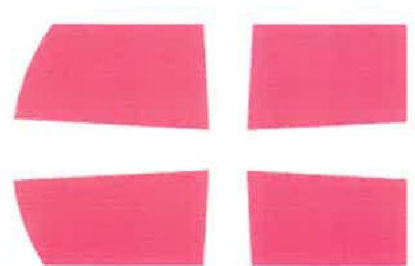


# **Sheffield Methodist District**

South Yorkshire, North Nottinghamshire, North East Derbyshire



## **Annual report and accounts**

**For the year ended 31 August 2018**

**Reference and administrative details**

Registered charity number: 1129363

Address:

Sheffield Methodist District Office  
Room 47, Victoria Hall Methodist Church  
Norfolk Street  
Sheffield S1 2JB

The following body was the custodian trustee throughout the year and up to the date of this report: The Trustees for Methodist Church Purposes

The following persons were managing trustees during the year or up to the date of approval of this report:

**Office holders:**

Rev Gill Newton (Chair)  
Rev Sean Adair  
Gill Daly (appointed 9 September 2017)  
Elizabeth Janine Eldred  
Neil Harland  
Ann Lyons (resigned 9 September 2017)  
Rev Margaret Mwailu (appointed 9 September 2017)  
John Purdy (appointed 9 September 2017)  
Rev Thomas Read (resigned 9 September 2017)  
Michael Sanderson (resigned 9 September 2017)  
Rev Peter Sheasby  
Tom Sykes (resigned 9 September 2017)

**Circuit representatives:**

Jon Bellfield (appointed 9 September 2017)  
Yvonne Birchmore (resigned 9 September 2017)  
Joyce Bromley  
Rev Tim Crome (appointed 11 January 2018)  
Janet Hampshire  
Tony Loach (resigned 9 September 2017)  
Rev Debora Marshner (resigned 9 September 2017)  
Rev Michael Neal  
Rev Dr Frank Okai-Sam (resigned 9 September 2017)  
Rev Adrian Perry (appointed 7 September 2017)  
John Walker (appointed 9 September 2017)  
Griff Wynne (appointed 9 September 2017)

**Structure, governance and management**

The District's governing document is the Constitutional Practice and Discipline of the Methodist Church of Great Britain. The District Leadership team, who are the managing trustees, include office holders appointed annually by the District Synod and representatives appointed by Circuits within the District.

Synod meets twice each year. The District Leadership Team and other District meetings meet regularly throughout the year. Further authorities to act on behalf of the District between meetings are delegated to the Chair and various District officers.

### **Objectives and activities**

The objects of the District are set out in the Methodist Church Act 1976 (clause 4): advancement of religion and any charitable purpose of the Methodist Church or church organisation.

The main activities undertaken for the public benefit in relation to these objects are the promotion of Christianity through the staging of events, supporting Methodist and other charities in South Yorkshire, north Nottinghamshire and north-east Derbyshire, and financially, through provision of technical guidance and in prayer.

### **Achievements and performance**

The primary focus of the District Leadership Team during the year has been on beginning to deliver our new mission policy:

*Developing a positive culture for discipleship through learning, changing and joining in*

- **Learning:** *We will help people become, learn and grow into confident disciples of Jesus*
- **Changing:** *We will support Circuits and local churches as they respond to the transforming work of God's Spirit*
- **Joining in:** *We will resource Circuits and local churches as they join in God's mission both within their own life and the life of the world.*

To enact this policy we successfully appointed a Mission Development Support Worker, and hope to appoint a Vocations Officer and Communications Officer in the coming year.

We held our first Mission Forum, supporting our circuits in understanding the evolving role of ordained ministry in the life of our churches, sharing visions and exploring opportunities and shared concerns. Further Forum gatherings are planned for 2018/19 as we support our circuits in developing and implementing their mission strategies.

Grants awarded increased during the year, as we supported a series of ambitious personnel and property projects being planned by churches within the District. We were pleased to see a number of these receiving match funding from other bodies. Our new training grants programme was fully subscribed in its first year of operation, helping lay members of our churches access specialist courses and expertise. We also continued ministerial development grants, supporting our ordained leaders and responding to training needs they identified in annual development reviews.

Faith in the Peak – a joint project of the Sheffield, Manchester & Stockport and Nottingham & Derby districts – is leading to growth in rural congregations and fresh expressions in our Peak Circuit.

