

Trustees for Methodist Church Purposes
Charity Registration Number 1136358

Trustees Report & Accounts for the year ended 31 August 2024

Trustees for Methodist Church Purposes

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**References in this report to Connexional Council have been made in place of the Methodist Council which came into effect from 1st September 2024 following the confirmations at the Conference of 2024. Prior to the Conference of 2024 the correct authority was the Methodist Council. More detail can be found in Conference Report 50 (2024): Oversight and Trusteeship.*

Office and Advisers

Office

Central Buildings
Oldham Street
Manchester
M1 1JQ

External Auditors

MHA
9 Winckley Square
Preston
PR1 3HP

Solicitors

Brabners
Horton House
Exchange Flags
Liverpool
L2 3YL

Board Membership

The Revd Rosemarie E G Clarke	Mr Ian C White (Chair)
The Revd Paul Davis	Mr Peter Baffoe (appointed 29 th June 2024)
The Revd Rodney Hill	Mr Christophe Borysiewicz (appointed 29 th June 2024)
The Revd Dr Jonathan Hustler (appointed 29 th June 2024)	Mr Gerry Davis (resigned 10 th May 2024)
The Revd Gillian M Newton	Mr David James
The Revd Jennifer Pathmarajah (appointed 29 th June 2024)	Mr John Jefferson
The Revd Philip Wagstaff	Mr Thomas Rattigan (appointed 29 th June 2024)

Changes in Office:

Mr Gerry Davis resigned from the Board with effect from the 10th May 2024. The Board is grateful for his service as a Trustee and for his contributions on the Investment Committee.

New Appointments:

The Revd Jonathan Hustler, The Revd Jennifer Pathmarajah, Mr Peter Baffoe, Mr Christophe Borysiewicz and Mr Tom Rattigan were all appointed by Conference 2024 to serve on the Board.

TMCP Team

Anne Goodman, as Chief Executive, oversees a professional team of 22 which comprises Finance, Legal and Corporate Support Services sections, who are responsible for ensuring the Board's functions and responsibilities as trustees are discharged on a day-to-day basis. The Chief Executive also works closely with the Board and Senior Management Team on strategic and planning issues.

The Senior Management Team comprises:

Laura Vare	-	Legal Manager
Nicola Sivori	-	Finance Manager

The Chief Executive and Senior Management Team continue to work closely with the Executive Committee and external consultants to implement new systems which are designed to simplify and expedite key processes and assess the effectiveness of workflow and performance.

The Trustees for Methodist Church Purposes (TMCP) works alongside colleagues in the Connexional team, Central Finance Board and the wider Methodist Church. All staff aim to promote a professional relationship between TMCP and any outside agencies with whom the organisation may be in contact.

Staff training and professional development needs are identified by managers through the salary and performance review process. This ensures the team remain up to date in terms of current legislation, enhances skill sets and satisfies the requirements of individual professional bodies. The Board holds a 'season ticket' with an industry training provider to help facilitate this.

The Salary and Performance Review Policy, which includes an updated appraisal system, continues to be implemented, when objectives and performance measures can be reviewed and assessed.

As in recent years, there continued to be an increase in the volume of work during 2024 primarily due to a sustained increase in property transactions and development projects. The Board acknowledges the continued challenges which this has presented and is very grateful for the team for showing resilience and commitment in maintaining as effective a service as possible. This is especially relevant given the additional time and effort required from the team as TMCP implements new systems and ways of working.

Aims and purposes of the Trustees for Methodist Church Purposes

The purpose of the Board is to service the Methodist Church in the advancement of the Christian faith in accordance with its doctrinal standards and discipline, and any charitable purpose of the Methodist Church or Church organisation.

The Board's mission is to support and strengthen the Methodist Church, both by providing practical support to Managing Trustees and by working closely and effectively with colleagues in the Methodist Connexional Team.

It aims at all times to:

- Work within an ethical and Christian framework.
- Act with integrity and patience.
- Listen carefully and communicate clearly.

- Value and nurture the talents of those within the organisation.
- Continue, through guidance and training, to assist Managing Trustees as much as possible. The Board is here to provide a service and to ensure that all processes with which we are involved are clearly outlined.

The governing documents are the Methodist Church Act 1939, the Trust Deed of 1939 and the Methodist Church Act 1976.

TMCP is the custodian trustee of all property held on the Model Trusts of the Methodist Church Act 1976, except for that in the Channel Islands and the Isle of Man which are held by the Trustees for Jersey Methodist Church Purposes, the Trustees for Guernsey Methodist Church Purposes or the Trustees for Manx Methodist Church Purposes. This includes nearly all the property held by the 3,603 or so local Churches, 324 Circuits and 30 Districts, together with a number of properties used for Connexional purposes.

The Board is also custodian of the funds held in 5,262 separate trusts. These funds are held for Methodist purposes for the Managing Trustees who may be local Church Councils, Circuit Meetings or other bodies of trustees. Some trusts, such as Circuit Model Trust Funds, are held on the Model Trusts. The trusts of other Funds, such as Permanent Endowments, are determined by the terms of the will or other settlement.

These trusts are segregated from the Charity's individual assets, being each identified as separately labelled funds. Any instructions for actions in respect of those funds are given by the Managing Trustees responsible for the funds and only acted upon when this authority is given. Regular reconciliations of these funds and investments held are performed and all processes are subject to scrutiny.

Activities of the Board include: -

- effecting all sales, purchases and leases of property by Church bodies and checking legal documents before signature by Managing Trustees.
- investing funds received from sales or bequests and transmitting funds for purchases or to meet the cost of a project as instructed by Managing Trustees.
- fulfilling any other duties or responsibilities required of, or appropriate for, the corporate body acting on behalf of the Methodist Church.

The Board performs a number of other activities, details of which are outlined on the TMCP website at <https://www.tmc.org.uk/about/what-we-do>

The Board is full trustee of a small number of trusts where it has discretion over the use of income and, in some cases the capital, and is responsible for the investment of the funds. For a number of the trusts, the purposes for which grants may be made are specified in the trust documents, and for others the Board is able to make grants for any Methodist charitable purpose. The Board works closely with others within the Connexion to publicise these funds and to ensure they are utilised. These grants have supported some key projects across the Connexion and have been greatly appreciated.

The Board is pleased that, due to increased publicity across the Connexion and through the Property Development Committee, it paid grants totaling £593,178 for property and other projects from these trusts during the last financial year.

Public Benefit Requirement

In accordance with Section 4 of the Charities Act 2011, the Board has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising its powers or duties.

This guidance sets out two key principles:

1. The organisation must have an identifiable benefit.
2. The benefit must be to the public or a section of the public.

The Board meets its charitable objects by performing key duties as the custodian trustee of all Methodist Model Trust property, facilitating all related legal and financial transactions. It provides practical support to Managing Trustees in local Churches, Circuits and Districts and works closely and effectively with colleagues in the Methodist Connexional Team.

Structure and Governance

These accounts reflect only the state of affairs and income and expenditure of the Board in relation to its own direct affairs. The Board also acts as custodian trustee in respect of all property held on the Model Trusts and full trustee of a number of other trusts. The accounts included in this report do not include these funds or any amounts in respect of local Church, Circuit, District and connexional accounts.

