

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023
FOR
BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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FOR THE YEAR ENDED 31 AUGUST 2023**

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**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Methodists belong to local churches or ecumenical partnerships, but also feel part of a larger connected community, the Connexion. There are around 4,000 Methodist churches across the country, grouped within circuits. Birmingham Methodist District is one of 30 districts within the Methodist Church in Britain and comprises some 120 - 130 churches, grouped in 10 circuits across Birmingham, Worcestershire, Warwickshire, Herefordshire and Staffordshire.

District Policy Statement

"The calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. It does this through worship learning and caring, service and evangelism."

The Birmingham Methodist District seeks to be a network of communities where people are included and grow, being transformed by the love of God and sharing their story of God's grace. In collaboration with others where possible the District is committed to creating safer spaces and working for a just and sustainable world. We have a vision for a growing, evangelistic, justice-seeking and inclusive church without walls. In the power of the Holy Spirit, we seek to grow disciples of Jesus Christ. Growing ...

- o in numbers of new disciples,
- o in depth of discipleship,
- o in the transformation of communities and society.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aim, objectives and activities remained focused on our stated purposes.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

The focus of our work continues to be that of a charity set up to be a network of communities where people are included and grow, being transformed by the love of God and sharing their story of God's grace.

Public benefit

In setting our objectives and planning our activities, the trustees have given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives, in accordance with the Charities Act 2011.

Our charitable activities have been carried out within the framework of our policy statement, namely with the aim of growth, not only within Methodism in Birmingham but also growth in the outworking of our discipleship, by seeking to work for the public benefit of the community around us. Our chaplaincy and other projects demonstrate our aim to show the love of Jesus Christ outside the church walls.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

OBJECTIVES AND ACTIVITIES

Grantmaking

The Resourcing Mission Committee meets three times a year to oversee the finance function of the district, to oversee district property and to approve grants to circuits and churches within the District.

Volunteers

Birmingham Methodist District is heavily reliant on volunteers at church, circuit and district level. Volunteers give their time and skills to further the aims of the district. Much of this work is by serving on committees and by acting as trustees. The district is grateful to all of them for their help and commitment.

Trustees

Reimbursements of expenses paid to trustees are disclosed in the notes to the accounts. Payments to trustees for services that are required by the District are also disclosed in the accounts. The District Council ensures that any such services are in the best interests of the District. Measures are in place to ensure that no conflict of interest arises from any such payment.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

ACHIEVEMENTS AND PERFORMANCE

Review of the year

- o We welcomed Rev Novette Headley as Chair at the start of the Methodist Year. There was a celebratory welcome service held at Coventry Central Hall in September 2022. Novette has been a key player in the conversation with Wolverhampton and Shrewsbury District regarding the planned merger with that District in September 2025 to form a new West Midlands District. She and Rachel Parkinson, the Chair of Wolverhampton and Shrewsbury District, have shared in many significant events during the year including a pilgrimage through the Golden Valley and participation in the joint district youth event, Amplify.
- o The City Centre Fund was transferred to Birmingham Methodist District on 1 September 2022. The City Centre Fund comprises money from the sale of the head lease of Birmingham Methodist Central Hall in 2014 - 2015. Synod initially delegated responsibility for the management of the fund to Birmingham Methodist Circuit but the responsibility reverted to the District in September 2022 following a change in Birmingham Circuit's constitution. The fund is ring-fenced for God's work within Birmingham City Centre. Decisions regarding grants from the City Centre Fund are made by the District Resourcing Mission Committee.
- o The manse occupied by Rev Neil Johnson at 47 Grove Avenue had been bought from money held within the City Centre Fund in March 2022. This manse, held as an asset of the City Centre Fund, passed to the District on 1 September 2022.
- o The work of our district officers and district projects continued as described below. The NEC project ceased at 31 August 2023, Connexional grant funding for chaplaincy having been withdrawn.
- o A decision to appoint a Finance Officer was made, to take up office in September 2023.
- o A decision to appoint JW Hinks LLP as auditors was approved by District Council in July 2023.

Charitable activities

In the year to 31 August 2023 resources have been deployed in the following ways:

- o The provision of funding for our Mission Adviser, Adam Sanders. Adam is a key member of the District team. He leads on the District Development Plan which seeks to integrate social justice and evangelism. He works closely with the Connexion, developing the District's New Places for New People projects, whilst working closely with the circuits, advising on their Mission Action Plans. He also liaises with the Learning Network to help with the relevant delivery of training resources.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