Our creative arts outreach at 35 Chapel Walk, Sheffield, has invested in a new art prints, framing and vinyl design business. As well as providing training opportunities for volunteers, we hope that this venture will contribute significantly to the sustainability of this project.

District officers and advisors continue to provide expert support and guidance to local churches and circuits on a wide range of matters including personnel, safeguarding, property, worship and finance. We continue to use our synod gatherings to model best practice in worship and providing engaging seminars. Our theme for the year was "intentional faith development", with speakers including Lucy Moore, founder of the Messy Church movement.

### **Financial review**

The financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (FRS 102)' effective 1 January 2015 ("2015 SORP") and Financial Reporting Standard 102 ("FRS 102").

The District recorded a deficit of £169,000 (2017: surplus of £14,000) for the year, largely due to grants approved from the Advance Fund being £59,000 more than contributions received, and continued planned reduction in unrestricted funds through funding of fixed term mission projects. We consider this a normal level of fluctuation on Advance Fund grants, caused by the timing of large capital projects being undertaken by churches within the District, largely offsetting grants awarded being £94,000 less than contributions received in the prior year. Fixed term mission project spend included refurbishment and purchase of equipment for production of art prints and picture frames at our 35 Chapel Walk gallery.

The principal recurring sources of funds continue to be obligatory payments by Methodist Circuits in the District and grants from the connexional Methodist Church Fund and other Methodist bodies. *Who is Your Neighbour?* continued to attract support from non-Methodist trusts, including the MB Reckitt Trust.

The major items of District expenditure were £265,000 (2017: £84,000) on grants and donations, and £186,000 (2017: £171,000) on staff engaged in the District's direct mission projects or providing support and advice to Methodist organisations within the District.

No investments are held outside of the Trustees for Methodist Church Purposes.

### **Reserves policy**

**Advance fund:** The reserves policy for the District Advance Fund is that the District will only award grants from the liquid funds available, after making allowance for grants pledged but not yet paid over and any specific anticipated future commitments. Grants are awarded in accordance with the District mission policy and usually for a period of not more than three years. The uncommitted DAF funds at 31 August 2018 were £34,000.

**Other unrestricted funds:** The policy of the District is to maintain liquid funds (i.e. net current assets) in other unrestricted funds equivalent to between three and six months expenditure. Liquid funds amounted to 13 months of expenditure at 31 August 2018 (31 August 2017: 16 months). The District is three years into a planned programme to reduce its reserves in a controlled manner in line with its policy.


Other funds are held for specific purposes, with the policy of the District being to ensure that sufficient amounts are held in or available to each fund in order to meet its future specific commitments. Restricted fund balances at 31 August 2018 are:

- Peak Park Rural Development Enabler (balance £8,000) being grant funding for this project to be spent in future periods. All existing commitments are expected to be met from secured funding which will support the project until the autumn of 2021.
- *Who is Your Neighbour?* (balance £35,000) being amounts allocated or received in support of this project promoting unity and challenging prejudice across South Yorkshire communities. All existing commitments are expected to be met from secured funding.
- Methodist Women in Britain (£2,000) to equip women to fully participate in the life of the Christian church and in society.
- Edgar Hodkin bequest (£22,000) being utilised to support District youth initiatives
- Learning Network (£8,000) to fund training events organised by the Yorkshire Plus Learning Network regional team

### **Declaration**

The trustees declare that they have approved the Trustees Report above.

Signed on behalf of the charity's trustees:



Rev Gill Newton  
Chair



Neil Harland  
Treasurer

20 March 2019

**Independent Examiner's Report to the Trustees of Sheffield Methodist District**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2018 which are set out on pages 5 to 16.

**Responsibilities and basis of report**

As the charity's trustees 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 charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the 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.



