £3,669).

7. Staff costs

Staff working for the Yorkshire North and East District of the Methodist Church are employed by the Yorkshire North and East District.

Gross salaries	209,557	196,557
Employer's national insurance	13,755	10,214
Employer's pension contributions	8,342	8,310
	<u> </u>	<u> </u>
	<u>£ 231,654</u>	<u>£ 215,081</u>

No employees earned more than £60,000 during the year.

The average monthly head count was 11 (2020: 10).

The key management personnel of the charity comprise of the trustees and the District executives. The total employee benefits of the key management personnel were £36,447 (2020: £30,530).

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Tangible Fixed Assets

	Freehold property £	Furnitures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 September 2020	827,351	63,275	890,626
Additions in year	-	-	-
At 31 August 2021	827,351	63,275	890,626
<i>Depreciation</i>			
At 1 September 2020	-	38,682	38,682
Charge for year	-	4,145	4,145
At 31 August 2021	-	42,827	42,827
<i>Net book value</i>			
At 31 August 2021	£ 827,351	£ 20,448	£ 847,799
At 31 August 2020	£ 827,351	£ 24,593	£ 851,944

Assets with a net book value of £253,548 (2020: £256,821) relate to restricted funds.

9. Debtors

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £	<i>2020</i> £
Trade debtors	2,760	-	2,760	6,580
Sundry debtors and prepayments	2,369	-	2,369	23,729
	£ 5,129	£ -	£ 5,129	£ 30,309

In 2020, £2,034 of the debtors related to restricted funds.

10. Creditors: amounts falling due within one year

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £	<i>2020</i> £
Trade creditors	-	-	-	2,454
Accruals and deferred income	2,520	2,140	4,660	4,580
Other creditors	6,145	-	6,145	6,145
Amounts held as agents	7,652	-	7,652	4,789
	£ 16,317	£ 2,140	£ 18,457	£ 17,968

In 2020, creditors of £4,514 related to restricted funds.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Related Party transactions

Funds of £581,073 were received from the circuits on behalf of the Central Methodist Fund during the reporting period of which £581,073 was paid over to the Central Methodist Fund.

During the year out of pocket expenses relating to travel of £545 (2020: £4,502) were paid on behalf of two (2020: six) trustees.

Two trustees received remuneration during the year for their roles within the District: Sian Henderson as District Administrator and PA to the Chair, and Heather Shipman as part of the Circuit Support Team. The total amount paid to them, including pension contributions of £1,142, totalled £36,447 (2020: £25,244). The remuneration is arrived at by consideration of similar positions in other parts of the Methodist Church and is allowable under the constitution. The husband of trustee Emma Crippen received £24,646 during the year as Digital Communications Enabler. No trustee (2020: None) received any remuneration in respect of their trusteeship role.

There were no other related party transactions.

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	2021 £	2020 £
Net income for the reporting period	105,816	97,942
<i>Adjustments for:</i>		
Depreciation charges	4,145	4,541
Decrease/(increase) in debtors	25,180	(21,051)
Increase in creditors	489	1,415
Net cash provided by operating activities	£ 135,630	£ 82,847
 ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,307,907	1,172,277
Total cash and cash equivalents	£ 1,307,907	£ 1,172,277

Cash and cash equivalents amounting to £1,208,695 (2020: £1,102,278) related to restricted funds.

ANALYSIS OF CHANGES IN NET DEBT	At 1 Sept 20 £	Cash-flows £	At 31 Aug 21 £
Cash	1,172,277	135,630	1,307,907

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Restricted Funds

	Pioneer Nursery Fund £	Chair's Benevolent Fund £	District Advance Fund £	York International House £	Hull International House £	York City Centre Proceeds £	Hull City Centre Proceeds £	Total £
<i>Current year</i>								
Balance at 1 September 2020	29,342	4,494	640,419	215,954	125,544	179,193	165,342	1,360,288
Income	35,000	476	251,012	19,414	132,755	236	11,903	450,796
Expenditure	(24,457)	(2,410)	(132,240)	(37,782)	(117,326)	(24,629)	(10,000)	(348,844)
Net income/(expenditure)	10,543	(1,934)	118,772	(18,368)	15,429	(24,393)	1,903	101,952
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2021	<u>£ 39,885</u>	<u>£ 2,560</u>	<u>£ 759,191</u>	<u>£ 197,586</u>	<u>£ 140,973</u>	<u>£ 154,800</u>	<u>£ 167,245</u>	<u>£ 1,462,240</u>
<i>Comparative year</i>								
Balance at 1 September 2019	24,644	4,002	523,394	219,007	117,325	196,614	175,478	1,260,464
Income	25,000	1,637	240,310	40,570	150,912	1,249	1,114	460,792
Expenditure	(20,302)	(1,145)	(123,285)	(43,623)	(142,693)	(18,670)	(11,250)	(360,968)
Net income/(expenditure)	4,698	492	117,025	(3,053)	8,219	(17,421)	(10,136)	99,824
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2020	<u>£ 29,342</u>	<u>£ 4,494</u>	<u>£ 640,419</u>	<u>£ 215,954</u>	<u>£ 125,544</u>	<u>£ 179,193</u>	<u>£ 165,342</u>	<u>£ 1,360,288</u>

Pioneer Nursery Fund

This fund supports new and pioneering expressions of faith across the District, and is funded by a Connexional grant.

