

THE METHODIST CHURCH LIVERPOOL DISTRICT - NOTES TO THE STANDARD FORM OF ACCOUNTS YEAR ENDED 31 AUGUST 2009

The Standard Form of Accounts are presented for the year ended 31 August 2009. The accounts show, overall, net outgoing resources of £39,541 (2008 – incoming of £72,942) and net losses on manse and investment assets of £9,106 (2008 – gains of £14,227), resulting in cumulative total funds of £885,474 (2008 - £934,120). To aid more formative interpretation these notes are separated into the individual fund types as shown in columns in the Standard Form of Accounts.

1 General Fund (Unrestricted)

The General Fund is the District's unrestricted fund and is split into the four designated accounts being General, Training and Reserve, Mission and Resources Bookshop. These funds cumulatively show outgoing resources of £47,417 (2008 - £3,404) and transfer in from the District Advance fund of £18,802 (2008 - £5,000).

1.1 Assessment

Assessment of £76,294 (2008 £84,773) is the net figure collected from the Circuits, not including contributions to the Methodist Church Fund. These contributions of £355,607 (2008 £349,873) are a Circuit liability and are not shown as District income or expenditure.

1.2 Other Income

Other income includes connexional grant of £26,651 relating to the stipend and costs of the District Development Enabler (DDE), training grants (primarily Connexional Continuing Development in Ministry (CDIM)) received of £2,895 and Resources bookshop income of £864.

1.3 Salaries and associated costs

Salaries and associated costs are the stipend and pension costs of the DDE and the salary paid to the Chair's PA.

1.4 Manse costs

Costs include £19,415 being work carried out on the chair's manse and £12,896 being rental costs of a manse provided for the DDE. During the year a programme of required repair and refurbishment works was carried out to the Chair's manse. Work included replacement kitchen installation, bathroom refurbishment, internal and external painting and decoration. Following his appointment in 2008 it was agreed that the DDE would continue to live in a manse provided by the Sheffield (Ecclesall) Circuit for one year prior to a move to the District.

1.5 Administration, telephone, travel etc

Administration, telephone and travel includes the following:

	2009	2008
	£	£
Chair's expenses and Office expenses	8,679	10,965
District Officer and Committee expenses	1,522	1,144
Conference expenses	(264)	171
DDE Expenses and training	8,893	272
Synod and Synod Secretary's expenses and fees	<u>7,190</u>	<u>8,247</u>
	<u>26,020</u>	<u>20,799</u>

1.6 Insurance, utilities

Insurance, utilities are insurance, council tax and water rate costs relating to the Chair's manse.

1.7 Grants and Donations

Grants and donations include the following:

	2009	2008
	£	£
Training grants and costs	6,299	9,194
Mission Fund	1,250	
Liverpool City Centre	20,000	16,000
Chaplaincy Liverpool South	<u>20,500</u>	<u>20,500</u>
	<u>48,049</u>	<u>43,478</u>

1.8 Other Expenditure

Other Expenditure includes the following:

	2009	2008
	£	£
Ecumenical		
Churches Officer for the North West	1,553	1,500
Churches Together in Cheshire	281	256
CTMR Methodist Church	3,878	7,546
Mission in the Economy	3,269	3,190
Mission Fund – Superintendents' Conference		3,420
Mission Fund – Kindling Spirit		456
Mission Fund – MARCAP		50
Mission Fund – Youth Exchange		819
Baspcan Sub	130	130
DDE Removals	2,966	
Resources Bookstall	<u>883</u>	<u>709</u>
	<u>12,960</u>	<u>18,076</u>

The reduction in payments to CTMR (Churches together in the Merseyside Region) reflects a one off repayment to the co-sponsoring churches following a review of CTMR's reserves policy.

1.9 Transfers between funds

Transfers between funds include a transfer of £18,802 to general funds from the District Advance fund being an amount to cover the costs of the District Development Enabler.

1.10 Charitable commitments

At 31 August 2009 the following charitable commitments had been made:

	£
Liverpool City Centre grant 2009/10	20,000
Liverpool South Chaplaincy grant 2009/10	22,500
Training fund grants	<u>1,167</u>
	<u>43,667</u>

1.11 Fund balances

At the year end the balances on the various designated accounts are as follows:

	Balance	Commitments	Available
	£	£	£
General	74,329	42,500	31,829
Manse (Valuation)	458,855	458,855	-
Training & Reserve	4,111	1,167	2,944
Mission	6,857		6,857
Resources Bookshop	<u>3,939</u>		<u>3,939</u>
	<u>548,092</u>	<u>502,522</u>	<u>45,569</u>

2 District Advance Fund

The District Advance Fund receives income from Connexional Advance and Property Fund and Circuit Advance Funds to provide grants towards mission and some property projects within the District. The District grants secretary produces an independent annual report for this fund.