Simon Bladen FCA  
Hawsons Limited  
Chartered Accountants  
Peagasus House  
436a Glossop Road  
Sheffield  
S10 2QD

Date: 15 May 2019

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Advance fund 2018 £'000	Other unrestricted funds 2018 £'000	Restricted funds 2018 £'000	Total 2018 £'000	Total 2017 £'000
<i>Income from:</i>						
<b>Donations</b>		<b>2</b>	<b>-</b>	<b>9</b>	<b>11</b>	<b>2</b>
Contributions from circuit model trust funds		181	-	-	181	115
Distribution from Connexional advance and property funds		10	-	-	10	52
Assessment on circuits		-	86	-	86	79
Grants received		-	-	105	105	114
Other charitable income		6	4	35	45	23
<b>Total charitable activities</b>		<b>197</b>	<b>90</b>	<b>140</b>	<b>427</b>	<b>383</b>
<b>Other trading activities</b>		<b>-</b>	<b>9</b>	<b>-</b>	<b>9</b>	<b>12</b>
<b>Investments</b>		<b>3</b>	<b>1</b>	<b>-</b>	<b>4</b>	<b>4</b>
<b>Total income</b>		<b>202</b>	<b>100</b>	<b>149</b>	<b>451</b>	<b>401</b>
<i>Expenditure on:</i>						
Grants and donations	6	(260)	(2)	(3)	(265)	(84)
Salaries and stipends	2	-	(38)	(148)	(186)	(171)
Administration and office		(1)	(14)	(7)	(22)	(28)
Property and insurance		-	(10)	(42)	(52)	(43)
Travel		-	(10)	(13)	(23)	(19)
Venue hire and event catering		-	(6)	(16)	(22)	(13)
Other charitable costs		-	(4)	(42)	(46)	(24)
<b>Total charitable activities</b>		<b>(261)</b>	<b>(84)</b>	<b>(271)</b>	<b>(616)</b>	<b>(382)</b>
<b>Other trading activities</b>		<b>-</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>	<b>(5)</b>
<b>Total expenditure</b>		<b>(261)</b>	<b>(88)</b>	<b>(271)</b>	<b>(620)</b>	<b>(387)</b>
<b>Net income/ (expenditure)</b>		<b>(59)</b>	<b>12</b>	<b>(122)</b>	<b>(169)</b>	<b>14</b>
Transfers between funds		(24)	(72)	96	-	-
<b>Net movement in funds</b>		<b>(83)</b>	<b>(60)</b>	<b>(26)</b>	<b>(169)</b>	<b>14</b>
Opening funds		117	376	101	594	580
<b>Closing funds</b>		<b>34</b>	<b>316</b>	<b>75</b>	<b>425</b>	<b>594</b>

There were no recognised gains and losses in the year other than those presented above.

All activities are classed as continuing operations.



**BALANCE SHEET AS AT 31 AUGUST 2018**

	<b>Note</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
<b>Tangible fixed assets</b>	<b>7</b>	<b>232</b>	<b>230</b>
<b>Current assets</b>			
Stock	8	5	-
Debtors	9	2	3
Investments with TMCP		424	373
Central Finance Board deposits		29	155
Cash at bank and in hand		111	107
<b>Total current assets</b>		<b>571</b>	<b>638</b>
<b>Creditors: amounts falling due within one year</b>	<b>10</b>	<b>(360)</b>	<b>(254)</b>
<b>Net current assets</b>		<b>211</b>	<b>384</b>
<b>Total assets less current liabilities</b>		<b>443</b>	<b>614</b>
<b>Creditors: amounts falling due after more than one year</b>	<b>11</b>	<b>(18)</b>	<b>(20)</b>
<b>Net assets</b>		<b>425</b>	<b>594</b>
<b>Funds of the District:</b>			
Advance fund	13	34	117
Other unrestricted funds	14	316	376
Restricted funds	15	75	101
<b>Total funds</b>		<b>425</b>	<b>594</b>

The financial statements were approved and authorised for issue by the District Leadership Team on 20 March 2019.



Rev Gill Newton  
Chair



Neil Harland  
Treasurer

Registered charity number 1129363

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £'000	2017 £'000
<b>Net cash used in operating activities</b>	17	<b>(69)</b>	<b>(48)</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6)	-
Interest		4	4
<b>Net cash (used for)/ provided by investing activities</b>		<b>(2)</b>	<b>4</b>
<b>Decrease in cash and cash equivalents</b>		<b>(71)</b>	<b>(44)</b>
Opening cash and cash equivalents		635	679
<b>Closing cash and cash equivalents</b>	18	<b>564</b>	<b>635</b>



**Charity information**

Sheffield Methodist District is a charity registered in England and Wales (number 1129363). Its registered address is Room 47, Victoria Hall Methodist Church, Norfolk Street, Sheffield, S1 2JB.

