

**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 2019**

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 2019**

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**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019**

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 2019.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 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and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.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](http://www.yorkshirenemethodist.org)

**Trustees who served during the year were as follows:**

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

**YORKSHIRE NORTH AND EAST DISTRICT  
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**REFERENCE AND ADMINISTRATIVE INFORMATION - CONTINUED**

The following people were appointed from 1 September 2019 to Yorkshire North and East District:

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

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

Revd Leslie Newton (Chair)  
Mrs Jacqueline Gaitley (Representative Synod Secretary)  
Mr Alister McClure (Methodist Council representative)  
Mr Andrew Brown (Property Secretary)  
Mrs Janet Bryer (Treasurer to 31 August 2019)  
Mr Malcolm Lucas (Treasurer from 1 September 2019)  
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 Dr Keith Albans (Superintendents' representative)

**YORKSHIRE NORTH AND EAST DISTRICT  
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**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: Robert W Woolley  
HPH, Chartered Accountants  
54 Bootham  
YORK  
YO30 7XZ

**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 and those appointed from 1 September 2019 are set out on pages one and two. All members of the District Policy Committee are appointed annually as Trustees by the Representative Synod.

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

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.

**YORKSHIRE NORTH AND EAST DISTRICT  
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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT – CONTINUED**

**Trustees - continued**

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 Committee, 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 Committee (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. The administrative officer is paid at an agreed level in line with Methodist guidance for the levels of expertise and experience. The pay levels are increased in line with the percentage increase given to the Methodist ministers as agreed by Methodist Conference. The Methodist Church has a policy of paying at or above the real living wage. No other key management personnel are paid for their services except for the reimbursement of out of pocket expenses.

**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 regard to issues of Safeguarding, the District appointed 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 is deemed low.
- 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 Committee). At present, this risk is deemed low.

**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019**

**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 £700,539 (2018: £658,095) and dispersed £668,560 (2018: £526,302). The overall surplus for the year, after gains/losses on investments, was £32,033 (2018 surplus of £131,719), 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.

There were no significant events during the year which affected the finances of 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 short-term shortfall in anticipated income. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two.

The District continues to hold the three freehold properties being the Chair's Manse in York, York International House and Hull International House.

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 York International House. 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. York International House is managed to ensure the comfort of the tenants and maximise the funds available for mission.

**YORKSHIRE NORTH AND EAST DISTRICT  
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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019**

**FINANCIAL REVIEW - CONTINUED**

**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 £1,938,620 (2018: £1,906,587), of which £678,156 (2018: £683,899) were unrestricted funds and £1,260,464 (2018: £1,222,688) were restricted funds. The level of unrestricted reserves is maintained at around 6 months of the funds 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.

**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.

**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.

**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019**

**OBJECTIVES AND AIMS - CONTINUED**

**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 aim is to enable the DPC to concentrate on the wider mission of the Church. It was recognised that it might be necessary to have ad hoc groups. There has also been continuing work to ensure that the Yorkshire Districts work together most effectively.

Initiatives concerned with Safeguarding have been extended beyond the remit of Children to encompass Vulnerable Adults. There has been additional training as a result of Courage, Cost & Hope - the report on the Past Cases Review (PCR). The work is by no means complete and will continue to be a District priority.

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 encourage the 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 the work of the newly established '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.

**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019**

**OBJECTIVES AND AIMS - CONTINUED**

**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.

**ACHIEVEMENTS AND PERFORMANCE**

- Circuits are looking at plans to enable the best use of resources to further their mission
- The District Grants Committee has met and has allocated the year's available funds to various projects.
- 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.