The Board is a corporate body and was incorporated by the Methodist Church Act 1939. The Trustees for Methodist Church Purposes is a registered charity (1136358 – “Trustees for Methodist Church Purposes”).

Board members are appointed by the Methodist Conference on the nomination of the Board, which seeks to maintain a balance of appropriate professional experience, Methodist experience and Connexional representation. A detailed Skills Matrix is updated annually by the Chair in consultation with Board members. This is used as a reference point when any Board vacancies arise.

Further to Section 4(3) of the 1939 Act the Board aims to consist of equal numbers of “ministers and laymen” (sic) and the Conference has currently set the total number of members at 16.

Once appointed a member is a trustee for life unless any of the conditions set out in section 5 of the 1939 Act occurs. In summary these are if a member shall:

- Die
- Become bankrupt
- Make an assignment for the benefit of their creditors
- Refuse or be unfit to act or be incapable of acting as a member of the Board
- Reside for twelve months outside of the United Kingdom
- Cease to be a member of the Methodist Church
- By notice in writing sent or delivered to the Secretary* state their desire to resign from the Board

**In the Act the “Secretary” means “the Secretary of the Conference”.*

It should be noted that, despite these criteria, there is a regular refreshing of Board membership.

The Board, which met on 19th October 2023, 20th February 2024, 9th May 2024 and 11th July 2024, is responsible for all the functions of the Trustees for Methodist Church Purposes. In practice, much of the work of the Board is discharged through committees and by its staff. As well as meeting to discuss operational issues, the Board holds an annual strategy day to review policy and set goals for each year.

The Board occupies offices at Central Buildings, Manchester which is a Model Trust property used also by the Connexional Team, the Manchester Circuit and the Methodist Centre (a local church in the Circuit). The property is managed under a Joint Trusteeship Agreement to which the Connexional Council* is party.

The Board is served by four committees:

The Executive Committee

There is currently a committee of five Board members which comprises the Chair and Vice Chair of the Board together with the Chairs of each sub-committee together with a ministerial representative. The committee met on 29th November 2023, 29th January 2024, 7th March 2024, 11th April 2024, 25th April 2024 (Joint meeting with the Audit and Risk) and 12th June 2024. There were also sub-committee meetings for various key projects. The Executive Committee reports to the Board and:

- oversees the management arrangements and Board meetings;
- takes appropriate action on behalf of the Board between meetings;
- reviews the Financial Statements and Annual Report of TMCP;
- considers and approves management accounts;
- deals with all full trust grant applications; and
- continues to work alongside the Chief Executive to finalise key projects and internal reviews.

The Audit and Risk Committee

This is a committee of three Board members, which met on 25th January 2024, 25th April 2024 (Joint meeting with the Executive), 20th May 2024 and 26th June 2024 and to review:

- the Financial Statements and Annual Report of TMCP, with the external auditors;
- the effectiveness of the financial and other internal control systems with regards to monies and other assets for which TMCP is responsible; and
- the effectiveness of the management of risks.

The committee also: -

- advises the Board on the appointment of external auditors; and
- oversees the annual internal audit process, including planning, scoping and reporting.

The Investment Committee

This is a committee of two Board members plus the Chief Executive and Finance Manager which meets annually with representatives from the Central Finance Board. It met on 25th January 2024 to review:

- the investment policy in respect of the Full Trusts and the Trustees' Interest Fund; and
- recommend the investment parameters for the Board to adopt on an annual basis.

The Grants Committee

This committee comprises five members including three Board members, the Chief Executive and the Finance Manager, supported by other staff as needed. The committee met on 21st December 2023 and 10th July 2024 and allocates grants from the discretionary grant funds under delegated authority from the Board. The meeting dates are publicised in advance on the TMCP website.

Board Recruitment

A new Board recruitment drive took place in 2024. It was a successful initiative which resulted in the recruitment of 5 new Trustees. These appointments were received by the Conference 2024 and there will be a subsequent review of committee membership to ensure all Board members, including newly appointed, are involved in governance and oversight of the organisation.

Board Training

All new trustees undergo a induction to familiarise themselves with the aims and work of the charity, and to ensure they understand fully their responsibilities as Board members and the organisational expectations in terms of their commitment. As part of the induction programme, trustees are provided with constitutional, governance, financial and organisational documentation. Trustees also receive regular governance updates and are made aware of relevant events and training opportunities.

Outcomes

In order to provide an overview of the work performed by TMCP, included below is an outline of some of the tasks undertaken since the last Report.

Finance

The Finance section supports the Board's role as custodian trustee by planning and performing all financial operations relating to the receipts and payments of Model Trust monies as well as the investment of funds as instructed by Managing Trustees. This section also works closely with colleagues in the Central Finance Board and the Connexional team in order to fulfill some of these duties.

Some of the highlights of activities undertaken during the Connexional Year 2023/2024 are as follows:

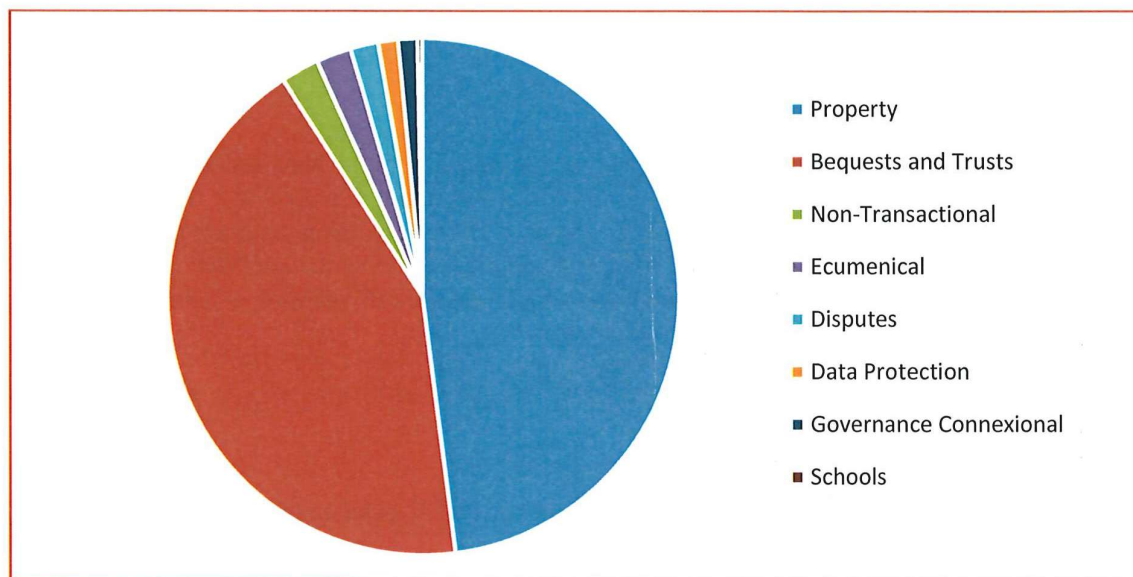
• Property proceeds received	£86m
• Payment requests processed	£82.9m
• Investments purchased	£29.58m
• Investments sold	£7.086m
• Payment requests processed via the Consents system	586

The Trust Information System, an online system which provides online access to trust statements, balances and other information, had 3,245 users registered as at the year ended 31st August 2024 (2023– 3,142 users).