- o The provision of funding and support mission projects in the District including the work of the Lozells Community Project.
- o The provision of funding and support for a new District project called Street Banquet, launched in September 2022 and led by pioneer minister, Rev Neil Johnson. Also known as Street Ecclesial Community, this project engages with the homelessness sector, providing outreach and chaplaincy.
- o The provision of chaplaincy at the NEC. Chaplaincy at the NEC ceased to be a District project in August 2023. The work is continuing, however, with Rev David Butterworth and his assistant, Paul Chesterman, having been taken on as employees of the NEC.
- o The provision of two safeguarding officers who work across the Birmingham District and Wolverhampton and Shrewsbury District.
- o The provision of funding to enable the provision of chaplaincy at three universities within the area of Birmingham District, namely the University of Aston, the University of Birmingham and the University of Warwick.
- o The provision of funding and support for the work of Inclusive Gathering Birmingham - a diverse LGBTQIA+ affirming, justice-seeking church for all. This new "church" is growing in many ways. Plans are being developed to adopt the model in new locations across the District.
- o The provision of funding and leadership for young people from the District to attend youth events. These events included "3Gen", the annual Methodist youth gathering held at the NEC, and "Amplify", a joint district youth event with Wolverhampton and Shrewsbury District, held in Shropshire.
- o The provision of funding and organisation for a visit from the President and Vice-President of the Methodist Conference in March 2023, marked by an open mic youth event, a district conference and a tea for supernumerary ministers.
- o Seeking the promotion of equality, diversity and inclusion with society as well as the Church.
- o The promotion of the District's aim to become an "EcoDistrict" whereby every church is encouraged to incorporate "Caring for Creation" into all of their activities.
- o Continuing to act as managing trustees for Wesley International House, a property owned by Birmingham Methodist District, and supporting Birmingham International Student Homes, the charity which administers the management of two Methodist buildings providing accommodation for international students of different faiths within a safe and supportive environment.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

FINANCIAL REVIEW

Financial position

During the year the district received total income from all sources amounting to £2,258k (2022: £1,070k) and disbursed £1,126k (2022: £981k), giving a net surplus of income over expenditure of £1,132k (2022: £89k). Total reserves at 31 August 2023 were £5,948k (2022: £4,815k). £4,203k represents freehold land & buildings (2022: £3,750k). £1,078k (2022: £1,007k) are restricted held within 8 ring fenced funds. £1,069k (2022: £16k) is unrestricted and held within designated funds. Free Reserves represent the balance on the General Fund of £50k (2022: £43k).

The district continues to own the district manse at 36 Amesbury Road and Wesley International House (one of two Methodist properties in Birmingham and managed by Birmingham International Student Homes, a separate charity). 47 Grove Avenue, the manse occupied by Rev Neil Johnson, had been acquired by the City Centre Fund in March 2022 for £452,922, before the transfer of the City Centre Fund from Birmingham Methodist Circuit to Birmingham Methodist District on 1 September 2022.

The value of the City Centre Fund at the date of transfer was £1,146,691 comprising cash at bank of £693,769 and 47 Grove Avenue at £452,922.

The trustees have agreed the fair value of the district manse as £750,000. Wesley International House is valued at £3,000k (2022 - £3,000k). The combined value of Freehold Property of £4,203k (2022 - £3,750k) is shown within Tangible Fixed Assets.

No fund was in deficit at the year end.

Investment policy and performance

To comply with Methodist Standing Orders, money for long term investment is lodged with the Trustees for Methodist Church Purposes (TMCP) or with the Central Finance Board of the Methodist Church (CFB). TMCP is the legal owner and custodian trustee of all Methodist Model Trust property including legacies, endowments and accumulated funds. CFB manages a common deposit fund and a series of pooled investment funds for Methodist entities in Great Britain. Interest rates from deposits with TMCP and CFB reflect deposit rates available elsewhere. The investment policy of Birmingham Methodist District is aligned with those of TMCP and CFB who take into account the social, environmental and ethical considerations that make investments suitable for the Methodist Church.

Interest received during the year ended 31 August 2023 was £58,410 (2022: £4,709).

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

FINANCIAL REVIEW

Reserves policy

"Free Reserves" represent the balance on the General Fund of £50k (2022: £43k). Total reserves at 31 August 2023 were £5,948k (2022: £4,815k).

The General Fund derives its income principally from circuit contributions (also known as assessments). The majority of this income is paid over to the central Methodist Church Fund, the balance of circuit contributions being held within the General Fund, to finance the day-to-day running costs of the District. The trustees believe that the balance on the General Fund should be in the region of £30k - £40k to cover four to six months of District running costs. If the District makes a surplus over budget for any particular year that surplus is returned to the circuits via a future budget. Taking this into account we believe that the amount held within the General Fund at 31 August 2023 is in line with our reserves policy.

The Manse Major Repair Fund seeks to build up a reserve, by means of annual transfers from the General Fund, to be used for any significant costs that may arise in the future relating to the district manse.

Income in the District Advance Fund is derived principally from distributions from the Connexional Priority Fund (i.e. from central Methodist sources) and from levies on trust funds held at circuit level (i.e. from local Methodist sources). Decisions regarding District Advance Fund spending and its allocation to projects are made by the Resourcing Mission Committee. Reserves held in the District Advance Fund will be sufficient to cover the future grant commitments from that fund. The reserves policy of the District Advance Fund is that at any point in time the total of the future commitments from the District Advance Fund will not exceed the cash held within that fund. At the same time the District ensures that future grant commitments almost match the amount held within the District Advance Fund, meaning that there will not be excess reserves held within the District Advance Fund.

For all restricted funds the reserves policy is to hold grants and donations within dedicated ring-fenced funds, to be used for the specific purposes of those grants and donations.