Chair's Benevolent Fund

This fund makes small grants to ministers and lay people in need, at the discretion of the chair.

District Advance Fund

This fund makes grants towards projects advancing the mission of the Church, both for people and property.

York International House

This fund provides (primarily) student accommodation in two properties, one owned by the District and the other within a local church. Surpluses in the fund are used to fund University chaplaincy work in York.

Hull International House

Hull International House is a property in Hull which offers accommodation for students and those on low incomes with the aim of promoting a community spirit generated by residents and staff.

York City Centre Proceeds

This fund comprises the sale proceeds of former property in York city centre. The fund is available for mission purposes in York city centre and is currently being used to fund the work of a deacon.

Hull City Centre Proceeds

This fund comprises the sale of Hull Central Hall and other property. The fund is available for mission purposes in Hull city centre and is currently funding work at Selby Street Mission in Hull in addition to renting a church building where the former congregation of Central Hall worship.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2021

14. Unrestricted Funds - General Account

	General Account	
<i>Current year</i>	£	£
Balance at 1 September 2020		676,274
Income	227,951	
Expenditure	(224,087)	
Net income/(expenditure)		3,864
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2021		£ 680,138
 <i>Comparative year</i>	 £	 £
Balance at 1 September 2019		678,156
Income	243,960	
Expenditure	(245,842)	
Net income/(expenditure)		(1,882)
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2020		£ 676,274

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
Income and endowments from:				
Donations and grants	169,435	234,457	403,892	444,704
Charitable activities	-	39,299	39,299	32,246
Other trading activities	73,743	178,820	252,563	215,219
Investments	782	8,216	8,998	8,370
Total	243,960	460,792	704,752	700,539
Expenditure on:				
Raising funds	27,684	48,120	75,804	85,792
Charitable activities	218,158	312,848	531,006	582,768
Total	245,842	360,968	606,810	668,560
Net (expenditure)/income before investment gains	(1,882)	99,824	97,942	31,979
Net gains on investments	-	-	-	54
Net (expenditure)/income	(1,882)	99,824	97,942	32,033
Transfers between funds	-	-	-	-
Net movement in funds	(1,882)	99,824	97,942	32,033
Reconciliation of funds:				
Total funds brought forward at 1 September 2019	678,156	1,260,464	1,938,620	1,906,587
Total funds carried forward at 31 August 2020	£ 676,274	£ 1,360,288	£ 2,036,562	£ 1,938,620

Accounts

YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
(registered as a charity - registration number 1136133)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees of the Yorkshire North and East District of the Methodist Church submit their annual report and the financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the 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) and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name: Yorkshire North and East District of the Methodist Church
Charity Number: 1136133
Address of Office: The District Office, 28 The Green, Acomb, York, YO26 5LR
01904 783 013
www.yorkshirenemethodist.org

Trustees who served during the year and up to the date of this report were as follows:

The following people were appointed from 1 September 2019 and served throughout the year:

Lindy Edwards	Jaqueline Gaitley	Joan Richardson
Heather Shipman	Steve Barlow	Timothy Duffy
David Godfrey	Sian Henderson	Nigel Hardwick
Leslie Newton	Alister McClure	Alan Moir
Peter Cross	Andrew Brown	Benjamin Clowes
Malcolm Lucas	Ann Fox	Keith Albans
David Holden	Nicholas Bentley	Stephen Jakeman
Peter Barnett	Neville Simpson	Susan Langdale
Beverley Duffy	Diane Gaskill	Ruth Parry

The following people were appointed from 1 September 2020:

Lindy Edwards	Alister McClure	Keith Albans
Heather Shipman	Andrew Brown	Stephen Jakeman
Leslie Newton	Ann Fox	Susan Langdale
Peter Cross	Nicholas Bentley	Emma Crippen
Malcolm Lucas	Neville Simpson	Anne Johnson
Peter Barnett	Diane Gaskill	Ann Rigby-Jones
Beverley Duffy	Timothy Duffy	Denise Williamson
Steve Barlow	Nigel Hardwick	
Sian Henderson	Benjamin Clowes	

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

REFERENCE AND ADMINISTRATIVE INFORMATION – CONTINUED

Members of District Leadership Team to whom day-to-day management is delegated by the Trustees:

Revd Leslie Newton (Chair)
Mrs Emma Crippen (Representative Synod Secretary)
Mr Alister McClure (Methodist Council representative)
Mr Andrew Brown (Property Secretary)
Mr Malcolm Lucas (Treasurer)
Revd Nicholas Bentley (Grants Officer)
Mrs Beverley Duffy (Lay stationing representative)
Miss Louisa Barlow (Young person's representative)
Ms Siân Henderson (Administrative Officer)
Revd Steve Barlow (Circuit Support Team Leader)
Revd Neville Simpson (Superintendents' representative and Deputy Chair)

Names and addresses of advisers:

Bank:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment managers and custodian trustees:	Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
Independent Examiner:	Robert W Woolley HPH, Chartered Accountants 54 Bootham YORK YO30 7XZ

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal and administrative information

The governing body of the District is the Methodist Church and the governing body of the Methodist Church is the Conference. The District's governing documents are the Deed of Union 1932 and The Methodist Church Act 1976 which give the authority under which the Methodist Church acts. The constitutional practice and discipline of the Methodist Church governs the activities of the District.