Legal

TMCP works with Managing Trustees, the Connexional Team and their professional advisers to enable them to pursue mission in a number of different ways. This work includes the legal aspects of reimagining use of existing buildings, including partnerships for multi-purpose worship space and community activities. The Legal section enables Managing Trustees to advance these projects in compliance with the requirements of Charity Law and Methodist Law and policy.

Following the introduction of the Matter Management System (MMS) in October 2023 the Legal Team have provided guidance and assistance on over 3,250* Matters; the pie chart below shows the split of Matters by type.

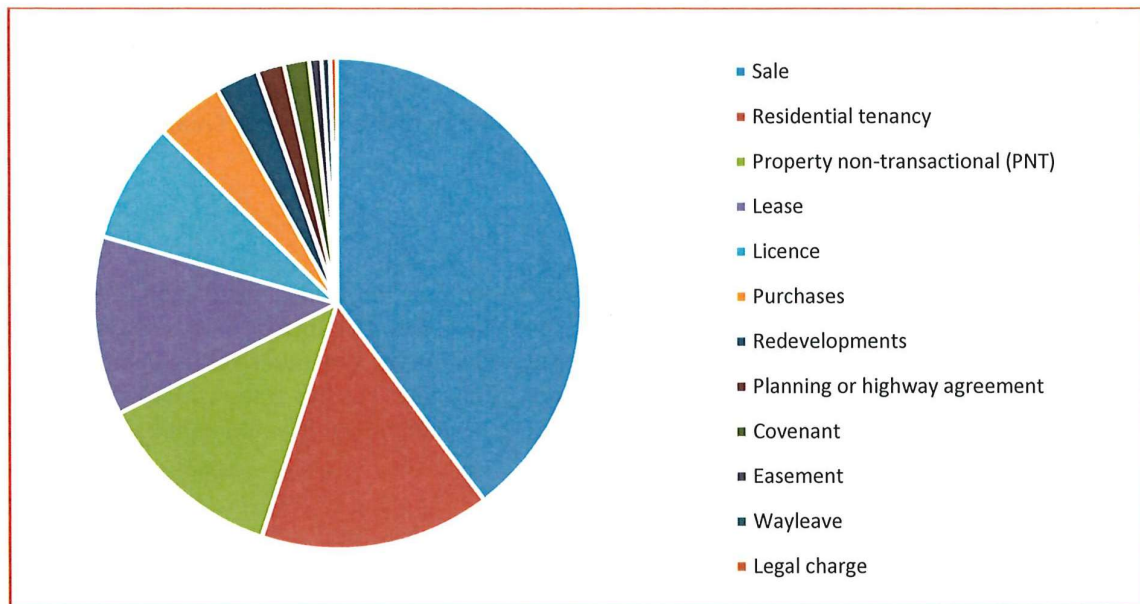


**It should be noted that the above data is inclusive of existing active matters carried over from the previous year (2022/23). Approx 1,550 matters were migrated from old filing systems following the implementation of the MMS, of these around 670 were "Property Matters" and 840 were "Bequests and Trusts" Matters. There were also a small number of matters on Data Protection, Disputes, Ecumenical, Governance Connexional and Schools.*

In addition, TMCP has provided guidance and assistance on over 1,180 Enquiries during the Connexional Year 2023/24. Examples of types of enquiries include but are not limited to:

- Use of property by other Christian Churches or Congregations
- Annual Returns / Consents System queries
- Correspondence from Utility Companies/Councils
- Third Party enquiries re potential purchase/rental of property

In respect of Property Matters the Legal section have assisted Managing Trustees on over 600 Sales, 240 Residential Tenancies, 180 Leases, 120 Licenses, 70 Purchases and 40 Redevelopment Matters, along with providing assistance on Planning or Highway Agreements, Covenants, Easements, Wayleaves, Legal Charges and Non-Transactional Property matters i.e. Land Registry Applications and Deed enquiries. The following pie chart shows a breakdown of the Property Matters by sub-type:



The Legal section continues to help Managing Trustees across the Connexion to secure income from their property to fund Mission.

The work which the Legal team performed in respect of TMCP's role as Data Controller is considered separately in this report as is the management of the Panel Solicitors.

Where TMCP Provide Support / Collaboration with the Connexional Team

General Data Protection Regulations (GDPR)

TMCP continues to act as the Data Controller for all Local Churches, Circuits and Districts (who are deemed to be the "Data Processors" i.e. the people who deal with data/ information on behalf of the Methodist Church).

The Connexional Team have a separate Notification with the Information Commissioners Office ('ICO'). The separate registration ensures that the Connexional Team is a data controller for ICO to cover those data processing activities which fall outside TMCP's registration and for which they are solely responsible.

TMCP and the Connexional Team continue to work together to provide data protection resources to the wider Connexion, including precedent documents, policies, practical guidance and frequently asked questions.

In the year to 31st August 2024 TMCP organised an online forum for District Data Champions to outline fully all current developments in Data Protection and to provide support and guidance as needed. As Data Controller, TMCP requires assurance from the Local Churches, Circuits and Districts that all necessary GDPR processes are being adhered to. In order to obtain such assurances, and on the recommendation of its Internal Auditors, TMCP introduced an Annual Checklist. This is completed by local Managing Trustees and reported back via the Circuit and District who have collated the returns to confirm that they are fulfilling their responsibilities with regard to GDPR.

TMCP continues to act as a point of reference on matters arising in respect of both registrations and also co-ordinated two Data Subject Access Requests (DSAR's) in the Connexional year 2023/2024. Of these, TMCP dealt with one and the other was passed directly to the Methodist Church Safeguarding Team. The DSARs are recorded in TMCP's DSAR Register.

News Hub Articles

Articles are regularly published on the TMCP website 'News Hub', providing information to Managing Trustees and their professional advisers on updates to the website, guidance on changes in legislation, training events, data protection, availability of trust statements and other relevant information. During the year there have been 17 articles published. Managing Trustees are encouraged to sign up for the News Hub emails to be kept informed of current developments. The number of subscribers is currently in excess of 1,050.

Panel Solicitors

The Panel of Solicitors was established in 2018 to provide a cost-effective and consistent service to Managing Trustees in respect of legal matters. They have been trained and are regularly updated in respect of Methodist requirements and work very closely with the TMCP Legal team.

The Framework Agreement between TMCP and the Panel firms sets out the overarching principles for the performance and management of the Panel. In its capacity as the Church's corporate body TMCP is party to the Framework Agreement meaning we have responsibility for ensuring the terms of the Framework Agreement are complied with.

Feedback questionnaires continue to be sent at the end of a transaction to all Managing Trustees who use the Panel. Feedback is an important part of the monitoring process and ensures that Managing Trustees receive a high level of service and advice. TMCP summarise statistics relating to use of the Panel for monitoring, reporting, management and addressing feedback and complaints.

TMCP hold quarterly face to face monitoring meetings with each firm on the Panel. Training events regularly take place.

