**YORKSHIRE NORTH & EAST METHODIST DISTRICT**

**REPORT OF DISTRICT TREASURER TO SPRING SYNOD 2021**

Completion of the District annual report and financial statements for the year ended 31 August 2020 has been delayed due to difficulties arising from Covid restrictions. The District Policy Consultation has delegated responsibility to the District Leadership Team to receive and approve the financial statements and it is expected that this will be done at their next meeting on 13 May 2021. After approval of the financial statements, a copy will be available for inspection on the District website.

The District has an unrestricted fund which is primarily funded by assessment income from the Circuits. This fund is used to pay the various staff salaries and other expenses involved in running the regular activities of the District, including the maintenance and upkeep of the District Chair’s manse. Based on draft accounts, total income in the year amounted to £242,595 (2019 £217,770) and expenditure amounted to £245,842 (2019 £223,567). Unrestricted funds held in reserve on 31 August 2020 amounted to £79,786 (2019 £82,161) excluding the value of tangible fixed assets.

In addition, the District has seven restricted funds with assets totalling £1,340,737 (2019 £1,260,464). These funds are held for a variety of different purposes and comprise the Chair’s Benevolent Fund, Pioneer Nursery Fund, District Advance Fund, York and Hull International House Funds and York and Hull City Centre Proceeds Funds. Restricted funds can only be used for the specific purposes for which they were created.

The District has received a further connexional grant in the year of £25,000 to fund the Pioneer Nursery work and £21,600 to assist the funding of youth work in the District. In addition, the District has received an annual distribution from the Connexional Priority Fund of £97,269 and a levy on Circuit Model Trust Funds of £131,876 into its Advance Fund. The District Advance Fund is used to make grants to fund work in the District and a total of £141,789 was paid out during the year. The balance held on 31 August 2020 was £620,868 of which £583,595 is committed to future projects.

Overall, the District is in a stable financial position, and the continued support of all our circuits and churches is acknowledged with thanks. The financial effects of the Covid pandemic which has forced the closure of most of our church premises for the past year has been significant. Many churches and circuits have had to dig deep into reserves to continue funding essential and ongoing costs, including District and Circuit assessments. We hope and pray that all our church premises will soon be able to reopen for regular worship and for all the other activities which take place there to recommence. It will be a long hard road for reserves to be replenished to former levels but maybe there are lessons which can be learned from the pandemic and new ways of doing things will emerge. Already there are signs at Connexional level of new thinking regarding future financial modelling and we shall have to await further details to see how this might impact on our work at District level.

Finally, a big thank you to all my Circuit Treasurer colleagues for their support and the wonderful job which they do in their Circuits. Thanks also go to everyone who holds the role of Treasurer throughout the District in what has been a particularly stressful year.

Malcolm Lucas

District Treasurer

16 April 2021