The District is a Registered Charity number 1136133.

Trustees

The Trustees who have served during the year are set out on page one. All members of the District Policy Consultation are appointed annually as Trustees by the Representative Synod.

The principal address of the District's Independent Examiner and Bankers are listed on page two.

The Trustees under the direction of the District Treasurer are responsible for the detailed examination of the financial statements and for presenting them to Synod.

Trustees are given a short period of training prior to their first meeting at which they are made aware of their responsibilities.

Decisions within the Methodist Church are reached in accordance with the rules and regulations set out in the document entitled 'Constitutional Practice and Discipline of the Methodist Church' and under the direction of the Methodist Conference. It is in accordance with these regulations that decisions are reached by the Synod, District Policy Consultation, and other related committees within the District. Delegated authority is administered in the same way.

All decisions reached are examined for their effect on a wider ecumenical network. This is both in accordance with a signed Covenant agreement with the York Diocese, part of the Middlesbrough Diocese, the United Reformed Church, and without formal agreement with those of other denominations. The Trustees are also keen to work at a regional level and decisions which establish a common pattern of working are made, whenever possible.

Pay and remuneration for key management personnel

The Chair of the District chairs the meetings of the District Policy Consultation (DPC). The members of the DPC are the trustees of the District. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The levels of payment are agreed annually by the Methodist Conference. District employees are paid at an agreed level in line with Methodist guidance for the levels of expertise and experience. The Methodist Church has a policy of paying at or above the real living wage and pay levels are increased in line with the incremental rise of the real living wage. No other key management personnel are paid for their services except for the reimbursement of out of pocket expenses.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT – CONTINUED

Risk Assessment

The Trustees have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to monitor these risks. These are reviewed by the District Leadership Team.

- a. With regards to issues of Safeguarding, the District employs a Safeguarding Officer who has professional expertise in this matter and there is a well-resourced Safeguarding Committee. A considerable amount of time and effort is placed in the training and resourcing of personnel both within the District and in support of circuits and local churches.
- b. Inability to obtain assessments from Circuits. Although this District would not be liable for any shortfall in the assessment paid by any Circuit within the District to the Methodist Church Fund (the Connexion), the District may, nonetheless, feel the need to make up any shortfall. This risk has increased considerably in the year due to the impact of the Covid-19 pandemic. Local churches are needing to draw on their reserves as income from congregational giving and letting income reduces. However, overall, churches and circuits are demonstrating considerable resilience in the face of these hard times. The District will continue to closely monitor the position in all the Circuits.
- c. Inability to attract trustees with adequate skills. The District is heavily dependent on the skills of volunteers, especially those who are trustees (members of the District Policy Consultation). At present, this risk is deemed low.

FINANCIAL REVIEW

The District Accounts includes:

- (a) The General Account which is the main operating account through which the expenditure and revenue for both operational and strategic purposes are handled. During the year the District received total income of £704,752 (2019: £700,539) and dispersed £606,810 (2019: £668,560). The overall surplus for the year, after gains/losses on investments, was £97,942 (2019 surplus of £32,033), which was in line with expectations. The risks of operating the finances of the District are judged to be minimal. All Circuit payments which contribute to the operating account were made on time in line with the payment levels which were agreed by the Circuit meetings, DPC and District synod. Any Circuits which have difficulty in meeting their District obligations are encouraged to contact the District.

The Covid pandemic, was the only significant event during the year which affected the finances within the District, and as noted above, this has not had a significant impact on the District finances.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a temporary shortfall in anticipated income.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

FINANCIAL REVIEW - CONTINUED

The District continues to hold the three freehold properties being the Chair's Manse in York, Hull International House and a property purchased several years ago with proceeds from the disposal of York International House. The District also invested proceeds from York International House in creating flats on the first floor of a church within the York Circuit. Income from both these properties supports the work of the Methodist Chaplain to the University of York.

The District has the following principal sources of funds:

- Assessments on Circuits within the District
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Interest on investments

These sums are used to administer the District and to provide grants to Circuits, Churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District by bringing more people to Christ or by providing facilities that might enable this to happen.

- (b) The District Advance Fund which deals with the allocation of funding received from the Connexion for the provision of grants for the development of mission and ministry projects and property schemes generated by local Circuits and other organisations.
- (c) The District is also responsible for Hull International House and the properties owned through the investment from York International House proceeds. The operation of Hull International House is managed by a separate management committee. A significant review of the operations several years ago has ensured increasing financial security. There is significant work to be performed on the building, but this is supported by a developing maintenance plan. The York International House properties are managed to ensure the comfort of the tenants and to maximise the funds available to support the University of York Chaplaincy.