Following the successful re-tender of the Panel in 2023, TMCP led a new rollout of training to the Firms; Anthony Collins, Blake Morgan, Harrison Clark Rickerbys (HCR) and Sintons in Summer 2024. As part of this rollout representatives from each of the firms were invited to attend the Conference. All firms were in attendance over the duration of the 6 days promoting their services and encouraging the use of the Panel in wider areas of the Connexion. Following the successful implementation of streamlining procedures for sales the team have been working hard to devise similar processes for both leases and purchases to assist with the streamlining of more types of transactions for the benefit of Managing Trustees. These processes are in their final stages and will be rolled out in the Connexional Year (2024/25). The streamlining procedure and the introduction of precedent documents for these types of matters are helping to make sure that TMCP can limit its involvement in transactions at time critical stages and ultimately transactions proceed much quicker.

Copyright

The TMCP Board is the corporate body which holds copyright on behalf of the Conference and its subsidiary bodies because copyright is to be held either by an individual person or a corporate legal person. It will be noted that all publications such as the Constitutional Practice and Discipline of the

Methodist Church (CPD), the Minutes of Conference and Singing the Faith and the works held in the Art Collection, to give but a few examples, name TMCP as the holder of the copyright.

However, all management responsibilities relating to these publications and their copyright are in the hands of the Connexional Council* leaving the Board to be the mere holder of copyright. The Council delegates to others the power to grant permissions to use copyright material and to set any fees in respect of such use. Any fees paid to the Board for the use of copyright material are held to be used as directed by the Connexional Council*.

Moving Forward

A number of key strategies have been rolled out in recent years in respect of the work performed by TMCP, a number of which have been finalised within the Connexional Year. Delivery of these strategies has resulted in the streamlining of all internal processes and is leading to efficiencies across the team. The current status of these strategies is outlined below:

Matter Management System (MMS) Implementation

- The Matter Management System has been implemented and the migration of files to the new digital platform completed. A new Phase 4 is being implemented to make further improvements to the MMS.
- The MMS integrates agreed Key Performance Indicators (KPIs) for timescales and performance
- Each matter has a unique reference number which, when used ensures that correspondence reaches the correct legal officer and can be dealt with effectively and efficiently
- There will be a revised way of contacting TMCP for new enquires and matters which is being developed following the implementation of the MMS. As part of this work, we identified that some enquires need to go direct to the Connexional team rather than TMCP. To facilitate this and provide for a more collaborative way of working between TMCP and the Connexional Team, the contact page on the TMCP website will be overhauled with clearer signposting. Alongside this if Managing Trustees submit an enquiry through the TMCP website it will be automatically redirected to the correct team, whether that is to a team with TMCP itself or to the relevant sections of the Connexional Team, such as Property Support, ESG, or Legal & Constitutional Practice.
- A live connection between the Connexional database and TMCP's new MMS is being reviewed. The timeline is dependent upon the work the Connexional Team is undertaking to the connexional database but will mean that in due course TMCP will have instant access to the database and subsequently the consents system.

Legal Strategy

- Introduction and increased use of KPIs in certain areas in line with the Service Level Partnership Agreement (SLPA) between the Board and the Connexional Council
- Streamlining – to be extended across more types of legal work
- Continuing ways of improving ways of communication with Managing Trustees (MTs) with the feedback form being extended to include the work of TMCP.
- Introduction of more precedent documents and guidance for development transactions in conjunction with Property Support
- Continued training for data champions and a programme for Managing Trustees across the Connexion on what data protection means in the context of the Methodist Church

- More training and detailed guidance on bequests and trusts for Managing Trustees

Finance Strategy

- Improved Engagement with External Parties
 - The team continue to communicate with Managing Trustees via email and telephone creating stronger relationships.
 - The relationship between TMCP Finance, Central Finance Board and Methodist Church House continues to flourish and the Finance Team work collaboratively where appropriate to improve the overall service delivered to the wider Methodist Church
 - There is a review scheduled for 2025 to consider alternative finance systems, and a plan for replacement software in due course, although current software is considered robust and effective.

Workforce Strategy

- Building a culture in which the team continues to feel valued.
- The continued process of establishing key goals and assessing ongoing team performance via the Salary and Performance Review Policy is proving very effective in engaging the team.

Review of Funding

During 2023, the Board reviewed its current funding model which is based on a charge, calculated as a percentage of the assets TMCP holds under its management. The review had concluded that a more sustainable and appropriate model was needed, separating the charge made in respect of the management of funds from the funding of all the other duties performed by the Board.

The Board decided on a preferred option and after initial discussions with the Connexional Team at operational level a strategic high level discussion took place with representatives from the TMCP Board and Connexional Team. Both parties recognised that a new funding model, which will sustain the work of TMCP for the next decade, must be agreed upon.

Since that meeting the Senior Management Team are utilising operational statistics now acquired from the Matter Management System to further develop the proposed model. There are ongoing discussions with Connexional colleagues scheduled over the coming year to agree the future funding model.

In Summary

In summary, the following observations should be noted:

- Workloads have continued to increase, however the implementation of new ways of working has resulted in TMCP being able to maintain a high level of support to Managing Trustees.
- As the new processes become embedded it is anticipated that ongoing improvements in performance will continue to benefit all stakeholders across the Connexion.
- We are, in collaboration with others, seeking to develop a sustainable funding model going forward.
- We have been able to increase capacity without increasing on-costs.

- Investment in technology and improvements in processes have proven beneficial.
- We constantly strive to identify areas for continuing improvement and seek ways to embed necessary changes.
- The continued support and ongoing collaboration with all our Connexional partners will drive more efficiency and deliver greater outcomes.

Financial Review

Total income for the year was £1,350,249 (see detailed breakdown below). Total expenditure for the year was £1,394,098 and this resulted in a net operating loss of £43,849 (2023 net operating loss: £79,329). Gains on investment assets of £112,014 were then added against this loss, which led to a net increase in funds of £68,165 (2023: net decrease in funds £102,269).

The Statement of Financial Activities shows grant income of £44,728 and this is matched against the second phase costs of the Matter Management Project which will lead to continued increases in efficiency and effectiveness. This restricted income and expenditure is shown separately in order to distinguish it from the unrestricted income and expenditure streams.

The operational deficit arises primarily as a result of a lower than budgeted Grant Income, but this has been offset by lower than budgeted operational expenditure achieved during the year.

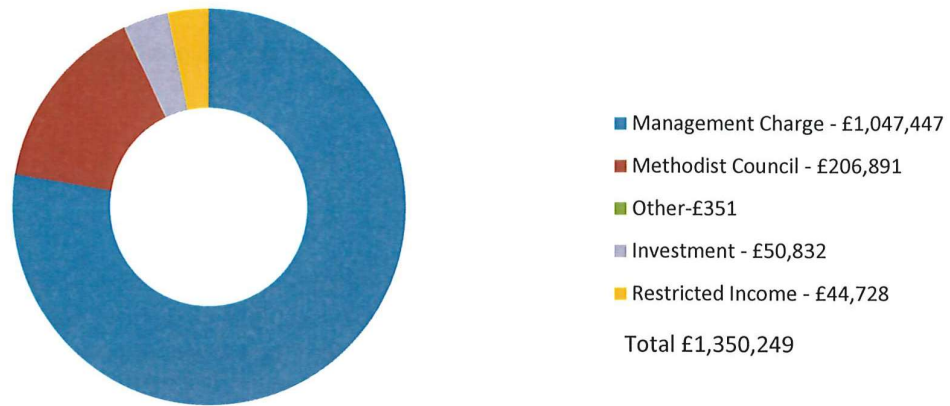
Under the Service Level Partnership Agreement currently in place both the Board and Connexional Council* are keenly aware of the need for TMCP to continue to provide efficient and effective services over the longer term. As outlined previously, discussions will be held with the Connexional Council* in the forthcoming year to address the situation regarding TMCP's ongoing financial viability.