**YORKSHIRE NORTH AND EAST DISTRICT  
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**CHALLENGES FOR THE FUTURE**

Concerns about the increasing secularisation of society continue to be at the forefront of discussion and the recent upturn in the economy in some sectors but not others is continually testing our social policies and action. In particular the District is concerned about the plight of homelessness and has commissioned some research to help local churches and circuits respond more effectively. The Trustees give thanks that the congregations in some churches are growing but recognise that there are many that are gradually contracting. Maintaining a Christian presence in a community is very important and balancing the closure of churches with maintaining a presence in rural communities will continue to be a challenge. The relevance of the Church to an ever-changing social profile is something which we all must take on board. At the present time there are a considerable number of unknowns with regard to our future available income and staffing levels which may well provide considerable challenges for the future. However, 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 continues to review its ways of working to be appropriate for its situation. This continues in working with other Districts in Yorkshire, Districts in the North East and ecumenical colleagues. The District is as well-equipped as possible to both encompass change and respond to new ideas.

**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 Trustees on 7 March 2020 and signed on their behalf by:

Jacqueline Gaitley

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 accounts of the Yorkshire North and East District of the Methodist Church ("the Charity") for the year ended 31 August 2019.

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 accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charities accounts 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 accounts in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the Charities (Accounts and Reports) Regulations 2008 but has since been withdrawn.

I understand this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice for reporting periods beginning on or after 1 January 2015.

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

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

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

10 March 2020

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

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £	
<b>Notes</b>					
<b>Income and endowments from:</b>					
Donations and grants	2	157,276	287,428	444,704	445,052
Charitable activities		-	32,246	32,246	37,311
Income from other activities		59,788	155,431	215,219	170,722
Investments		706	7,664	8,370	5,010
<b>Total income</b>		<b>217,770</b>	<b>482,769</b>	<b>700,539</b>	<b>658,095</b>
<b>Expenditure on:</b>					
Raising funds	4	38,347	47,445	85,792	55,806
Charitable activities	5	185,220	397,548	582,768	470,496
<b>Total</b>		<b>223,567</b>	<b>444,993</b>	<b>668,560</b>	<b>526,302</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>					
	6	<b>(5,797)</b>	<b>37,776</b>	<b>31,979</b>	<b>131,793</b>
Net gains/(losses) on investments	8	54	-	54	(74)
<b>Net income/(expenditure)</b>		<b>(5,743)</b>	<b>37,776</b>	<b>32,033</b>	<b>131,719</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(5,743)</b>	<b>37,776</b>	<b>32,033</b>	<b>131,719</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward at 1 September 2018		683,899	1,222,688	1,906,587	1,774,868
<b>Total funds carried forward at 31 August 2018</b>		<b>£ 678,156</b>	<b>£ 1,260,464</b>	<b>£ 1,938,620</b>	<b>£ 1,906,587</b>

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 2019**

	Notes	Unrestricted Funds	Restricted Funds	Total	
				2019 £	2018 £
<b>Fixed assets:</b>					
Tangible assets	9	595,995	260,490	856,485	852,533
Investments	8	-	-	-	3,499
<i>Total fixed assets</i>		<u>595,995</u>	<u>260,490</u>	<u>856,485</u>	<u>856,032</u>
<b>Current assets:</b>					
Debtors	10	9,258	-	9,258	7,499
Cash at Bank and in hand		86,596	1,002,834	1,089,430	1,059,148
<i>Total current assets</i>		<u>95,854</u>	<u>1,002,834</u>	<u>1,098,688</u>	<u>1,066,647</u>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	11	13,693	2,860	16,553	16,092
<i>Net current assets</i>		<u>82,161</u>	<u>999,974</u>	<u>1,082,135</u>	<u>1,050,555</u>
<b>Total net assets</b>		<b><u>£ 678,156</u></b>	<b><u>£ 1,260,464</u></b>	<b><u>£ 1,938,620</u></b>	<b><u>£ 1,906,587</u></b>
<b>The funds of the charity:</b>					
Unrestricted - General fund	15	678,156	-	678,156	683,899
Restricted - Other funds	14	-	1,260,464	1,260,464	1,222,688
<i>Total charity funds</i>		<b><u>£ 678,156</u></b>	<b><u>£ 1,260,464</u></b>	<b><u>£ 1,938,620</u></b>	<b><u>£ 1,906,587</u></b>

The financial statements were approved by the Trustees on 7 March 2020 and signed on its behalf by:

Jacqueline Gaitley  
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 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	13	34,553	140,088
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment		(7,824)	(5,172)
Proceeds from sale of investments		3,553	-
Dividends, interest and rents from investments		-	7
<b>Net cash used in investing activities</b>		(4,271)	(5,165)
<b>Change in cash and cash equivalents in the reporting period</b>		30,282	134,923
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,059,148	924,225
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>£ 1,089,430</b>	<b>£ 1,059,148</b>

*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 2019**

**1. Accounting policies**

**(a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts (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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 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 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 2019**

**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 2019**

**2. Donations and grants**

	<i>Unrestricted</i> £	<i>Restricted</i> £	2019 £	2018 £
Received from Circuits	130,498	-	130,498	132,590
Grants	26,778	287,428	314,206	309,855
Donations	-	-	-	2,607
	<u>£ 157,276</u>	<u>£ 287,428</u>	<u>£ 444,704</u>	<u>£ 445,052</u>

In 2018, the amount of donations and legacies which related to restricted funds was £287,411.

**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	-	576,182	(576,182)	-
JPIT Yorkshire	4,277	-	(249)	4,028
Racing Chaplaincy	-	1,000	-	1,000
Total	<u>£ 4,277</u>	<u>£ 576,182</u>	<u>£ (576,431)</u>	<u>£ 5,028</u>

**4. Expenditure on raising funds**

	<i>Unrestricted</i> £	<i>Restricted</i> £	2019 £	2018 £
Manse costs	7,091	-	7,091	8,159
Expenditure on other District property	-	44,523	44,523	8,191
<i>Chair's travel and secretarial costs</i>				
Travel	5,218	-	5,218	4,865
Secretarial	12,000	-	12,000	10,800
Hospitality, retreat and other expenses	833	-	833	3,256
	<u>18,051</u>	<u>-</u>	<u>18,051</u>	<u>18,921</u>
Employees' and volunteers' travel	12,233	22	12,255	16,998
<i>Depreciation</i>				
Furniture and fittings	972	2,900	3,872	3,537
Total	<u>£ 38,347</u>	<u>£ 47,445</u>	<u>£ 85,792</u>	<u>£ 55,806</u>

In 2018, the expenditure on raising funds which related to restricted funds was £10,794.

**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**5. Expenditure on charitable activities**

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2019</i> £	<i>2018</i> £
Synod, committees and administration	33,940	3,336	37,276	45,464
Salaries and associated costs	58,442	62,710	121,152	63,247
Grants and donations	4,856	197,646	202,502	164,788
Other expenses	37,936	128,116	166,052	155,419
Training, appraisal and development	6,367	5,740	12,107	10,173
	141,541	397,548	539,089	439,091
<i>Work of the District</i>				
Safeguarding officer	41,279	-	41,279	28,705
<i>Governance costs</i>				
Independent examiner's fees	2,400	-	2,400	2,700
<b>Total</b>	<b>£ 185,220</b>	<b>£ 397,548</b>	<b>£ 582,768</b>	<b>£ 470,496</b>

In 2018, the amount of expenditure on charitable activities which related to restricted funds was £363,664

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. £

*Ministry grants*

Pocklington & Market Weighton Circuit - Circuit Administrator	600
Hull (Centre and West) Circuit - Pioneer Minister	3,000
Yorkshire North & East District - Circuit Support Team	14,659
Yorkshire North & East District - "Thy Kingdom Come" party	4,500
Ripon & Lower Dales Circuit - Pioneer Minister	3,805
	<b>£ 26,564</b>

*Property grants*

Clowes Memorial Methodist Church, Hull - hall door	390
Huntington Methodist Church - disabled toilet upgrade	3,000
Acomb Methodist Church - community garden and access	1,142
Driffield Methodist Church - building scheme	50,000
Pickering Methodist Church - building scheme	50,000
Wath Methodist Chapel - restoration works	15,000
Bedale & District Methodist Church - redevelopment of church	35,000
Newton on Derwent Methodist Church - renovation	5,000
Hambleton Methodist Church - upgrade project	5,000
	<b>£ 164,532</b>