Reserves

It is the policy of the charity to hold reserves to provide working capital for its continued operation. At the year end total reserves were £2,036,562 (2019: £1,938,620), of which £676,274 (2019: £678,156) were unrestricted funds and £1,360,288 (2019: £1,260,464) were restricted funds. The level of free unrestricted reserves (i.e. total unrestricted funds excluding the value of tangible fixed assets) is determined at around 6 months of expenditure needs for continued operation. It is considered inappropriate that the District maintains reserves in excess of this when the funds can be used for the work of the organisation. At 31 August 2020 the level of free unrestricted reserves amounted to £81,151 which was short of target, representing around 4 months of expenditure.

Funds held on behalf of others

The Chair's Benevolent Fund is used to assist ministers and others in difficulty.

Funds held on behalf of others – Agency Transactions

Funds are held on behalf of the Joint Public Issues Team for Yorkshire and Racing Chaplaincy.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

PUBLIC BENEFIT STATEMENT

The Trustees wish to confirm that they have complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit in exercising their powers and duties. They have done so via a detailed system of checks and balances involving regular feedback to Synod and through ensuring that actions taken, and decisions made are always in accordance with the Constitutional Practice and Discipline of the Methodist Church.

OBJECTIVES AND AIMS

Nature and Purposes

The primary purpose for which the Yorkshire North and East District is constituted is 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. 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.

The District has responsibility for the evaluation of applications by Local Churches and Circuits for approval of, or consent to, their proposals, when required, or for assistance from district or connexional bodies or funds. Wherever possible the work of the District is carried out ecumenically. The District is thus an expression, over a wider geographical area than the Circuit, of the connexional nature of the Church.

Objectives

During the year the District continued to develop work around its priorities. In July 2019 at a meeting of DPC (District Policy Group/Charity Trustees) it was agreed to delegate the powers of DPC to a District Leadership team for a trial period. The DPC of October 2020 agreed that this trial has been effective and the Representative Synod in April 2021 agreed to support the transfer of the District's trusteeship from the DPC to the DLT with effect from 1 September 2021. There has also been continuing work to ensure that the Yorkshire Districts work together most effectively.

The work of Safeguarding remains a priority and strengthening the membership of the District Safeguarding Group is a priority. Training of all who are involved in work with young people and vulnerable adults is ongoing. The District is committed to recognising the place of Safeguarding at the heart of mission at every level.

The implementation of the Property Consents process is working well.

The awarding of Grants through the District Advance Fund continues to work well.

Yearly Objectives

- To facilitate the activities of all the Circuits in the District.
- To focus on pursuing the key priorities of 1) Growing Lay Leadership, 2) Reimagining Worship, 3) Developing 'Our Voice' 4) Remodelling Governance.
- To utilise the funds made available to the District from the Connexion in order to further the mission of the circuits and local churches.
- To continue to develop leadership, governance and management within the District.
- To further encourage the implementation of the Ministerial Development Review and Supervision.
- To maximise the benefits of the strong relationship between the Learning Network and the District.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

OBJECTIVES AND AIMS - CONTINUED

Long Term Objectives

- To develop the working of Connexion and District
- To increase the involvement of lay ministry in the life of the Church.
- To develop new expressions of church community, through the work of the 'Pioneer Nursery.'
- To facilitate the development of ordained ministry by presenting more opportunities for personal development. It is hoped that the introduction of pastoral Supervision will assist with this.
- To further develop the opportunities for both ecumenical working and working at regional level.
- To further develop leadership, governance and management within the District.
- To ensure the best use of financial resources as their location within the District bodies changes.
- To give increased consideration to succession planning.

Strategies for achieving the objectives

The working of the new District Leadership Team which will meet regularly through the year. The Synod in October 2019 centred around the theme 'Flourish'. The committee structure of the District is such that regular reviews of all aspects of the District's life are undertaken and there are opportunities for new ideas to be discussed and debated. Interaction, particularly between the Chair with Connexional bodies ensures that there is considerable contact with national policies and decision making and that those bodies also hear of local views and concerns. This has further been enhanced with advocacy to the Strategies and Resources Committee, Methodist Council and the Methodist Anglican Panel for Unity in Mission. The District website was updated. Reports from Synod and Conference were prepared by the Synod Secretary and made available to all churches via the website.

We believe we have strong financial controls in position.

Grant making policy

Through the appointed District Leadership Team (formerly District Grants Committee), grants are awarded for the development of Mission and Ministry Projects and for Property Schemes generated by the local churches, circuits and other organisations. A sub-committee is empowered to award seed funding grants up to a maximum of £1,000 each to encourage churches and circuits to try "new things to reach new people". It is the policy and approach of the District to review requests on a case by case basis taking into consideration the funds available for disbursement, the particular mission and funding needs of each applicant and the overall spread of mission needs across the District.

Extent of the use of volunteers in achieving aims

Volunteers are involved in all aspects of the work of the District from personnel and administration to representational roles as well as providing the income with which the Charity operates. The level of dependence on voluntary workers within the District is extremely high, as it is in any Church organisation.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

ACHIEVEMENTS AND PERFORMANCE

- Circuits are looking at plans to enable the best use of resources to further their mission
- The year's available funds to various projects have been allocated by the District Leadership Team.
- Safeguarding initiatives and training are well advanced in planning and implementation.