Charitable Income

The main sources of charitable income are the management charges, the contribution from the Connexional Council* and the dividends arising on funds held with the Central Finance Board. The charity does not carry out significant fundraising activities.

Income from charitable activities increased by 4.71% to £1,254,689 (2023: £1,198,276). Investment Income decreased by 1.31% to £50,832 (2023: £51,507). Connexional Council* income includes recovery of costs incurred in respect of members of the Property Support team accommodated in Manchester.

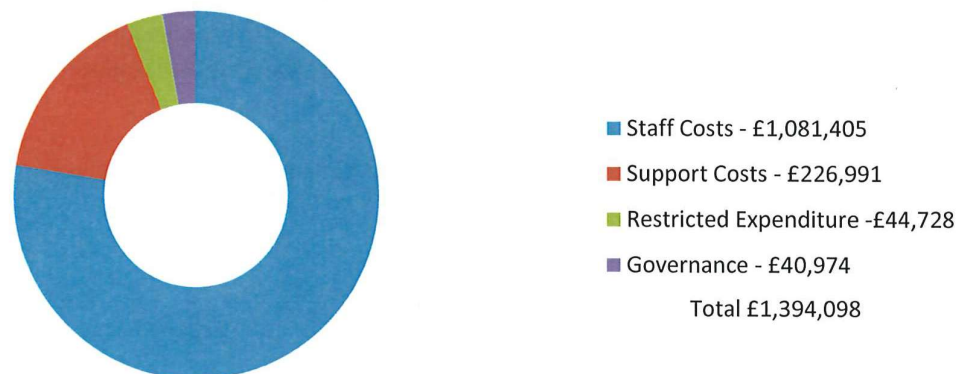
Restricted income is Grant Income £44,728 (as noted in the overview above).

Incoming Resources for the Year to 31 August 2024**Charitable Expenditure**

The main categories of charitable expenditure are staffing and support costs. Resources expended in respect of charitable activities decreased to £1,353,124 (2023: £1,434,580). This included expenditure incurred in respect of the second phase of the digital transformation project.

Over the last five years, since 2019/20, there has been an aggregate deficit of £67,019. This is after adjusting for investment appreciation and exceptional items. Allowing for these items the level of reserves has moved over that period from £1,511,188 to £1,401,320.

To ensure continual improvement in performance and the development of ongoing tools to assist the Connexion, TMCP has over the last five years further invested in staff and infrastructure.

Outgoing Resources for the Year to 31 August 2024

Utilisation of Reserves

	2023/24	2022/23	2021/22	2020/21	2019/20
Opening Balance	£1,333,155	£1,435,424	£1,373,592	£1,270,031	£1,511,188
Funds (utilised from)/ added to reserves in the year	£ 68,165	£ (102,269)	£61,832	£103,561	£ (241,157)
Closing Balance £	£1,401,320	£1,333,155	£1,435,424	£1,373,592	£1,270,031

Reserves Policy and Review

The current reserves policy was updated in 2024. Quantified target reserves per the policy are £1.151m compared to actual free reserves of £1,401,320 as at 31st August 2024

The Audit and Risk Committee looks at the Reserves Policy annually, in the context of the forthcoming budget and the final accounts, as a matter of good practice. A full review of the Reserves Policy is undertaken every three years by the Board. Next date of review will be the earliest of November 2027 or when the current funding model is reviewed.

When the Annual Budget is prepared, the Reserves Policy will be reviewed to decide if any allocation of the Administration Fund is possible for the forthcoming year. In the first instance the level of reserves needs to be restored to the required level as noted above. If this is the case any excess on an annual basis could then be budgeted to be utilised.

The Reserves could be used to:

- i. Contribute to the cost of additional services which otherwise would be funded wholly by the Connexional Council* or Districts.
- ii. Provide a safety net should the Board be called upon to meet additional obligations as part of its custodian trusteeship responsibilities.
- iii. Contribute to the cost of investing in the infrastructure of the organisation to ensure team performance is maximised and services provided to the Connexion are at an optimum level.

It would be preferable if the Reserves were not used to:

- i. Subsidise services identified as being additionally commissioned by the Connexional Council* or
- ii. Subsidise an operational deficit when the Reserves fall below the limit stated above.

Investment Policy and Review

The Board has agreed investment objectives for each of the trusts for which it is full trustee and reviews annually the criteria for the investment of the Trustees Interest Fund in collaboration with the Methodist Church's in-house investment manager, the Central Finance Board (CFB) of the Methodist Church, whose mission is to:

- Provide a high quality investment service, seeking above average returns for long term investors;
- Follow a discipline in which the ethical dimension is an integral part of all investment decisions;
- Construct investment portfolios which are consistent with the moral stance and teachings of the Christian faith; and
- Encourage strategic thinking on the ethics of investment.

To ensure that the CFB is working to the highest ethical standards, the Joint Advisory Committee for the Ethics of Investment (JACEI), which is made up of five people nominated by the CFB and five by the Connexional Council*, monitors the activities of the CFB to ensure that it complies with the ethics of the Church.

The Board's Investment Policy is reviewed annually, and the responsibility is delegated by the Board to the Investment Committee. This committee also recommends the investment parameters for the Board to adopt.

Connected Organisations

TMCP as a corporate body is a separate legal entity, distinct from the Methodist Church, and is responsible for its own actions. The Board reports annually to the Conference and all members of the Board must be members of the Methodist Church. The Conference has various powers under the 1939 Act (e.g. to change the body's name) and in particular it appoints the members of the Board.

The various parts of the legal framework within which the Methodist Church is governed allow for the setting up of separate bodies all reporting into the Methodist Conference to handle specific aspects of the Church's work and/or discharge a specific power of the Church.

Outlined below are two bodies considered to be connected organisations, which alongside TMCP report separately each year to the Methodist Conference:

- a) The Connexional Council*, through the Connexional Team provides the Board with services in regard to payroll and pensions. The Board provides the Support Services in Manchester with accommodation and office services.
- b) The Central Finance Board of the Methodist Church (CFB) was set up by an Act of Parliament in 1960 to enable Methodist organisations to pool their assets and manage them efficiently. The CFB has its own fund management department enabling it to provide professional investment management. There are regular meetings with officers of the CFB to discuss matters of mutual interest.