Going concern

The trustees of the District have every reason to believe that the District is a going concern. The circuits continue to meet their assessments and reserves are considered adequate. Reserves policies are reviewed annually. There are no subsidiary undertakings. Methodist membership is in decline across all districts with a resultant loss of income at church level. However, proceeds from the sale of church buildings are partly used to meet ongoing costs at circuit level, including the circuits' assessment payments to the District.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

FUTURE PLANS

After the end of the financial year tea following developments are reported:

- o Charlotte Hambly, our Youth Engagement Officer, enabled a group of young people to attend "3Gen", the annual Methodist youth gathering held at the NEC in October 2023.
- o In September 2023 Synod approved the appointment of Rev Richard Wilde as Rural Life Officer. This is a new District project which aims to support mission in the rural communities.
- o Mrs Patrycja Nedza took up the post of Finance Officer in September 2023.
- o Rev Novette Headley led a group from Birmingham District on a trip to Zimbabwe to visit our exchange partners in Kadoma in October 2023.
- o Neil Bishop was appointed District Treasurer with effect from January 2024.
- o Birmingham District continues to consult with Wolverhampton and Shrewsbury District with a view to forming a West Midlands District in September 2025. Both synods have voted to explore the merger. Discussions are taking place at circuit level for formal Synod ratification in 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The district is governed by the Methodist Church Act 1976 and the Deed of Union 1932.

Organisational structure

Individual Methodist churches are grouped within circuits which are in turn grouped within districts. All districts, circuits and churches are part of the Methodist "Connexion" (see **related parties** below). Overall regulatory authority rests with the Methodist Conference which meets once a year. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) within circuits. Connexional decisions are passed to the districts for implementation. The District Synod meets twice a year.

Governance

The district operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders.

Key management remuneration

In the trustees' opinion, the key management personnel of the District responsible for the direction, control, running and operation of the District on a day-to-day basis consists of the Board of Trustees.

Key management personnel - trustees

All trustees give of their time freely and no trustee received remuneration during the year with the exception of the District Chair whose salary is paid from central Methodist funds and totalled £45,826 for the year ended 31 August 2023 (2022: £42,740).

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Management

The District Council meets four times a year. The responsibilities of the District Council, as laid down in Methodist Standing Orders, are as follows.

- o To formulate and promote policies which will advance the mission of the Church in the circuits and local churches and in particular to supervise the use of resources of personnel, property and finance and to assist local churches and circuits having exceptional problems.
- o To encourage inter-circuit and ecumenical co-operation.
- o To act in an executive capacity remitted to the Council by the Synod.
- o To keep within its purview all district concerns not dealt with elsewhere.
- o To contribute and respond, as the case may be, to the development of connexional policies as reflected in the work of the Conference and the Methodist Council and to carry out its other responsibilities with any such development in mind.

The District Council oversees the work of the Resourcing Mission Committee, stationing, safeguarding, authorisations to preside at communion, extensions to local preacher training and other matters as necessary.

Related parties

Methodist entities, whether they be districts, circuits or churches, are obliged to register as individual charities if they meet the requirements of registration laid down by the Charity Commission.

Birmingham Methodist District receives income from the circuits within the Birmingham District. All of the circuits are registered charities. Contributions from circuits, sometimes known as "the circuit assessment", are used to pay contributions to the central Methodist Church Fund and to meet the day-to-day running costs of the district. In the year to 31 August 2023 income from circuit assessments totalled £586,500 (2022: £585,336). In addition, the district receives from each circuit holding a Circuit Model Trust Fund (CMTF), a levy based on the size of the CMTF at the start of the year. In the year to 31 August 2023 the total levy, credited automatically to the District Advance Fund by TMCP, was £104,895 (2022: £153,338).

Methodist Church in Britain (MCB) is the largest Methodist entity, based at 25 Tavistock Place, London, and is an individual charity. In 2022-23 Birmingham Methodist District paid £508,495 (2022: £511,343) to the Methodist Church Fund as a contribution towards the running costs of MCB. The District Advance Fund receives annual grant income from the Connexional Priority Fund held within the accounts of MCB. In the year to 31 August 2023 £190,937 was received from the Connexional Priority Fund (2022: £117,141).

Wesley International House is a freehold property held by TMCP as custodian trustees for Birmingham Methodist District. A separate charity called Birmingham International Student Homes (BISH) is responsible for all aspects of the upkeep and maintenance of Wesley International House. BISH reports annually to Birmingham Methodist District Council.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Fundraising

The majority of the District's income is derived from circuit contribution, Connexional and other grants, Circuit Model Trust Fund levies and Connexional Priority Fund distributions. The District does not engage in public fundraising and does not use professional fundraisers or commercial participators,

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1134167

Principal address

36 Amesbury Road
Moseley
Birmingham
West Midlands
B13 8LE

Trustees

Deacon A Allport		
Rev I Ballard		
Rev N Bishop	- appointed 25 January 2024	
Ms S Clutterbuck		
Mr P Dipple		- resigned 5 October 2023
Rev N Headley (Chair)	- appointed 1 September 2022	
Rev D Koffie-Williams		
Rev S Levett		
Mr C Osborn		
Mr T Pethick		
Rev A Richards		- resigned 31 August 2023
Rev S Shortman	- appointed 1 September 2022	
Rev C Sibanda	- appointed 1 September 2023	
Deacon M Slowe		
Rev A Smith		- resigned 31 August 2023
Ms S Smith		
Rev J Suray		- resigned 31 August 2023
Rev J Thornton		
Ms J Tolley	- appointed 1 September 2022	
Rev P Warrey	- appointed 1 September 2023	
Mr H Watton	- appointed 1 September 2022	
Ms G Weller		
Rev S Willey	- appointed 1 September 2022	
Ms H Woodall		