The Trustees are pleased with this year's achievements in relation to their objectives. Almost all applications for grants have received funding and safeguarding is now running to plan in the District.

Ecumenical working is still below our hopes and dreams, but the Trustees are hopeful of further development in this area, particularly planning toward the Joint Public Issues Team (Yorkshire) working with the United Reformed Church and Baptist Church. It would seem that local initiatives are most successful whilst progress nationally is less certain.

CHALLENGES FOR THE FUTURE

The uncertainties raised by the Covid pandemic present challenges as we look to the future. It appears likely that some churches may not choose to, or be able to, re-open once all the lockdowns are over. Reserves will have been widely used in supporting churches through this period, and will take time to re-build. On the other hand, there have been great strides made in developing online ministry and mission. It is likely that there will be a desire to continue with some online presence and this will need to be thought through carefully to ensure that there is a workable hybrid balance.

Overall, despite some churches experiencing growth, there is a long-term decline in numbers attending and belonging to the church, and that concern is deepened with the recognition of an ageing demographic. The District is exploring how it can best support circuits in reversing this trend and is keen to explore the imaginative work underway in the Pioneer Nursery. It is also committed to ensure that governance structures are able to encourage and support new work, rather than hinder it. The District continues to be concerned about the plight of homelessness and research continues to help local churches and circuits respond more effectively.

The District also recognises the Climate Emergency and has invested in work to see how the District can become a Net Zero District. The Synod of Autumn 2020 welcomed the report produced and committed to become a Net Zero Carbon District by at least 2040. This will involve considerable work to buildings and a re-shaping of much of our life.

All that said, it is with confidence that we will approach these challenges and a trust that with prayer we will fulfil the purposes which God has in mind for us. The District is as well-equipped as possible to both encompass change and respond to new ideas.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, our responsibility as Trustees requires us to follow best practice and:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity at any time and which enable them as Trustees to ensure that the financial statements comply with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of the charity and for their proper application, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the District Leadership Team on behalf of the Trustees on 13 May 2021 and signed on their behalf by:

Malcolm Lucas

Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF YORKSHIRE NORTH AND EAST DISTRICT OF THE METHODIST CHURCH

I report to the Trustees on my examination of the financial statements of the Yorkshire North and East District of the Methodist Church ("the Charity") for the year ended 31 August 2020.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 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.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants 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 Charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Robert W Woolley BA (Hons) BFP FCA MAAT DChA MCMI
HPH, Chartered Accountants, 54 Bootham, York, YO30 7XZ

14 May 2021

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

		Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
	Notes				
Income and endowments from:					
Donations and grants	2a	169,435	234,457	403,892	444,704
Charitable activities	2b	-	39,299	39,299	32,246
Other activities	2c	73,743	178,820	252,563	215,219
Investments - interest receivable		782	8,216	8,998	8,370
Total income		243,960	460,792	704,752	700,539
Expenditure on:					
Raising funds	4	27,684	48,120	75,804	85,792
Charitable activities	5	218,158	312,848	531,006	582,768
Total		245,842	360,968	606,810	668,560
Net income/(expenditure) before investment gains/(losses)	6	(1,882)	99,824	97,942	31,979
Net gains/(losses) on investments	8	-	-	-	54
Net income/(expenditure)		(1,882)	99,824	97,942	32,033
Transfers between funds		-	-	-	-
Net movement in funds		(1,882)	99,824	97,942	32,033
Reconciliation of funds:					
Total funds brought forward at 1 September 2019		678,156	1,260,464	1,938,620	1,906,587
Total funds carried forward at 31 August 2020		£ 676,274	£ 1,360,288	£ 2,036,562	£ 1,938,620

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

BALANCE SHEET AS AT 31 AUGUST 2020

				Total	
	Notes	Unrestricted Funds	Restricted Funds	2020 £	2019 £
Fixed assets:					
Tangible assets	9	595,123	256,821	851,944	856,485
Investments	8	-	-	-	-
<i>Total fixed assets</i>		<u>595,123</u>	<u>256,821</u>	<u>851,944</u>	<u>856,485</u>
Current assets:					
Debtors	10	28,275	2,034	30,309	9,258
Cash at Bank and in hand		66,330	1,105,947	1,172,277	1,089,430
<i>Total current assets</i>		<u>94,605</u>	<u>1,107,981</u>	<u>1,202,586</u>	<u>1,098,688</u>
Liabilities:					
Creditors: Amounts falling due within one year	11	13,454	4,514	17,968	16,553
<i>Net current assets</i>		<u>81,151</u>	<u>1,103,467</u>	<u>1,184,618</u>	<u>1,082,135</u>
Total net assets		<u>£ 676,274</u>	<u>£ 1,360,288</u>	<u>£ 2,036,562</u>	<u>£ 1,938,620</u>
The funds of the charity:					
Unrestricted - General fund	15	676,274	-	676,274	678,156
Restricted - Other funds	14	-	1,360,288	1,360,288	1,260,464
<i>Total charity funds</i>		<u>£ 676,274</u>	<u>£ 1,360,288</u>	<u>£ 2,036,562</u>	<u>£ 1,938,620</u>