**Basis of preparation**

The Charity is a public benefit entity.

These financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (FRS 102)' effective 1 January 2015 ("2015 SORP") and Financial Reporting Standard 102 ("FRS 102"). They have been prepared under the historical cost convention.

These financial statements are presented in Pounds sterling £'000.

The principal accounting policies of the District are set out below.

**Consolidation**

The District oversees the work of Methodist churches and circuits within south Yorkshire, north Nottinghamshire and north-east Derbyshire but does not seek to control circuits or churches or their ministers or lay workers except in extreme circumstances. For this reason the financial results of these churches are not consolidated into these financial statements.

**Going concern**

The Trustees have prepared these financial statements on the going concern basis. The Trustees have reviewed forecasts to 31 March 2020 and on the basis of those forecasts believe that the District will be able to meet its liabilities as they fall due. These forecasts have been prepared conservatively, including risks and sensitivities to anticipated financial performance, including a review of actual performance compared to previous forecasts. Based on the information currently available in respect of the future, the Trustees consider that the District has the plans and resources to manage its risks successfully and that there are no material uncertainties about the District's ability continue as a going concern.

**Income**

Income is recognised when receipt is probable and the amount can be reliably measured.

Contributions from circuit model trust funds are levied on 1 September each year, calculated according to the balances included in these funds at this date. They are recognised as income on receipt.

Distributions from Connexional advance and property funds are received based on the balances and transactions within those funds, which are outside of the control of the District. Income is recognised on receipt.

Assessments on circuits are charged based on amounts agreed in advance with circuits as a contribution towards the running costs of the District. Assessments are recognised as income in the period to which the funding relates.

The District also acts as an agent in respect of Connexional assessments collected from circuits and remitted to the national Methodist Church Fund. These Connexional assessments are not recognised as income or expenditure in the statement of financial activity, because there is no obligation on the District to make up any shortfall in Connexional assessments from circuits.

Whilst time given to the District by many volunteers is essential to its work, this donation of time is not recognised in these financial statements since its value cannot be measured reliably for accounting purposes.

**Expenditure**

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of VAT.

**Grants pledged**

Grants pledged by the District are recognised in full when the District is under a legal or constructive obligation to make the payment, usually once the grant has been approved by the District Leadership Team and the pledge communicated to the applicant.

**Fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost.

Tangible fixed assets are stated at cost, net of depreciation. Existing historic costs have been retained on adoption of the 2015 SORP for all fixed assets.

Depreciation is calculated to write down the cost or valuation less estimated realisable value, of all tangible fixed assets over their expected useful lives. Depreciation is recognised on a straight line basis over the following periods:

- Freehold buildings: 50 years
- Freehold land is not depreciated
- IT equipment: 5 years

Where the District leases properties temporarily surplus to its own needs to individuals or other organisations these assets are classed as tangible fixed assets, since their fair value cannot be measured reliably without undue cost or effort.

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss.

**Retirement benefits**

Certain of the District's former lay employees are members of The Pensions Trust Growth Plan (Series 3), a multi-employer defined benefit pension scheme. Provision has been made in these financial statements for deficit plan payments agreed with the scheme's trustees.

Ordained ministers stationed within the District are entitled to become or remain members of the Methodist Ministers Pension Scheme. This is a defined benefit pension scheme. Monthly employer pension contributions are accounted for as expenditure in the statement of financial activities as they fall due. Payments to settle the deficit on this scheme are borne by the Methodist Connexion.

**Leased assets**

Rentals paid under operating leases are charged to the statement of financial activity on a straight line basis over the term of the lease.

**Financial instruments**

The Group holds only simple financial instruments, being debtors, creditors, cash and leases, which are recognised at cost less provision for estimated irrecoverable assets.

Current asset deposits in monetary assets held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees are categorised as cash equivalents since they are capable of being converted to cash with immediate effect on instruction by the District.

Central Finance Board deposits are also capable of immediate liquidation and so are classified as cash equivalents.

**Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the fund.

**Unrestricted funds**

Unrestricted funds are incoming resources received or generated for charitable purposes and are available for use at the discretion of the District Leadership Team in furtherance of the general objectives of the District.