	2024		
	Income from connected organisation	Purchases from connected organisation	Amount owed by connected organisation at year-end
Connexional Council*	£206,891	£1,760	£8,738

	2023		
	Income from connected organisation	Purchases from connected organisation	Amount owed by connected organisation at year-end
Connexional Council*	£185,715	£1,650	£22,288

In addition to this, the connected organisation transactions with the Central Finance Board include the operations in the administration of the Board's custodian trustee responsibility.

Other Connected Organisation Matters

Anne Goodman, Chief Executive, is a director of Methodist Chapel Aid Ltd.

The Board, as full trustee of the MCA Charitable Trust, holds 29.7% (2023: 29.7%) of the share capital of the Company. It holds these shares for the charitable purposes of the Methodist Church generally.

Risk Management and Internal Controls

Risk Management

The Board, through the Audit and Risk Committee, regularly reviews the risks to which its operations are subject and maintains appropriate arrangements to mitigate those risks. The primary risks are funding and investments, loss of key staff, and changes in technology.

The Audit and Risk Committee reviews and assists in the continued development of a refined Risk Matrix. A full statement of the Risk Management policy is available on request.

The risk management policy is designed to identify and analyse operational and other risks facing the organisation and, where at unacceptable levels, to take steps to mitigate the risks. The Board currently maintains a corporate risk register broken down to include the following headings:

- Compliance
- Fraud
- Systems and Support
- Resources
- Partner Relationships

The matrix summarises the strategies for mitigating and managing the identified risks.

Internal Controls

The principal features of the systems of financial control include:

- An annual planning and budgeting process;
- An Audit and Risk Committee (see above for details of its terms of reference);
- Delegation of authority to spend within clearly defined limits;
- Segregation of duties wherever possible; and
- Written policies and procedures which describe the operational guidelines to be followed by all members of staff.

For the year under review, the Board is satisfied that the major risks to which TMCP is exposed have been assessed and that systems are in place to manage and mitigate exposure to them and residual risks are at acceptable levels.

The risk management policy remains under continual scrutiny. Since the agreement of the Service Level Partnership Agreement (SLPA) with the Connexional Team, the risk management now also encompasses the monitoring of the Key Performance Indicators (KPI's), a function which will be assisted by the introduction of a Matter Management System during 2023 which will streamline processes and workflow.

Statement of Trustees' Responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Re-Appointment of Auditor

A resolution proposing the re-appointment of Moore and Smalley as auditor to the charity will be put to the Board. MHA Moore and Smalley has indicated its willingness to continue in office.

Approved by the Board on 13th February 2025 and signed on its behalf by:



Mr Ian White
Chair of Trustees
Trustees for Methodist Church Purposes

Date: 13 / 2 / 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TRUSTEES FOR METHODIST CHURCH PURPOSES

Opinion

We have audited the financial statements of Trustees for Methodist Church Purposes (the 'charity') for the year ended 31 August 2024 which comprise Statement of Financial Activities, Statement of Financial Position, 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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
- the charity has not kept adequate accounting records; 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 21, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 1443 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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:

- Enquiries with the board and management about any known or suspected instances of non-compliance with laws and regulations, including fraud.
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness.
- An evaluation of the charity's internal control environment.
- Challenging assumptions and judgements made by the board and management, in particular in relation to the future performance of the charity; and
- A review of board minutes.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

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

MHA

MHA
Statutory Auditor
9 Winckley Square
Preston
PR1 3HP

29/5/25

MHA is eligible to act as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered OC455542).

Statement of Financial Activities for the year ended 31st August 2024

		Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
	Note				
Income and Endowments from:					
Donations and legacies	3 (a)	-	44,728	44,728	131,126
Investment and other income	3 (b)	50,832	-	50,832	51,507
Charitable Activities	3 (c)	1,254,689	-	1,254,689	1,198,276
Total Income		1,305,521	44,728	1,350,249	1,380,909
Expenditure on:					
Charitable Activities	4(a), (b) & (c)	(1,349,370)	(44,728)	(1,394,098)	(1,460,238)
Total Expenditure		(1,346,370)	(44,728)	(1,394,098)	(1,460,238)
Net Expenditure		(43,849)	-	(43,849)	(79,239)
Net Gains/(Losses) on investments	8(a)	112,014	-	112,014	(22,940)
Net movement in funds	11	68,165	-	68,165	(102,269)
Reconciliation of Funds					
Fund balances brought forward at 1 st September		1,333,155	-	1,333,155	1,435,424
Fund balances carried forward 31 st August	11	1,401,320	-	1,401,320	1,333,155

The notes on pages 28 to 40 form an integral part of these accounts

Statement of Financial Position as at 31st August 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	6	-	-
Intangible fixed assets	7	-	-
Investments	8	<u>1,201,731</u>	<u>1,108,784</u>
Total Fixed Assets		<u>1,201,731</u>	<u>1,108,784</u>
Current Assets			
Debtors	9	<u>88,707</u>	<u>117,702</u>
Cash at bank and in hand		<u>151,425</u>	<u>170,066</u>
Total Current Assets		<u>240,132</u>	<u>287,768</u>
Liabilities			
Creditors			
Amounts falling due within one year	10	<u>(40,543)</u>	<u>(63,397)</u>
Net Current Assets		<u>199,589</u>	<u>224,371</u>
Net Assets		<u>1,401,320</u>	<u>1,333,155</u>
The Funds of the Charity			
Unrestricted income funds	11	<u>1,401,320</u>	<u>1,333,155</u>
Restricted income funds	12	<u>-</u>	<u>-</u>
Total Charity Funds		<u>1,401,320</u>	<u>1,333,155</u>

The financial statements on pages 25 to 40 were approved by the Board and authorised for issue on:
13th February 2025 and signed on its behalf by



Board Member



Board Member

The notes on pages 28 to 40 form an integral part of these accounts.

Statement of Cash Flows for the year ended 31st August 2024

	Note	2024 £	2023 £
Net cash from operating activities	16	<u>(88,539)</u>	<u>(186,098)</u>
Cash Flows from Investing Activities			
Dividends & interest	3 (b)	50,832	51,507
Addition: Tangible Fixed Asset	6	-	-
Addition: Intangible Fixed Asset	7	-	-
Proceeds from sale of investments	8 (a)	2	13,774
Transfers of CFB units as per Conference Resolutions	8 (a)	-	-
Transfer of CFB units from T10885b	8 (a)	-	-
Monies held as Debtor	8 (a)	-	-
Net Transfers from Trustees Interest Fund	8 (a)	19,065	(18,832)
		<u>69,899</u>	<u>46,449</u>
Changes in cash and cash equivalents in the year		(18,641)	(139,648)
Cash and cash equivalents brought forward		<u>170,066</u>	<u>309,715</u>
Cash and cash equivalents carried forward		<u><u>151,425</u></u>	<u><u>170,066</u></u>

The notes on pages 28 to 40 form an integral part of these accounts

Notes to the Accounts for the Year Ended 31st August 2024

1 Trustees for Methodist Church Purposes (The Board)

These accounts do not include investments of some **£418 million** (2023: £375 million) at market value held by the Board in its capacity as trustee or custodian trustee. These funds are held for Methodist purposes for the Managing Trustees who may be local Church Councils, Circuit Meetings or other bodies of trustees. Of the £418 million, approximately **£3.81 million** is in the form of trusts over which the Board has full discretion in accordance with the objects of the trusts. These trusts are segregated from the Charity's individual assets, being each identified as separately labelled funds. Any instructions for actions in respect of those funds are given by the Managing Trustees responsible for the funds and only acted upon when this authority is given. Regular reconciliations of these funds and investments held are performed and all processes are subject to scrutiny.