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Trustees for Methodist Church Purposes
Oldham Street
Manchester
M1 1JQ

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

Co-operative Bank
PO Box 250
Skelmersdale
WN8 6WT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

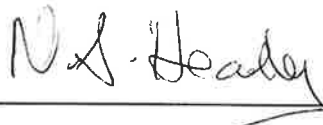
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

JW Hinks LLP were appointed as auditors on 20 October 2023. A resolution to re-appoint JW Hinks LLP as auditors will be proposed at the District Council meeting to be held on 20 March 2024.

Approved by order of the board of trustees on 20 March 2024 and signed on its behalf by:

Trustee



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

Opinion

We have audited the financial statements of Birmingham District of the Methodist Church (the 'charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2023 and of its incoming resources and application of resources, 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error;
- evaluating and understanding the internal control system;
- performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear;
- testing documentation supporting account balances or classes of transactions; and
- confirming accounts receivable and other accounts with a third party.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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.



J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
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B15 3BH

20 March 2024

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	588,423	1,611,058	2,199,481	1,065,099
Investment income	4	<u>7,163</u>	<u>51,247</u>	<u>58,410</u>	<u>4,709</u>
Total		<u>595,586</u>	<u>1,662,305</u>	<u>2,257,891</u>	<u>1,069,808</u>
EXPENDITURE ON					
Charitable activities					
Grants and donations	5	-	285,339	285,339	97,579
Contributions to Methodist Church Fund		508,945	-	508,945	511,343
Other		<u>77,441</u>	<u>254,033</u>	<u>331,474</u>	<u>372,257</u>
Total		<u>586,386</u>	<u>539,372</u>	<u>1,125,758</u>	<u>981,179</u>
NET INCOME					
Transfers between funds	14	<u>9,200</u> <u>(3,000)</u>	<u>1,122,933</u> <u>3,000</u>	<u>1,132,133</u> <u>-</u>	<u>88,629</u> <u>-</u>
Net movement in funds		6,200	1,125,933	1,132,133	88,629
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,808,910</u>	<u>1,006,519</u>	<u>4,815,429</u>	4,726,800
TOTAL FUNDS CARRIED FORWARD		<u>3,815,110</u>	<u>2,132,452</u>	<u>5,947,562</u>	<u>4,815,429</u>

The notes form part of these financial statements

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**BALANCE SHEET
31 AUGUST 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	3,750,000	452,922	4,202,922	3,750,000
CURRENT ASSETS					
Debtors	12	-	14,007	14,007	14,289
Cash at bank		72,605	1,666,779	1,739,384	1,079,121
		72,605	1,680,786	1,753,391	1,093,410
CREDITORS					
Amounts falling due within one year	13 & 15	(7,495)	(1,256)	(8,751)	(27,981)
NET CURRENT ASSETS		65,110	1,679,530	1,744,640	1,065,429
TOTAL ASSETS LESS CURRENT LIABILITIES		3,815,110	2,132,452	5,947,562	4,815,429
NET ASSETS		3,815,110	2,132,452	5,947,562	4,815,429


The notes form part of these financial statements

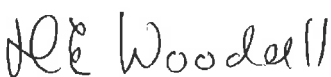
**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

**BALANCE SHEET - continued
31 AUGUST 2023**

FUNDS	14		
Unrestricted funds:			
General Fund		49,840	43,146
Capital Revaluation Reserve Fund		3,750,000	3,750,000
Manse Major Repair Fund		15,270	15,764
		<u>3,815,110</u>	<u>3,808,910</u>
Restricted funds:			
District Advance Fund		943,139	828,913
Chaplaincy Fund		8,873	31,575
Mission and Youth Fund		72,279	61,649
Safeguarding Fund		20,549	17,452
Adavu Fund		-	52,007
Benevolent Fund		4,148	4,185
Inclusive Gathering Birmingham Fund		12,562	5,998
Street Ecclesial Community Fund		16,676	4,740
City Centre Fund		<u>1,054,226</u>	<u>-</u>
		<u>2,132,452</u>	<u>1,006,519</u>
TOTAL FUNDS		<u>5,947,562</u>	<u>4,815,429</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20 March 2024 and were signed on its behalf by:

Trustee 

Trustee 

The notes form part of these financial statements

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,054,775</u>	<u>93,095</u>
Net cash provided by operating activities		<u>1,054,775</u>	<u>93,095</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(452,922)</u>	-
Interest received		<u>58,410</u>	<u>4,709</u>
Net cash (used in)/provided by investing activities		<u>(394,512)</u>	<u>4,709</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		660,263	97,804
Cash and cash equivalents at the beginning of the reporting period		<u>1,079,121</u>	<u>981,317</u>
Cash and cash equivalents at the end of the reporting period		<u>1,739,384</u>	<u>1,079,121</u>