*Seed Funding grants*

Pateley Bridge Circuit - Bag Project	1,000
Sewerby Methodist Church - Youth Work	1,000
Bedale & District Methodist Church - Silver Service	500
Ripon & Lower Dales Circuit - Market Evangelism	600
Hedon Methodist Church - AV System	1,000
York Central Methodist Church - Bread Church	250
Nidd Valley - Cycle Race	1,000
Copmanthorpe Methodist Church - Youth Group	1,000
Acomb Methodist Church - Board Games	200
	<b>£ 6,550</b>

**Total Grants Paid**

**£ 197,646**

**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

	2019 £	2018 £
<b>6. Net income before investment gains/(losses)</b>		
This is stated after charging:		
Depreciation	3,872	3,537
Statutory accounts preparation	1,200	1,350
Independent examiner's fees for reporting on the accounts:	1,200	1,350
	3,272	6,237

Depreciation of £972 relates to unrestricted funds (2018:£934), £2,900 relates to restricted funds (2018:£2,603).

**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.

The Yorkshire North and East District pay the wages costs of the staff. The total paid during the year amounted to £165,969 (Gross salaries £154,840, employer's national insurance £6,748, employer's pension contributions £4,381 (Total 2018: £135,023).

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

The average monthly head count was 9 (2018: 5).

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 £18,538 (2018: £18,096).

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.

**8. Investments**

	The Trustees For Methodist Church Purposes £
Valuation at 1 September 2018	3,499
Gain on investments	54
Disposals	(3,553)
Valuation at 31 August 2019	£ -

**YORKSHIRE NORTH AND EAST DISTRICT  
OF THE METHODIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**9. Tangible Fixed Assets**

	Freehold property £	Furniture and fittings £	Total £
<i>Cost</i>			
At 1 September 2018	827,351	55,451	882,802
Additions in year	-	7,824	7,824
At 31 August 2019	<u>827,351</u>	<u>63,275</u>	<u>890,626</u>
<i>Depreciation</i>			
At 1 September 2018	-	30,269	30,269
Charge for year	-	3,872	3,872
At 31 August 2019	<u>-</u>	<u>34,141</u>	<u>34,141</u>
<i>Net book value</i>			
At 31 August 2019	<u>£ 827,351</u>	<u>£ 29,134</u>	<u>£ 856,485</u>
At 31 August 2018	<u>£ 827,351</u>	<u>£ 25,182</u>	<u>£ 852,533</u>

Assets with a net book value of £260,490 (2018: £255,567) relate to restricted funds.

**10. Debtors**

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2019</i> £	<i>2018</i> £
Sundry debtors and prepayments	<u>£ 9,258</u>	<u>£ -</u>	<u>£ 9,258</u>	<u>£ 7,499</u>

In 2018, none of the debtors related to restricted funds.

**11. Creditors: amounts falling due within one year**

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2019</i> £	<i>2018</i> £
Accruals and deferred income	2,520	2,860	5,380	5,670
Other creditors	6,145	-	6,145	6,145
Amounts held as agents	5,028	-	5,028	4,277
	<u>13,693</u>	<u>2,860</u>	<u>16,553</u>	<u>16,092</u>

In 2018, creditors of £3,150 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 2019**

**12. Related Party transactions**

Funds of £576,182 were received from the circuits on behalf of the central Methodist fund during the reporting period of which £576,182 was paid over to the central Methodist Fund.

During the year out of pocket expenses relating to travel of £7,527 (2018: £6,871) were paid on behalf of 7 (2018: eight) trustees.

One of the trustees received remuneration for her role as District Administrator and PA to the Chair. During the year the amounts paid to Sian Henderson totalled £17,441 including pension contributions of £987 (2018: £17,011). The remuneration is arrived at by consideration of similar positions in other parts of the Methodist Church and is allowable under the constitution. No trustee (2018: None) received any remuneration in respect of their trusteeship role.

There were no other related party transactions.