The financial statements are prepared in sterling, which is the functional currency of the entity.

2 Accounting Policies

(a) Basis of preparation and assessment of going concern

These financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or in the notes to the financial statements.

They have also been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

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

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. There were no significant areas of adjustment and key assumptions that affect items in the accounts. With respect to the next reporting period, 2024-25, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets.

(b) Statement of Cash Flows

In accordance with FRS102 a Statement of Cash Flows has been prepared.

(c) Tangible Fixed Assets

Fixed assets purchased in the year costing over £5,000 are capitalised at cost.

Depreciation on assets in use has been provided at rates calculated to write down their cost or valuation to their residual values over the period of their estimated useful economic lives. A full year's depreciation is charged in the year of purchase.

The rate of depreciation used on Computer Equipment is 33.3% on a straight-line basis.

(d) Intangible Fixed Assets

Intangible Fixed assets purchased in the year are capitalised at cost and amortised over their useful life with a full year's amortisation charged in the year of purchase.

Amortisation on intangible assets in use has been provided at rates calculated to write down their cost or valuation to their residual values over the period of their estimated useful economic lives.

The rate of amortisation used during the year is 33.3% on a straight-line basis.

(e) Taxation

The Charity is exempt from Income and Corporation Tax on income derived from its charitable activities because of its charitable status.

Since 1st June 2014, the Charity is no longer registered for Value Added Tax and as such resources expended are presented gross of VAT.

(f) Investments

The Charity holds unlisted investments. Investments are a form of financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Statement of Financial Position date using the closing quoted bid price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year (see note 8a.)

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investments risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(g) Income and Endowments

- Income, including donations, gifts and legacies, is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.
- Dividends received from the Central Finance Board are recorded on a cash basis.
- Interest from deposits is recognised on an accruals basis.
- The management charge represents amounts charged in the year.

(h) Expenditure

All resources expended are accounted for on an accruals basis. Any ensuing liabilities are recognised as soon as a legal or constructive obligation exists.

- Charitable activities include the direct costs of the Board's activities, for example, wages and salary costs for staff employed by the Board and direct costs and support costs. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements and include internal and external audit and trustees' expenses.
- All amounts include Value Added Tax.

(i) Pension Costs

The Board is a participating employer of the Pension and Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC), which is a multi-employer, defined benefit scheme for lay employees. As it is not possible to identify the share of the underlying assets and liabilities of the scheme attributable to the Trustees for Methodist Church Purposes on a consistent and reasonable basis, it is accounted for as a defined contribution scheme. Accordingly, contributions payable to this scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Connexional Council* closed the PASLEMC to new entrants with effect from 31st May 2019. Existing members benefit from the Scheme arrangements up to this date but are no longer able to make further contributions and members do not therefore build up any future benefits in the Scheme. The pension that members have already built up is retained in the Scheme and upon retirement they will receive that pension and any inflationary increases granted.

TMCP now contributes to a defined contribution scheme with Royal London for its employees.

(j) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

(k) Debtors

Amounts owed by related parties due within one year are measured at the undiscounted amount of cash or other consideration expected to be received. All other debtors are measured at transaction price, less any impairment.

(l) Creditors

Amounts owed to related parties due within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid. All other creditors are measured at transaction price.

(m) Financial instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from related parties.

3. Income and endowments from:

3(a) Donations and legacies	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2024 £	Restricted Funds 2023 £	Total Funds 2023 £
Grant from discretionary trust		44,728	44,728		131,126	131,126
Legacy	-		-	-		-
	-	44,728	44,728	-	131,126	131,126
3(b) Investment and other income	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Deposit Interest	15,384		15,384	19,444		19,444
Dividends	35,448		35,448	32,063		32,063
	50,832		50,832	51,507		51,507
3(c) Charitable activities	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Management Charge	1,047,447		1,047,447	1,011,841		1,011,841
Connexional Council* Contribution	197,120		197,120	176,000		176,000
Connexional Council* Additional Work	-		-	-		-
Support Services in Manchester Contribution	9,771		9,771	9,715		9,715
Other income and recovery of bank charges	351		351	720		720
	1,254,689	-	1,254,689	1,198,276	-	1,198,276

4. Expenditure on:

4(a) Analysis of Expenditure	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Charitable Activities – Staff Costs	1,081,405	-	1,081,405	1,054,999	7,599	1,062,598
Charitable Activities – Support Costs	226,991	44,728	271,719	245,421	123,527	368,949
Governance costs (note 4 (c))	40,974	-	40,974	28,692	-	28,692
	1,349,370	44,728	1,394,098	1,329,112	131,126	1,460,238

4(b) Staff Costs	2024	2023
	£	£
Wages & Salaries	848,352	837,391
Social Security costs	93,584	92,508
Pension & Permanent Health Insurance costs	<u>139,469</u>	<u>132,699</u>
	<u>1,081,405</u>	<u>1,062,598</u>
Average number of employees (full time equivalent)	21	20

The full-time equivalent is calculated on the basis of a 35-hour week. The average number of employees (headcount) during the year was 21 (2023: 20) with all employee time involved in providing either support to the governance of the charity or support services to charitable activities.

A provision of £16,451 has been included in the 2024 wages and salaries total in respect of potential holiday pay. A provision for this was also made in 2023(£13,955)

The Board considers its key management personnel comprise the Trustees, the Chief Executive and five senior managers. The total employment benefits including employer pension contributions of the key management personnel were £472,943 (2023: £ 451,944).

	2024	2023
	No. of employees	No. of employees
£60,001 - £70,000	1	1
£70,000-£80,000	1	1

The Trustees do not receive any emoluments.

4(c) Governance costs	2024	2023
	£	£
Trustees Expenses (note 15)	3,704	2,515
Committee Expenses (sundry costs)	512	752
Auditors Remuneration:		
In their capacity as external auditors	18,399	13,463
In their Capacity as Independent Examiners	1,351	1350
Charges for HR & other services:		
Internal audit		
HR services	12,471	4,186
Independent Examination	4,537	6,426
	<u>40,974</u>	<u>28,692</u>

5. Net movement in funds for the year	2024	2023
	£	£
Net movement in funds for the year is stated after charging:-		
Depreciation	-	-
Amortisation	-	-
Operating lease rentals	2,167	2,833
	<u>2,167</u>	<u>2,833</u>