The notes form part of these financial statements

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,132,133	88,629
Adjustments for:		
Interest received	(58,410)	(4,709)
Decrease/(increase) in debtors	282	(11,352)
(Decrease)/increase in creditors	(19,230)	20,527
Net cash provided by operations	<u>1,054,775</u>	<u>93,095</u>

2. ANALYSIS OF CHANGES IN NET FUNDS	At 1.9.22	Cash flow	At 31.8.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,079,121</u>	<u>660,263</u>	<u>1,739,384</u>
	<u>1,079,121</u>	<u>660,263</u>	<u>1,739,384</u>
Total	<u>1,079,121</u>	<u>660,263</u>	<u>1,739,384</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF PREPARING THE FINANCIAL STATEMENTS

General information

Birmingham District of the Methodist Church is an unincorporated charity registered in England and Wales. The District's principal address and place of activity is 36 Amesbury Road, Moseley, Birmingham, B13 8LE.

Accounting convention

The financial statements of the District, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011.

The financial statements have been prepared using the historic cost convention, as modified by the revaluation of certain assets, and are presented in sterling which is the functional currency of the District, rounded to the nearest £1.

GOING CONCERN

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the District to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the District has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties about the District's ability to continue as a going concern. As a result the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

CONSOLIDATION

Birmingham Methodist District oversees the work of ministers and lay workers in churches and circuits within the District but does not have financial control over those circuits or churches. For this reason the financial statements of the churches and circuits within the District are not consolidated into these financial statements.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The value of services donated by volunteers is not quantified.

1. ACCOUNTING POLICIES - continued

INCOME

Investment income is earned through holding assets such as cash on deposit. It includes interest receivable. Interest income is recognised using the effective interest rate method and is recognised as the District's right to receive payment is established.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants are recognised annually as and when the performance conditions attaching to the award are met, even when the award is for a recurrent grant over more than one year. All grants awarded for payment in future financial years are conditional on the Resourcing Mission Committee being satisfied, on the basis of progress reports from the grantee, that the project's achievements to date justify the payment of further instalments of the grant. Future commitments from the District Advance Fund are shown in the notes to the accounts.

Support costs are those that assist with the work of the District but do not directly represent charitable activities and include office costs, governance costs and other administrative costs.

Governance costs are those costs associated with the general running of the charity and its strategic management rather than the costs of its charitable activities and day-to-day management.

ALLOCATION AND APPORTIONMENT OF COSTS

All costs are allocated between the expenditure categories of the Statement of Financial Activities on the basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.

TANGIBLE FIXED ASSETS

Fixed assets are initially recognised at cost or fair valuation.

Freehold property is not depreciated. The trustees consider that this policy is necessary in order for the financial statements to give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation.

TAXATION

The District is exempt from tax on its charitable activities.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the District becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include deposits held at call with banks.

1. ACCOUNTING POLICIES - continued

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN 1 YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

EMPLOYEE BENEFITS

When employees have rendered service to the District short-term employee benefits to which the employees are entitled to are recognised at the undiscounted amount expected to be paid in exchange for that service.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The District operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the District. The pension cost charge represents contributions paid by the District to the fund.

VAT

Since the District is not VAT registered all input VAT is charged with the expenses to which it refers.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the District. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the District's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Circuit contributions	586,500	585,336
Donations	18,769	28,839
Connexional and other grants	109,877	146,176
Circuit Model Trust Fund levies	104,895	153,338
Connexional Priority Fund distribution	190,937	117,141
Other income	41,812	34,269
Exceptional items - City Centre Fund	<u>1,146,691</u>	<u>-</u>
	<u>2,199,481</u>	<u>1,065,099</u>

Exceptional items - donations (City Centre Fund)

Exceptional items totalling £1,146,691 for the year ended 31 August 2023 consists of assets transferred to the Birmingham District of the Methodist Church on 1 September 2022 from the Birmingham Methodist Circuit. Synod initially delegated responsibility for the management of this fund to Birmingham Methodist Circuit but the responsibility reverted to the District in September 2022 following a change in Birmingham Methodist Circuit's constitution. This fund is ring-fenced for activities within Birmingham city centre and decisions regarding grants from the City Centre Fund are made by the District Resourcing Mission Committee. The assets transferred were cash at bank (£693,769) and 47 Grove Avenue (£452,922).