# 1 Prior year statement of financial activities

Financial activities for the prior year comprise the following restricted and unrestricted income and expenditure:

	Note	Advance fund 2017 £'000	Other unrestricted funds 2017 £'000	Restricted funds 2017 £'000	Total 2017 £'000
<i>Income from:</i>					
<b>Donations</b>		-	-	2	2
Contributions from circuit model trust funds		115	-	-	115
Distribution from Connexional advance and property funds		52	-	-	52
Assessment on circuits		-	79	-	79
Grants received		-	-	114	114
Other charitable income		-	10	13	23
<b>Total charitable activities</b>		<b>167</b>	<b>89</b>	<b>127</b>	<b>383</b>
<b>Other trading activities</b>		-	9	3	12
<b>Investments</b>		3	1	-	4
<b>Total income</b>		<b>170</b>	<b>99</b>	<b>132</b>	<b>401</b>
<i>Expenditure on:</i>					
Grants and donations	6	(75)	(9)	-	(84)
Salaries and stipends	2	-	(37)	(134)	(171)
Administration and office		(1)	(21)	(6)	(28)
Property and insurance		-	(7)	(36)	(43)
Travel		-	(11)	(8)	(19)
Venue hire and event catering		-	(10)	(3)	(13)
Other charitable costs		-	(11)	(13)	(24)
<b>Total charitable activities</b>		<b>(76)</b>	<b>(106)</b>	<b>(200)</b>	<b>(382)</b>
<b>Other trading activities</b>		-	(5)	-	(5)
<b>Total expenditure</b>		<b>(76)</b>	<b>(111)</b>	<b>(200)</b>	<b>(387)</b>
<b>Net income/ (expenditure)</b>		<b>94</b>	<b>(12)</b>	<b>(68)</b>	<b>14</b>
Transfers between funds		-	(53)	53	-
<b>Net movement in funds</b>		<b>94</b>	<b>(65)</b>	<b>(15)</b>	<b>14</b>
Opening funds		23	441	116	580
<b>Closing funds</b>		<b>117</b>	<b>376</b>	<b>101</b>	<b>594</b>

## 2 Salaries and stipends

	2018 £'000	2017 £'000
Salaries and stipends	162	145
Employer's national insurance contributions	10	12
Defined contribution pension costs	4	5
Defined benefit pension costs (MMPS)	10	9
	<b>186</b>	<b>171</b>

The average number of lay employees during the year was nine (2017: seven). The District also bears the stipend cost of the Peak Park Rural Development Enabler and 50% of the stipend cost of the Venture FX Pioneer minister.

No employees receive benefits greater than £60,000 per annum.

The senior management personnel of the District is considered to be the Chair of District. The total cost to the District of providing taxable benefits in kind and the Chair's manse (in which the Chair is required to live in order to fulfil her duties) amounted to £8,000 (2017: £7,000). The stipend, employer's national insurance and employers pension contribution in respect of the Chair are borne by the Methodist Connexion.

## 3 Payments to trustees

One trustee (2017: none) received remuneration from the District for work undertaken on its behalf. No trustees received remuneration for services provided as a trustee.

	2018 £'000	2017 £'000
Salary	5	-

The number of trustees who received reimbursed expenses or on whose behalf travel costs were paid by the District was four (2017: five).

	2018 £'000	2017 £'000
Travel and subsistence costs reimbursed	7	8

## 4 Amounts received on behalf of other organisations

The District collected the following amounts on behalf of other organisations. These amounts are not included in the statement of financial performance because the District acted solely as a collection agent for these funds.

	2018 £'000	2017 £'000
Methodist Church Fund	504	516
Methodist Church World Mission Fund	-	1
Salvation Army	-	3
	<b>504</b>	<b>520</b>

At 31 August 2018 £2,000 remained to be remitted to the beneficiary organisations (31 August 2017: £2,000).

## 5 Independent examiner

The independent examiners' fee for reporting on these accounts amounts to £1,350 (2017: £1,350). No other services were provided to the District in either year by the independent examiner.