The financial statements were approved by the Trustees on 13 May 2021 and signed on its behalf by:

Malcolm Lucas
Trustee

The notes on pages 14 to 23 form part of these financial statements.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	13	82,847	34,553
Cash flows from investing activities:			
Purchase of property, plant and equipment		-	(7,824)
Proceeds from sale of investments		-	3,553
Net cash used in investing activities		-	(4,271)
Change in cash and cash equivalents in the reporting period		82,847	30,282
Cash and cash equivalents at the beginning of the reporting period		1,089,430	1,059,148
Cash and cash equivalents at the end of the reporting period		£ 1,172,277	£ 1,089,430

The notes on pages 14 to 23 form part of these financial statements

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the relevant version of the 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The registered address is: 28 The Green, Acomb, York, YO26 5LR.

(b) Going concern

The Charity has cash resources and has no requirement for external funding. The coronavirus pandemic has had little effect on the District's finances and it is expected that this will continue to be the case. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

(c) Income recognition

Received from Circuits

Income received from Circuits has been accounted for on the accruals basis.

Circuits contribute funds to the District each quarter, to fund the activities of the Church.

Grants, District development enabler and donations

This income is accounted for on an accruals basis.

Interest received and other income

This income is accounted for on an accruals basis.

Circuit assessment income and expenditure is not included in the District accounts. The District is only used to transfer the resources from the Circuits to the Methodist Church and therefore has no entitlement to the income.

(d) Expenditure recognition and irrecoverable VAT

Cost of generating funds

Cost of generating voluntary income

These represent the costs of the manse and the Chair's travel, administration and secretarial expenses.

Cost of charitable activities

The District's connexion assessment and District Travel Fund payments, and other costs of charitable activities are shown here.

Grants to institutions

Grants are payments made to third parties in the furtherance of the charitable objectives of the Church.

Governance costs

Governance costs include independent examiner's fees and bank charges.

The Charity is not registered for VAT. Irrecoverable VAT is included with the item of expense to which it relates.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies - continued

(e) Fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt. Where cost is not available, a reasonable estimate of cost or of the buildings current value to the District is used. Where an estimate based on insurance value is used this takes account of the fact that cover will be based on demolition and reinstating the current building and not the original cost less accumulated depreciation. A professional valuation is not required, but if available, that figure is used. Provision is made for depreciation where appropriate, as follows:

Furniture and fittings	15% reducing balance per annum
Hull International House - Furniture and equipment	over 10 years straight line
Website development	over 3 years straight line

(f) Investments

Fixed asset investments are included at market value on the balance sheet date. Any gain or loss on investment is taken to the SOFA.

(g) Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

(h) Fund accounting

The funds held constitute: General Funds held for any purpose of the District which are Unrestricted, Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose, the aim and use of each designated fund is set out in the notes to the financial statements, Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in notes 14 and 15 to these accounts. Any funds may be held in ways other than in cash.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

The Church only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and any short term deposit accounts with a maturity of three months or less from the date of opening.

**YORKSHIRE NORTH AND EAST DISTRICT
OF THE METHODIST CHURCH**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2020

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £	<i>2019</i> £
2a. Donations and grants				
Received from Circuits	127,753	-	127,753	130,498
Grants	41,682	234,457	276,139	314,206
Donations	-	-	-	-
	<u>£ 169,435</u>	<u>£ 234,457</u>	<u>£ 403,892</u>	<u>£ 444,704</u>

In 2019 the amount of donations and legacies which related to restricted funds was £287,428.

2b. Charitable activities

York International House Rents	-	39,299	39,299	32,246
	<u>£ -</u>	<u>£ 39,299</u>	<u>£ 39,299</u>	<u>£ 32,246</u>

In 2019 the amount of income from charitable activities which related to restricted funds was £32,246.

2c. Other activities

Hull International House Income	-	150,912	150,912	152,331
Miscellaneous Other Income	73,743	27,908	101,651	62,888
	<u>£ 73,743</u>	<u>£ 178,820</u>	<u>£ 252,563</u>	<u>£ 215,219</u>

In 2019 the amount of income from other activities which related to restricted funds was £155,431.

3. Funds received as agent

	Balance held at beginning of year £	Amount received £	Amount paid out £	Balance held at end of year £
Name of party:				
Methodist Church Fund	-	575,787	(575,787)	-
JPIT Yorkshire	4,028	-	-	4,028
Racing Chaplaincy	1,000	-	(239)	761
Total	<u>£ 5,028</u>	<u>£ 575,787</u>	<u>£ (576,026)</u>	<u>£ 4,789</u>

In 2019 the amount received and paid out as agent was £576,182 and £576,431 respectively.