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Connexional and other grants	<u>109,877</u>	<u>146,176</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>58,410</u>	<u>4,709</u>

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Grants and donations	285,339	-	285,339
Contributions to Methodist Church Fund	508,945	-	508,945
Other	-	331,474	331,474
	<u>794,284</u>	<u>331,474</u>	<u>1,125,758</u>

6. GRANTS PAYABLE

	2023 £	2022 £
Grants and donations	285,339	97,579
Contributions to Methodist Church Fund	508,945	511,343
	<u>794,284</u>	<u>608,922</u>

The total grants paid to institutions during the year was as follows:

	2023 £	2022 £
Methodist Church Fund	508,945	511,343
Mission projects	233,092	92,486
Property projects	-	3,000
Other grants and donations	52,247	2,093
	<u>794,284</u>	<u>608,922</u>

Other grants and donations - Adavu CIO

Included within other grants and donations totalling £52,247 for the year ended 31 August 2023 (2022: £2,093) is a donation of £52,007 (2022: £nil) made to Adavu CIO. The District's Adavu Fund ceased to be a district project on 1 September 2022 at which date the remaining funds were transferred to a new independent charity, Adavu CIO. During the year ended 31 August 2023 Adavu continued to support survivors of modern slavery.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Other	<u>325,474</u>	<u>6,000</u>	<u>331,474</u>

Support costs, included in the above, are as follows:

MANAGEMENT

	2023	2022 Total activities £
Wages	193,872	216,146
Social security	15,473	21,373
Pensions	20,833	16,374
Employees expenses	17,228	13,403
Training	11,811	11,403
District office costs	4,479	4,274
Manse costs	11,733	20,677
Trustees' expenses	997	1,000
Administrative costs	32,375	43,194
Subscriptions	2,122	2,160
Professional fees	1,198	1,485
Other expenses	<u>13,353</u>	<u>16,268</u>
	<u>325,474</u>	<u>367,757</u>

GOVERNANCE COSTS

	2023	2022 Total activities £
Auditors' remuneration	<u>6,000</u>	<u>4,500</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

8. TRUSTEES' REMUNERATION AND BENEFITS - continued

TRUSTEES' EXPENSES

There were trustees' expenses of £997 paid during the year ended 31 August 2023 (2022: £1,000).

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	193,872	216,146
Social security costs	15,473	21,373
Other pension costs	20,833	16,374
	<u>230,178</u>	<u>253,893</u>

The average monthly number of full-time equivalent employees during the year was as follows:

	2023	2022
Average	<u>6.3</u>	<u>7.7</u>

No employees received emoluments in excess of £60,000.

Key management personnel

Key management personnel consists of the District Chair, whose salary is paid from Central Methodist Funds. Key management personnel remuneration for the year totalled £45,826 (2022: £42,740).

10. PENSION COMMITMENTS

The District contributes to the individual pension plans of certain employees. The assets of these schemes are held separately from those of the District in independently administered funds.

The total contributions for the year amounted to £20,833 (2022: £16,374) and outstanding contributions as at 31 August 2023 amounted to £nil (2022: £nil).

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 September 2022	3,750,000
Additions	<u>452,922</u>
At 31 August 2023	<u>4,202,922</u>
NET BOOK VALUE	
At 31 August 2023	<u>4,202,922</u>
At 31 August 2022	<u>3,750,000</u>

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

11. TANGIBLE FIXED ASSETS - continued

Tangible fixed assets were valued by the trustees on the basis of their open market value. The resulting surplus has been carried to a capital reserve which is not available for distribution.

The freehold properties comprise Amesbury Road, valued at £750,000, Wesley International House, valued at £3,000,000 and Grove Avenue valued at £452,922. In the opinion of the trustees the current open market valuation of the properties is not materially different from the amounts at which they are included in the accounts.

Whilst Wesley International House is owned by the Trustees for Methodist Church Purposes on trust for Birmingham Methodist District, the property is managed by Birmingham International Student Homes, a separate charity (registered charity number 1095730). Birmingham Methodist District authorises Birmingham International Student Homes to be responsible for all aspects of the upkeep and maintenance of Wesley International House except final ownership.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Prepayments	<u>14,007</u>	<u>14,289</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accruals and deferred income	<u>8,751</u>	<u>27,981</u>

Deferred income included above consists of the following.

	2023	2022
	£	£
Deferred income as at 1 September 2022	20,000	-
Resources deferred during the year	-	20,000
Amounts released from previous years	<u>(20,000)</u>	-
Deferred income as at 31 August 2023	<u>-</u>	<u>20,000</u>

Disclosure regarding future grant commitments and other contingent liabilities can be found in note 15 of the financial statements.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General Fund	43,146	13,694	(7,000)	49,840
Capital Revaluation Reserve Fund	3,750,000	-	-	3,750,000
Manse Major Repair Fund	15,764	(4,494)	4,000	15,270
	<u>3,808,910</u>	<u>9,200</u>	<u>(3,000)</u>	<u>3,815,110</u>
Restricted funds				
District Advance Fund	828,913	246,836	(132,610)	943,139
Chaplaincy Fund	31,575	(50,952)	28,250	8,873
Mission and Youth Fund	61,649	(24,370)	35,000	72,279
Safeguarding Fund	17,452	(25,903)	29,000	20,549
Adavu Fund	52,007	(52,007)	-	-
Benevolent Fund	4,185	(3,037)	3,000	4,148
Inclusive Gathering Birmingham Fund	5,998	(23,436)	30,000	12,562
Street Ecclesial Community Fund	4,740	(25,924)	37,860	16,676
City Centre Fund	-	1,081,726	(27,500)	1,054,226
	<u>1,006,519</u>	<u>1,122,933</u>	<u>3,000</u>	<u>2,132,452</u>
TOTAL FUNDS	<u>4,815,429</u>	<u>1,132,133</u>	<u>-</u>	<u>5,947,562</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	594,942	(581,248)	13,694
Manse Major Repair Fund	644	(5,138)	(4,494)
	<u>595,586</u>	<u>(586,386)</u>	<u>9,200</u>
Restricted funds			
District Advance Fund	394,877	(148,041)	246,836
Chaplaincy Fund	-	(50,952)	(50,952)
Mission and Youth Fund	28,665	(53,035)	(24,370)
Safeguarding Fund	26,486	(52,389)	(25,903)
Adavu Fund	-	(52,007)	(52,007)
Benevolent Fund	-	(3,037)	(3,037)
Inclusive Gathering Birmingham Fund	24,602	(48,038)	(23,436)
Street Ecclesial Community Fund	20,800	(46,724)	(25,924)
City Centre Fund	1,166,875	(85,149)	1,081,726
	<u>1,662,305</u>	<u>(539,372)</u>	<u>1,122,933</u>
TOTAL FUNDS	<u>2,257,891</u>	<u>(1,125,758)</u>	<u>1,132,133</u>