## 6 Grants awarded

The District awarded the following grants during the year:

	2018 £'000	2017 £'000
Advance Fund - property projects	208	40
Advance Fund - ministry projects	39	36
Unrestricted funds - regional and ecumenical bodies	2	7
Restricted funds - other	3	-
<b>Grants to institutions</b>	<b>252</b>	<b>83</b>
Learning and development (2018: advance fund; 2017: unrestricted funds)	13	2
<b>Grants to individuals</b>	<b>13</b>	<b>2</b>
Less grants lapsed	-	(1)
<b>Total grants awarded</b>	<b>265</b>	<b>84</b>

Grants from the Advance Fund are made in accordance with the District Mission Policy. Small learning and development grants are offered to Methodist ministers stationed to circuits within the District and to lay people in accordance with the Learning and Development and Ministerial Development policies. Further grants are made from unrestricted funds in support of regional and ecumenical bodies sponsored by the District. Details of these policies, together with further details of grants awarded to institutions are available on the District website

[www.sheffieldmethodist.org](http://www.sheffieldmethodist.org).

## 7 Fixed assets

	Freehold land £'000	Freehold buildings £'000	IT equipment	Total £'000
<b>Cost</b>				
Opening	115	151	-	266
Additions			6	6
Closing	115	151	6	272
<b>Depreciation</b>				
Opening	-	36	-	36
Charge for the year	-	3	1	4
Closing	-	39	1	40
<b>Net book value</b>				
Opening	115	115	-	230
Closing	115	112	5	232



## 8 Stock

	2018 £'000	2017 £'000
Finished goods for resale	2	-
Raw materials	3	-
	5	-

## 9 Debtors

	2018 £'000	2017 £'000
Trade debtors	-	1
Prepayments	2	2
	2	3

## 10 Creditors – amounts falling due within one year

	2018 £'000	2017 £'000
Grants payable	348	243
Defined benefit pension plan	2	1
Amounts collected for other organisations	2	2
Accruals	8	8
	360	254

## 11 Creditors – amounts falling due outside of one year

	2018 £'000	2017 £'000
Grants payable	13	14
Defined benefit pension plan	5	6
	18	20

## 12 Contingent liabilities

The District has made defined benefit pension commitments to certain employees through The Pensions Trust Growth Plan (Series 3), a multi-employer pension scheme. Withdrawal from the Growth Plan scheme could trigger a liability of £13,000 (31 August 2017: £11,000) in excess of pension contributions accrued for in these accounts. The District has chosen Series 4 of the Growth Plan, a defined contribution scheme, as its auto-enrolment pension scheme and so withdrawal from the Growth Plan is considered unlikely.

## 13 Advance fund

The district Advance fund receives income via annual contributions levied on circuit model trust funds and distributions from Connexional advance and property funds. The purpose of these levies and distributions is to release funds for where they are most required. This is an unrestricted fund and is used to make grants in accordance with the District Mission Policy or to support specific current initiatives undertaken by the District.



# 14 Other unrestricted funds

Unrestricted funds are available for use at the discretion of the District Leadership Team in furtherance of the general objectives of the District including activities mandated by the Methodist Connexion, such as provision of the Chair's manse and supporting the regulatory functions performed by various District officers.

# 15 Restricted funds

	Opening balance 1 April 2017 £'000	Income £'000	Expenditure £'000	Transfers £'000	Closing balance 31 August 2018 £'000
Edgar Hodkin bequest	23	1	(2)	-	22
Manses trust	2	-	(2)	-	-
Methodist Women in Britain	2	5	(5)	-	2
Who is Your Neighbour?	56	88	(109)	-	35
Venture FX Pioneer	-	2	(25)	23	-
Peak Park Rural Development Enabler	18	17	(51)	24	8
35 Chapel Walk	-	12	(61)	49	-
Learning Network	-	24	(16)	-	8
<b>Total charitable activities</b>	<b>101</b>	<b>149</b>	<b>(271)</b>	<b>96</b>	<b>75</b>

	Opening balance 1 April 2016 £'000	Income £'000	Expenditure £'000	Transfers £'000	Closing balance 31 August 2017 £'000
Edgar Hodkin bequest	23	-	-	-	23
Manses trust	2	-	-	-	2
Methodist Women in Britain	3	2	(3)	-	2
Who is Your Neighbour?	42	86	(72)	-	56
Venture FX Pioneer	-	2	(26)	24	-
Peak Park Rural Development Enabler	41	28	(51)	-	18
35 Chapel Walk	5	14	(48)	29	-
<b>Total charitable activities</b>	<b>101</b>	<b>132</b>	<b>(200)</b>	<b>53</b>	<b>101</b>

Transfers into restricted funds represent match funding from unrestricted District funds towards projects partially funded by restricted grants and donations.