6. Tangible Fixed Assets**Computer
Equipment
£****Cost**At 1st September 2023

19,970

Additions in the year

-

At 31st August 2024**19,970****Depreciation**At 1st September 2023

19,970

Charge for the year

-

At 31st August 2024**19,970****Net Book Values****At 31st August 2024**

-

At 31st August 2023

-

7 Intangible Fixed Assets**Website
Development
£****Cost**At 1st September 2023

52,662

Additions in the year

-

At 31st August 2024**52,662****Amortisation**At 1st September 2023

52,662

Charge for the year

-

At 31st August 2024**52,662****Net Book Values****At 31st August 2024**

-

At 31st August 2023

-

8 Investments**8(a) Movement on Investments**

	2024	2023
	£	£
Market value 1 st September	1,108,784	1,126,666
Disposal proceeds	(2)	(13,774)
Transfers of CFB Units into Trust 17A & 5723A as per conference resolution		-
Transfer of CFB Units from 10885B	-	-
Cash Transfer from (17A)		-
Net Transfers from Trustees Interest Fund	(19,065)	18,832
Monies held as Debtor	-	-
Net gains/(losses) on investments	112,014	(22,940)
Market value at 31 st August	1,201,731	1,108,784

8(b) Analysis of Investments

Market value is that provided by the Central Finance Board of the Methodist Church

	2024	2023
	Market Value	Market Value
	£	£
Central Finance Board		
Trustees Interest Fund	2	19,067
Global Equity Fund	99,716	92,555
UK Equity Fund	245,384	215,871
Short Fixed Interest Fund	243,489	18,756
Corporate Bond	523,982	454,921
Property Fund	89,158	136,960
Managed Mixed Fund	-	76,514
Managed Fixed Interest Fund	-	94,410
	1,201,731	1,108,784

9 Debtors

	2024	2023
	£	£
Debtors	2,387	223
Amounts due from related party	8,738	22,227
Prepayments and accrued income	77,581	95,252
	88,707	117,702

10 Creditors	2024	2023
	£	£
Trade creditors	3,362	34,361
Accruals	37,181	29,036
	<hr/>	<hr/>
	40,543	63,397
	<hr/>	<hr/>

11 Unrestricted - Administration Fund	2024	2023
	£	£
Accumulated fund at 1 st September	1,333,155	1,435,424
Net movement in funds	68,165	(102,269)
	<hr/>	<hr/>
At 31 st August	1,401,320	1,333,155
	<hr/>	<hr/>

12 Analysis of restricted fund movements	Funds at 01-Sep-23	Income	Expenditure	Funds at 31-Aug-24
	£	£	£	£
Restricted Fund	-	44,728	(44,728)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	44,728	(44,728)	-
	<hr/>	<hr/>	<hr/>	<hr/>

Income received from T10885B

13 Analysis Net Assets Between Fund	Unrestricted Funds 2024	Restricted Funds 2024	Total Funds 2024	Total Funds 2023
	£	£	£	£
Tangible fixed assets	-	-	-	-
Intangible fixed assets	-	-	-	-
Investments	1,201,731	-	1,201,731	1,108,784
Cash at bank and in hand	151,425	-	151,425	170,066
Other net current assets	48,164	-	48,164	54,304
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets at 31 August 2024	1,401,320	-	1,401,320	1,333,155
	<hr/>	<hr/>	<hr/>	<hr/>

14 Pension Costs

The Board is a participating employer of the Pension and Assurance Scheme for Lay Employees of the Methodist Church ("the Scheme"), a defined benefit scheme.

FRS102 Disclosures

A valuation of the Scheme for the purposes of these disclosures was carried out at 31 August 2024 by an independent actuary. The major assumptions used by the actuary, together with those used in the previous year, were: -

	31 August 2024	31 August 2023
	% pa	% pa
Discount rate	5.0	5.2
RPI inflation rate	3.3	3.4
CPI inflation rate	2.7	2.8
Rate of increase in pensionable earnings	2.7	2.8
Rate of increase in pension payments	2.2 / 3.2 / 5.0	2.2 / 3.3 / 5.0

The major categories of the Scheme's assets (excluding money purchase AVCs) as a percentage of the total Scheme assets, were as follows: -

	31 August 2024	31 August 2023
	%	%
Equities	-	-
Corporate bonds	-	45.6
Property	-	-
Cash	0.4	19.3
Liability Driven Investment	-	30.7
L&G Annuities	4.6	4.4
Aviva Annuities	95.0	-

The following amounts at 31 August 2024 were measured in accordance with the requirements of FRS102.

	£ million
Total market value of assets	54.2
Present value of scheme liabilities	55.1
Net overfunding in Scheme	(0.9)
Unrecognised assets	0.0
Net Defined Benefit Asset	(0.9)

The Scheme operated by the Methodist Church is a defined benefit scheme. However, the Board is not the only participating employer in the Scheme and it is unable to determine its share of the underlying assets and liabilities on a consistent and reasonable basis. This is because contributions paid into the Scheme have not been invested separately to those paid by other employers participating in the Scheme. As such no separate

fund is identifiable in respect of the Board. In order to determine a current fund for each participating employer it would be necessary to separately account for contributions, benefit payments and investment returns for each participating employer.

Under the terms of the Scheme, the assets and liabilities are pooled amongst the participating employers. If a participating employer were to cease to participate then that employer would be required to pay a debt to fully fund their share of the Scheme's liabilities. The Board would not be liable for another employer's debt but has an option to assume responsibility under an apportionment arrangement.

The Scheme closed to new entrants and the future accrual of pensionable service with effect from 31 May 2019 and therefore regular employer contributions ceased on this date.

A full actuarial valuation of the Scheme was carried out at 1 September 2023 by the Scheme Actuary. The valuation disclosed a past service deficit of £676,000. The shortfall revealed at 1 September 2023 was eliminated by contributions paid from the Pension Reserve Fund of the Methodist Church to the Scheme as follows:

- £700,000 (the shortfall plus interest) was transferred on 22 April 2024; and
- A further £50,000 was transferred on 22 April 2024 in support of the Scheme's secondary funding objective to purchase annuities with an insurance company.

The next full actuarial valuation is due to be carried out as at 1 September 2026.

15 Transactions with Members of the Board and Connected Persons (Trustees)

Under the requirements of Accounting by Charities - Statement of Recommended Practice, it is necessary to disclose details of certain transactions with Trustees.

	2024	2023	2024	2023
Nature of transaction	£	£	No	No
Travel expenses reimbursed	3,704	2,515	20	25

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Cash Flows from Operating Activities		
Net Movement in funds	68,165	(102,269)
Add Depreciation charge	-	-
Add Amortisation provided	-	-
Deduct/Add (Gains)/Losses on investments	(112,014)	22,940
Deduct Dividends & interest	(50,832)	(51,507)
Decrease/(Increase) in debtors	28,996	(60,171)
(Decrease)/Increase in creditors	(22,854)	4,909
Net cash from operating activities	(88,539)	(186,098)

17. Operating lease commitments

At 31st August 2024 the total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Leases which expire:		
Not later than one year	1,696	2,167
Later than one year and not later than five years	242	1,939
Later than five years	-	-
	1,938	4,106

18. Related Parties

There were no related party transactions during the year (2023: none) other than expenses paid to Trustees as disclosed in note 15.

Transactions with connected organisations are reported in the Trustees' Report on pages 17 and 18.

19. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	170,066	(18,641)	151,425
	170,066	(18,641)	151,425

20. Financial instruments

The charity had the following financial instruments:

Financial assets measured at fair value through the Statement of Financial Activities:

	2024	2023
	£	£
Investments stated at market value	1,201,731	1,108,784