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General Fund	42,642	1,487	(983)	43,146
Capital Revaluation Reserve Fund	3,750,000	-	-	3,750,000
Designated Fund	23,222	(7,972)	(15,250)	-
Manse Major Repair Fund	-	65	15,699	15,764
	<u>3,815,864</u>	<u>(6,420)</u>	<u>(534)</u>	<u>3,808,910</u>
Restricted funds				
District Advance Fund	748,246	243,967	(163,300)	828,913
Chaplaincy Fund	13,999	(36,424)	54,000	31,575
Mission and Youth Fund	51,738	(18,089)	28,000	61,649
Safeguarding Fund	10,385	(21,433)	28,500	17,452
Adavu Fund	41,433	(37,426)	48,000	52,007
Benevolent Fund	2,099	(914)	3,000	4,185
Manse Major Repaid Fund	11,699	-	(11,699)	-
Cameroonian Fund	3,386	(3,345)	(41)	-
Inclusive Gathering Birmingham Fund	20,639	(22,641)	8,000	5,998
Digital Church Fund	7,312	(8,386)	1,074	-
Street Ecclesial Community Fund	-	(260)	5,000	4,740
	<u>910,936</u>	<u>95,049</u>	<u>534</u>	<u>1,006,519</u>
TOTAL FUNDS	<u>4,726,800</u>	<u>88,629</u>	<u>-</u>	<u>4,815,429</u>

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	592,543	(591,056)	1,487
Designated Fund	-	(7,972)	(7,972)
Manse Major Repair Fund	65	-	65
	<u>592,608</u>	<u>(599,028)</u>	<u>(6,420)</u>
Restricted funds			
District Advance Fund	340,471	(96,504)	243,967
Chaplaincy Fund	18,754	(55,178)	(36,424)
Mission and Youth Fund	25,989	(44,078)	(18,089)
Safeguarding Fund	20,676	(42,109)	(21,433)
Adavu Fund	53,404	(90,830)	(37,426)
Benevolent Fund	-	(914)	(914)
Cameroonian Fund	-	(3,345)	(3,345)
Inclusive Gathering Birmingham Fund	17,906	(40,547)	(22,641)
Digital Church Fund	-	(8,386)	(8,386)
Street Ecclesial Community Fund	-	(260)	(260)
	<u>477,200</u>	<u>(382,151)</u>	<u>95,049</u>
TOTAL FUNDS	<u><u>1,069,808</u></u>	<u><u>(981,179)</u></u>	<u><u>88,629</u></u>

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General Fund	42,642	15,181	(7,983)	49,840
Capital Revaluation Reserve Fund	3,750,000	-	-	3,750,000
Designated Fund	23,222	(7,972)	(15,250)	-
Manse Major Repair Fund	<u>-</u>	<u>(4,429)</u>	<u>19,699</u>	<u>15,270</u>
	3,815,864	2,780	(3,534)	3,815,110
Restricted funds				
District Advance Fund	748,246	490,803	(295,910)	943,139
Chaplaincy Fund	13,999	(87,376)	82,250	8,873
Mission and Youth Fund	51,738	(42,459)	63,000	72,279
Safeguarding Fund	10,385	(47,336)	57,500	20,549
Adavu Fund	41,433	(89,433)	48,000	-
Benevolent Fund	2,099	(3,951)	6,000	4,148
Manse Major Repaid Fund	11,699	-	(11,699)	-
Cameroonian Fund	3,386	(3,345)	(41)	-
Inclusive Gathering Birmingham Fund	20,639	(46,077)	38,000	12,562
Digital Church Fund	7,312	(8,386)	1,074	-
Street Ecclesial Community Fund	-	(26,184)	42,860	16,676
City Centre Fund	<u>-</u>	<u>1,081,726</u>	<u>(27,500)</u>	<u>1,054,226</u>
	<u>910,936</u>	<u>1,217,982</u>	<u>3,534</u>	<u>2,132,452</u>
TOTAL FUNDS	<u><u>4,726,800</u></u>	<u><u>1,220,762</u></u>	<u><u>-</u></u>	<u><u>5,947,562</u></u>