Restricted funds are to be used for purposes as directed by the donors:

- The *Edgar Hodkin bequest* is to be used for "Protestant evangelical Christian work", with the primary purpose being "the Sunday School work". The trustees intend to use the remainder of this bequest to support youth and children's work across the District.
- The *manses trust* is for maintenance of the Chair's manse
- The Sheffield District branch of *Methodist Women in Britain* connects women with an interest in creative spirituality and a passion for global social justice.
- *Who is your neighbour?* works to help communities live more successfully with difference and be more resilient in dealing with divisions created by those who see difference as a threat.
- The District's *Venture FX Pioneer*, Rev Ric Stott, is engaged in developing and nurturing fresh expressions of church, with a specific focus on the creative arts.

- The *Peak Park Rural Development Enabler* works alongside churches across the Peak Park national park as they develop their mission and community engagement.
- *35 Chapel Walk* is an art space and community for creative people who dare to imagine that the world can be a better place.
- The *Learning Network* comprises income and costs relating to training events organised by the Yorkshire Plus Learning Network regional team

## 16 Analysis of net assets between funds

Net assets at 31 August 2018 are represented by:

	Advance fund £'000	Other unrestricted funds £'000	Restricted funds £'000	Total £'000
Tangible fixed assets	-	229	3	232
Current assets	395	99	77	571
Current liabilities	(348)	(7)	(5)	(360)
Liabilities falling due outside of one year	(13)	(5)	-	(18)
<b>Total net assets</b>	<b>34</b>	<b>316</b>	<b>75</b>	<b>425</b>

Net assets at 31 August 2017 are represented by:

	Advance fund £'000	Other unrestricted funds £'000	Restricted funds £'000	Total £'000
Tangible fixed assets	-	230	-	230
Current assets	373	162	103	638
Current liabilities	(242)	(10)	(2)	(254)
Liabilities falling due outside of one year	(14)	(6)	-	(20)
<b>Total net assets</b>	<b>117</b>	<b>376</b>	<b>101</b>	<b>594</b>

## 17 Reconciliation of net cash flows from operating activities

	2018 £'000	2017 £'000
Net (expenditure)/ income for the year	(169)	14
Adjustments for:		
Depreciation charges	4	3
Interest	(4)	(4)
(Increase) in stock	(5)	-
Decrease in debtors	1	3
Increase/ (decrease) in creditors	104	(64)
<b>Cash used in operating activities</b>	<b>(69)</b>	<b>(48)</b>

## 18 Cash and cash equivalents

	2018 £'000	2017 £'000
Investments with TMCP	424	373
Central Finance Board deposits	29	155
Cash at bank and in hand	111	107
	<b>564</b>	<b>635</b>

## 19 Operating lease commitments

Total minimum commitments under non-cancellable operating leases for land and buildings are as follows:

	2018 £'000	2017 £'000
Operating leases expiring within one year	4	-

## 20 Related party transactions

All District trustees are members of churches and circuits within the District and may also be trustees of their church or circuit. Related parties include the Methodist Connexion, churches and circuits within the District and other Methodist entities. Other than as described in notes 2, 3, 4 and 6, the only transactions with related parties during the year requiring disclosure are:

- Grant in support of the Peak Park Rural Development Enabler of £17,000 from Manchester and Stockport Methodist District (2017: £20,000 from Methodist Connexion and £6,000 from Nottingham and Derby Methodist District).
- Grant in support of *Who is Your Neighbour?* of £66,064 (2017: £64,769) from the Methodist Connexion
- Grant in support of Venture FX of £1,949 from the Methodist Connexion.
- Retreat attendance fees and contributions from Yorkshire North and East District £2,331, Yorkshire West District £4,339 and various Methodist circuits £2,107.
- Transfer of Learning Network regional fund balance of £6,145 from Yorkshire North and East District, who previously were responsible for management of these monies, which are now accounted for and managed as a restricted fund of Sheffield Methodist District.
- Receipt of £180 from 35 Chapel Walk Limited in 2017, a company limited by guarantee with directors who were officers of the District. 35 Chapel Walk Limited was previously responsible for the management of the art space, prior to its operation being transferred to the District.
- Receipt of £3,500 interest-free loan from Sheffield Circuit, repayable following and subject to successful launch of 35 Chapel Walk Art venture.