4. Expenditure on raising funds

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £	<i>2019</i> £
Manse costs	3,648	-	3,648	7,091
Expenditure on other District property	1,112	44,057	45,169	44,523
<i>Chair's travel and secretarial costs</i>				
Travel	2,659	-	2,659	5,218
Secretarial	12,000	-	12,000	12,000
Hospitality, retreat and other expenses	221	-	221	833
	<u>14,880</u>	<u>-</u>	<u>14,880</u>	<u>18,051</u>
Employees' and volunteers' travel	7,172	394	7,566	12,255
<i>Depreciation</i>				
Furniture and fittings	872	3,669	4,541	3,872
Total	<u>£ 27,684</u>	<u>£ 48,120</u>	<u>£ 75,804</u>	<u>£ 85,792</u>

In 2019, the expenditure on raising funds which related to restricted funds was £47,445

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Expenditure on charitable activities

	<i>Unrestricted</i>	<i>Restricted</i>	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Synod, committees and administration	23,537	5,288	28,825	37,276
Salaries and associated costs	87,470	82,796	170,266	121,152
Grants and donations	600	122,983	123,583	202,502
Other expenses	51,431	101,495	152,926	166,052
Training, appraisal and development	13,736	286	14,022	12,107
	176,774	312,848	489,622	539,089
<i>Work of the District</i>				
Safeguarding officer	38,864	-	38,864	41,279
<i>Governance costs</i>				
Independent examiner's fees	2,520	-	2,520	2,400
Total	£ 218,158	£ 312,848	£ 531,006	£ 582,768

In 2019, the amount of expenditure on charitable activities which related to restricted funds was £397,548.

Grants to institutions

Grants made to institutions from the District Advance Fund (a restricted fund) included the following grants for the benefit of people, in line with the charity's aims.

		<i>£</i>
<i>Ministry grants</i>		
Yorkshire North & East District	- District Weekend "Flourish"	12,500
	- Circuit Support Team	30,138
	- Homeless Support Project	1,000
	- Remodelling Governance Project	12,000
Pocklington & Market Weighton Circuit	- Community and Outreach Worker	17,910
Hull (Centre and West) Circuit	- Pastor for Older People (Willerby)	3,640
	- Mosaic Church Leadership	8,000
South Holderness	- Children's and Family Worker (Bransholme)	10,000
Driffeld-Hornsea Circuit	- Additional ministry costs	9,000
		£ 104,188
<i>Property grants</i>		
Yorkshire North & East District	- Net Zero Emissions Project	9,600
Hull (Centre and West) Circuit	- Church refurbishment at Clowes	1,250
		£ 10,850
<i>Seed Funding grants</i>		
Pocklington & Market Weighton Circuit	- "Posada" in local schools	500
Driffeld-Hornsea Circuit	- Prayer Room	1,000
Nidd Valley Circuit	- "Glow" Youth Event	1,000
Ryedale Circuit	- Mobile Youth Club (Pickering)	1,000
York Circuit	- Music Group	1,000
	- "Peaced Together" courses	1,200
Bridlington Circuit	- "Drive In" Church	1,000
Hull Hospitals Chaplaincy	- Resources for the bereaved	500
		£ 7,200
	Total Grants Paid	£ 122,238

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FOR THE YEAR ENDED 31 AUGUST 2020**

9. Tangible Fixed Assets

	Freehold property £	Furnitures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 September 2019	827,351	63,275	890,626
Additions in year	-	-	-
At 31 August 2020	827,351	63,275	890,626
<i>Depreciation</i>			
At 1 September 2019	-	34,141	34,141
Charge for year	-	4,541	4,541
At 31 August 2020	-	38,682	38,682
<i>Net book value</i>			
At 31 August 2020	£ 827,351	£ 24,593	£ 851,944
At 31 August 2019	£ 827,351	£ 29,134	£ 856,485

Assets with a net book value of £256,821 (2019: £260,490) relate to restricted funds.

10. Debtors

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £	<i>2019</i> £
Trade debtors	4,546	2,034	6,580	7,624
Sundry debtors and prepayments	23,729	-	23,729	1,634
	£ 28,275	£ 2,034	£ 30,309	£ 9,258

In 2019, none of the debtors related to restricted funds.

11. Creditors: amounts falling due within one year

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2020</i> £	<i>2019</i> £
Trade creditors	-	2,454	2,454	-
Accruals and deferred income	2,520	2,060	4,580	5,380
Other creditors	6,145	-	6,145	6,145
Amounts held as agents	4,789	-	4,789	5,028
	£ 13,454	£ 4,514	£ 17,968	£ 16,553

In 2019, creditors of £2,860 related to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Related Party transactions

Funds of £575,787 were received from the circuits on behalf of the Central Methodist Fund during the reporting period of which £575,787 was paid over to the Central Methodist Fund.

During the year out of pocket expenses relating to travel of £4,502 (2019: £7,527) were paid on behalf of six (2019: seven) trustees.

Two trustees received remuneration during the year for their roles within the District: Sian Henderson as District Administrator and PA to the Chair, and Ruth Parry as part of the Circuit Support Team. The total amount paid to them, including pension contributions of £2,552, totalled £25,244 (2019: £17,441). The remuneration is arrived at by consideration of similar positions in other parts of the Methodist Church and is allowable under the constitution. The daughter of trustee Steve Barlow received £4,355 during the year as an intern. No trustee (2019: None) received any remuneration in respect of their trusteeship role.

There were no other related party transactions.