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	1,187,485	(1,172,304)	15,181
Designated Fund	-	(7,972)	(7,972)
Manse Major Repair Fund	709	(5,138)	(4,429)
	<u>1,188,194</u>	<u>(1,185,414)</u>	<u>2,780</u>
Restricted funds			
District Advance Fund	735,348	(244,545)	490,803
Chaplaincy Fund	18,754	(106,130)	(87,376)
Mission and Youth Fund	54,654	(97,113)	(42,459)
Safeguarding Fund	47,162	(94,498)	(47,336)
Adavu Fund	53,404	(142,837)	(89,433)
Benevolent Fund	-	(3,951)	(3,951)
Cameroonian Fund	-	(3,345)	(3,345)
Inclusive Gathering Birmingham Fund	42,508	(88,585)	(46,077)
Digital Church Fund	-	(8,386)	(8,386)
Street Ecclesial Community Fund	20,800	(46,984)	(26,184)
City Centre Fund	1,166,875	(85,149)	1,081,726
	<u>2,139,505</u>	<u>(921,523)</u>	<u>1,217,982</u>
TOTAL FUNDS	<u>3,327,699</u>	<u>(2,106,937)</u>	<u>1,220,762</u>

Purpose of Unrestricted Funds

General Fund

This fund represents funds for use at the discretion of the trustees in furtherance of the general objectives of the District for day-to-day running costs.

Designated Funds

Capital Revaluation Fund

This fund represents the balance sheet value of tangible fixed assets held by the District's General Fund, namely Wesley International House and 36 Amesbury Road.

Designated Fund

The Designated Fund was established in 2016 for specific costs over the period to 31 August 2022. The fund was closed at that date and the balance was transferred to the General Fund.

Manse Major Repair Fund

Amounts are transferred annually from the General Fund towards future major repairs on the district manse. This fund was reclassified from restricted to designated during the year ended 31 August 2022.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS - continued

Restricted Funds

District Advance Fund

This fund provides grants to churches and circuits within the District. These grants, along with amounts transferred from DAF into other district funds for work at district level, are authorised by the District Resourcing Mission Committee.

City Centre Fund

This fund supports God's work in Birmingham City Centre, including grants to Inclusive Gathering Birmingham and Street Ecclesial Community. The fund, managed by Birmingham Methodist Circuit until 1 September 2022 and transferred to the District on that date, represents the remaining proceeds from the sale of the head lease of Birmingham City Mission in 2014-15, plus 47 Grove Avenue, the manse occupied by Rev Neil Johnson, the pastor of Street Ecclesial Community.

Chaplaincy Fund

This fund supports chaplaincy at the NEC together with the co-ordination of chaplains working within the District.

Mission and Youth Fund

This fund supports the work of the mission adviser and the youth engagement officer.

Safeguarding Fund

This fund supports the work of two safeguarding officers whose combined costs are shared with Wolverhampton and Shrewsbury Methodist District.

Adavu Fund

Adavu ceased to be a district project on 1 September 2022 at which date the remaining funds were transferred to the new independent charity, Adavu CIO. During the year ended 31 August 2022 Adavu supported survivors of modern slavery and its grant funding was from Methodism and external funders the including Lloyds Bank Foundation.

Benevolent Fund

This fund is for use at the Chair's discretion to reimburse costs incurred in cases of hardship and need.

Cameroonian Fund

This fund represents funds used to support the Cameroonian Christian Fellowship whose role is to foster links between the Methodist Church and Cameroonian Christians in the UK.

This fund was fully expended as at 31 August 2022.

Inclusive Gathering Birmingham Fund

This fund supports the work of IGB, a LGBTQIA+ affirming, justice-seeking church for all.

Digital Church Fund

This fund supported an experimental project for the cultivation of an online congregation.

This fund was fully expended as at 31 August 2022.

Street Ecclesial Community Fund

This fund is for the work of Street Banquet, engaging the homelessness sector, providing outreach and chaplaincy.

**BIRMINGHAM DISTRICT
OF THE METHODIST CHURCH**

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

14. MOVEMENT IN FUNDS - continued

TRANSFERS BETWEEN FUNDS

Transfers between funds as at 31 August 2022 and 31 August 2023 represent movements between the District's General Fund and the District's designated funds and movements between restricted funds.

15. FUTURE GRANT COMMITMENTS AND OTHER CONTINGENT LIABILITIES

As at 31 August 2023 future grant commitments from the District Advance Fund were as follows:

Year to	£
31 August 2024	572,009
31 August 2025	156,750
31 August 2026	141,493
31 August 2027	30,465
31 August 2028	<u>39,575</u>
	<u>940,292</u>

Future grant commitments from the District Advance Fund are shown above.

All such future payments are conditional upon the Resourcing Mission Committee being satisfied, on the basis of progress reports from the grantee, that the project's achievements to date justify the payment of further instalments of the grant.

Estimated employer debt on withdrawal of former employee pensions under the Growth Plan 3 scheme is £2,692 at the latest valuation date, being 30 September 2022.

16. RELATED PARTY DISCLOSURES

Transactions with other Methodist entities and associated charities are disclosed in the Report of the Trustees.