<b>13 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Net income for the reporting period</b>	32,033	131,719
<i>Adjustments for:</i>		
Depreciation charges	3,872	3,537
(Gains)/Losses on investments	(54)	74
Dividends, interest and rents from investments	-	(7)
Decrease in stock	-	-
Decrease/(increase) in debtors	(1,759)	1,197
Increase/ (decrease) in creditors	461	3,568
	<hr/>	<hr/>
Net cash provided by operating activities	£ 34,553	£ 140,088
	<hr/> <hr/>	<hr/> <hr/>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash at bank and in hand	1,089,430	1,059,148
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	£ 1,089,430	£ 1,059,148
	<hr/> <hr/>	<hr/> <hr/>

In 2018, cash at bank and in hand of £970,271 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 2019**

**14. Restricted Funds**

	<b>Pioneer Nursery Fund £</b>	<b>Chair's Benevolent Fund £</b>	<b>District Advance Fund £</b>	<b>York International House £</b>	<b>Hull International House £</b>	<b>York City Centre Proceeds £</b>	<b>Hull City Centre Proceeds £</b>	<b>Total £</b>
<i>Current 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	£ 24,644	£ 4,002	£ 523,394	£ 219,007	£ 117,325	£ 196,614	£ 175,478	£ 1,260,464
<i>Comparative year</i>								
Balance at 1 September 2017	-	2,878	329,312	202,312	106,758	473,225		1,114,485
Income	-	2,253	287,733	37,777	143,012	1,715		472,490
Expenditure	-	(1,647)	(165,578)	(17,452)	(144,187)	(45,594)		(374,458)
Net income/(expenditure)	-	606	122,155	20,325	(1,175)	(43,879)		98,032
Transfers between funds	-	(1,696)	3,037	8,160	670	-		10,171
Balance at 31 August 2018	£ -	£ 1,788	£ 454,504	£ 230,797	£ 106,253	£ 429,346		£ 1,222,688

**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 2019**

**15. Unrestricted Funds - General Account**

	<b>General Account</b>	
<i>Current year</i>	<b>£</b>	<b>£</b>
Balance at 1 September 2018		683,899
Income	217,770	
Expenditure	(223,567)	
	<hr/>	
Net income/(expenditure)		(5,797)
Gain/(loss) on investments		54
Transfers between funds		-
		<hr/>
Balance at 31 August 2019		<u><u>£ 678,156</u></u>
		<hr/>
<i>Comparative year</i>	<b>£</b>	<b>£</b>
Balance at 1 September 2017		660,383
Income	185,605	
Expenditure	(151,844)	
	<hr/>	
Net income/(expenditure)		33,761
Gain/(loss) on investments		(74)
Transfers between funds		(10,171)
		<hr/>
Balance at 31 August 2018		<u><u>£ 683,899</u></u>
		<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**16. Comparative Statement of Financial Activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Income and endowments from:</b>				
Donations and grants	157,641	287,411	445,052	353,101
Charitable activities	-	37,311	37,311	32,726
Other trading activities	27,599	143,123	170,722	173,400
Investments	365	4,645	5,010	6,483
<b>Total</b>	<b>185,605</b>	<b>472,490</b>	<b>658,095</b>	<b>565,710</b>
<b>Expenditure on:</b>				
Raising funds	45,012	10,794	55,806	63,391
Charitable activities	106,832	363,664	470,496	481,512
<b>Total</b>	<b>151,844</b>	<b>374,458</b>	<b>526,302</b>	<b>544,903</b>
<b>Net income before investment profits/(losses)</b>				
	33,761	98,032	131,793	20,807
Net (losses) on investments	(74)	-	(74)	(110)
<b>Net income</b>	<b>33,687</b>	<b>98,032</b>	<b>131,719</b>	<b>20,697</b>
Transfers between funds	(10,171)	10,171	-	-
<b>Net movement in funds</b>	<b>23,516</b>	<b>108,203</b>	<b>131,719</b>	<b>20,697</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward at 1 September 2017	660,383	1,114,485	1,774,868	1,754,171
<b>Total funds carried forward at 31 August 2018</b>	<b>£ 683,899</b>	<b>£ 1,222,688</b>	<b>£ 1,906,587</b>	<b>£ 1,774,868</b>