13 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	2020 £	2019 £
Net income for the reporting period	97,942	32,033
<i>Adjustments for:</i>		
Depreciation charges	4,541	3,872
(Gains)/Losses on investments	-	(54)
Decrease/(increase) in debtors	(21,051)	(1,759)
Increase/ (decrease) in creditors	1,415	461
Net cash provided by operating activities	£ 82,847	£ 34,553
 ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,172,277	1,089,430
Total cash and cash equivalents	£ 1,172,277	£ 1,089,430

Cash and cash equivalents amounting to £1,102,278 (2019: £1,002,834) related to restricted funds.

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FOR THE YEAR ENDED 31 AUGUST 2020**

14. Restricted Funds

	Pioneer Nursery Fund £	Chair's Benevolent Fund £	District Advance Fund £	York International House £	Hull International House £	York City Centre Proceeds £	Hull City Centre Proceeds £	Total £
<i>Current year</i>								
Balance at 1 September 2019	24,644	4,002	523,394	219,007	117,325	196,614	175,478	1,260,464
Income	25,000	1,637	240,310	40,570	150,912	1,249	1,114	460,792
Expenditure	(20,302)	(1,145)	(123,285)	(43,623)	(142,693)	(18,670)	(11,250)	(360,968)
Net income/(expenditure)	4,698	492	117,025	(3,053)	8,219	(17,421)	(10,136)	99,824
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2020	<u>£ 29,342</u>	<u>£ 4,494</u>	<u>£ 640,419</u>	<u>£ 215,954</u>	<u>£ 125,544</u>	<u>£ 179,193</u>	<u>£ 165,342</u>	<u>£ 1,360,288</u>
<i>Comparative year</i>								
Balance at 1 September 2018	-	1,788	454,504	230,797	106,253	211,270	218,076	1,222,688
Income	25,000	2,564	267,445	32,783	152,331	1,344	1,302	482,769
Expenditure	(356)	(350)	(198,555)	(44,573)	(141,259)	(16,000)	(43,900)	(444,993)
Net income/(expenditure)	24,644	2,214	68,890	(11,790)	11,072	(14,656)	(42,598)	37,776
Transfers between funds	-	-	-	-	-	-	-	-
Balance at 31 August 2019	<u>£ 24,644</u>	<u>£ 4,002</u>	<u>£ 523,394</u>	<u>£ 219,007</u>	<u>£ 117,325</u>	<u>£ 196,614</u>	<u>£ 175,478</u>	<u>£ 1,260,464</u>

Pioneer Nursery Fund

This fund supports new and pioneering expressions of faith across the District, and is funded by a Connexional grant.

Chair's Benevolent Fund

This fund makes small grants to ministers and lay people in need, at the discretion of the chair.

District Advance Fund

This fund makes grants towards projects advancing the mission of the Church, both for people and property.

York International House

This fund provides (primarily) student accommodation in two properties, one owned by the District and the other within a local church. Surpluses in the fund are used to fund University chaplaincy work in York.

Hull International House

Hull International House is a property in Hull which offers accommodation for students and those on low incomes with the aim of promoting a community spirit generated by residents and staff.

York City Centre Proceeds

This fund comprises the sale proceeds of former property in York city centre. The fund is available for mission purposes in York city centre and is currently being used to fund the work of a deacon.

Hull City Centre Proceeds

This fund comprises the sale of Hull Central Hall and other property. The fund is available for mission purposes in Hull city centre and is currently funding work at Selby Street Mission in Hull in addition to renting a church building where the former congregation of Central Hall worship.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31 AUGUST 2020

15. Unrestricted Funds - General Account

	General Account	
<i>Current year</i>	£	£
Balance at 1 September 2019		678,156
Income	243,960	
Expenditure	(245,842)	
Net income/(expenditure)		(1,882)
Gain/(loss) on investments		-
Transfers between funds		-
Balance at 31 August 2020		<u><u>£ 676,274</u></u>
 <i>Comparative year</i>	 £	 £
Balance at 1 September 2018		683,899
Income	217,770	
Expenditure	(223,567)	
Net income/(expenditure)		(5,797)
Gain/(loss) on investments		54
Transfers between funds		-
Balance at 31 August 2019		<u><u>£ 678,156</u></u>

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16. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Income and endowments from:				
Donations and grants	157,276	287,428	444,704	445,052
Charitable activities	-	32,246	32,246	37,311
Other trading activities	59,788	155,431	215,219	170,722
Investments	706	7,664	8,370	5,010
Total	217,770	482,769	700,539	658,095
Expenditure on:				
Raising funds	38,347	47,445	85,792	55,806
Charitable activities	185,220	397,548	582,768	470,496
Total	223,567	444,993	668,560	526,302
Net income/(expenditure) before investment gains/(losses)	(5,797)	37,776	31,979	131,793
Net gains/(losses) on investments	54	-	54	(74)
Net income/(expenditure)	(5,743)	37,776	32,033	131,719
Transfers between funds	-	-	-	-
Net movement in funds	(5,743)	37,776	32,033	131,719
Reconciliation of funds:				
Total funds brought forward at 1 September 2018	683,899	1,222,688	1,906,587	1,774,868
Total funds carried forward at 31 August 2019	£ 678,156	£ 1,260,464	£ 1,938,620	£ 1,906,587