2.1 District Advance Fund Detailed Accounts

The detailed accounts for the fund are as follows:

Income	Note	2009 £	2008 £
Received from Circuits		64,330	59,705
Received from Connexion		102,240	128,478
CFB Interest		<u>11,071</u>	<u>14,050</u>
		177,641	202,233
Expenditure			
Management Fee		321	226
Grants - Mission Projects			
Linacre Mission		18,500	15,000
Linacre Mission			5,000
Liverpool Diocesan Racial Justice		6,400	
Liverpool District CASA1		15,000	10,000
Liverpool District DDE		18,802	5,000
Liverpool North Central			3,500
Liverpool South		10,000	4,000
Ormskirk			1,000
Skelmersdale		17,500	
Skelmersdale		2,000	
South Wirral		4,796	4,656
South Wirral		2,400	
South Wirral		1,000	
Southport		5,550	
Southport		2,000	10,000
Warrington			6,300
West Wirral		5,000	5,000
Widnes		10,000	10,000
Widnes		1,450	1,400
Grants - Property Projects			
Birkenhead - Tranmere		8,000	
Crosby - Formby		5,000	20,000
Linacre Mission			10,000
Liverpool North Central - Kensington		5,000	5,000
Liverpool South - Halewood		1,500	
Ormskirk - Croston		26,469	
Orrell & Lamberhead Green - Bispham		1,000	
South Wirral - Little Neston		2,375	
St Helens & Prescot - Nutgrove			3,000
St Helens & Prescot - Rainhill			10,000
West Wirral - Hoylake		5,000	
West Wirral - Irby		<u>5,000</u>	
		180,063	129,082
Surplus of Income over Expenditure		(2,422)	73,151
Balance brought forward		<u>207,215</u>	<u>134,064</u>
Balance carried forward		204,793	207,215

2.2 District Advance Fund Charitable Commitments

At the year end the following charitable commitments had been made

	2009	2008
	£	£
Linacre Mission	15,000	18,500
Liverpool District Racial Justice Officer		6,400
Liverpool North Central	57,383	
Liverpool South	10,500	10,500
Liverpool South	10,000	10,000
Ormskirk	2,000	26,469
Orrell and Lamberhead Green		1,000
Skelmersdale	37,500	55,000
South Wirral	4,940	6,400
South Wirral	4,000	9,736
Southport	24,200	5,500
Southport		2,000
Warrington	5,746	5,746
West Wirral	10,000	5,000
Widnes		10,000
Widnes	<u>3,050</u>	<u>4,500</u>
	<u>184,319</u>	<u>176,751</u>

These approved grants are due for payment within five years.

3 Restricted funds

The Restricted funds include the Overseas Students Development fund, Network, CASAI Project and the Benevolent fund. These funds cumulatively show outgoing resources of £24,364, transfers in from District Advance fund of £15,000 and from an endowment fund of £670 and devaluation on investment assets of £7,611.

3.1 Overseas Students Development Fund

The Overseas Students Development fund provides grants to international students, studying in Liverpool, who face financial hardship. A capital amount, £89,237 at 31 August 2009, is invested to provide income to support the purposes of the fund. The detailed revenue account is as follows:

	2009	2008
	£	£
Income		
Interest Trust 12300	3,403	3,502
CFB	<u>72</u>	<u>316</u>
	3,475	3,818
Expenditure		
Grants		
Bangladesh	500	400
China		400
Gambia	400	
Ghana	500	
Italy	500	
Pakistan	500	450
Zambia	500	
Iraq	500	
Nigeria		200
Nepal		200
India	500	300
Nigeria		450
Canada	500	450
Hungary		350
Brazil		500
Malawi		450
USA	500	
Nepal	300	400
Nepal	500	
Nepal	500	
India	500	500
India	<u>500</u>	<u>500</u>
	7,200	5,550
(Deficit) / Surplus of Income over		
Expenditure	(3,725)	(1,732)
Balance brought forward	<u>6,869</u>	<u>8,601</u>
Balance carried forward	<u>3,144</u>	<u>6,869</u>

For the second successive year, expenditure is significantly greater than income earned on this fund.

3.2 Network

These accounts, which are prepared and controlled independently, show income of £1,381 and outgoings of £1,271 for the year with a balance at 31 August 2009 of £1,430.

3.3 Benevolent Fund

This restricted fund generates income from a number of endowment funds and is heavily restricted in terms of purpose for which funds can be applied. Approval of expenditure, £1,250 in the year, is the sole responsibility of the District Chair.

3.4 CASAI Project

This is a District project with an ecumenical management committee seeking to support survivors of sexual abuse and increase general awareness within the churches. The detailed accounts are as follows:

	2009	2008
	£	£
INCOME		
Methodist Church Ministry & Missions	5,000	10,000
Methodist Church Liverpool District Advance Fund	15,000	10,000
United Reformed Church	3,000	3,000
Church and Private Donations	761	548
CASAI Conference	<u>1,930</u>	<u> </u>
	25,691	23,548
EXPENDITURE		
Employment salary & associated costs	20,537	18,271
Administrator's Costs	970	
Employee travel & other costs	3,298	1,987
Office Rent	2,400	2,400
Telephone, Printing, Stationery & Other Costs	2,302	2,340
CASAI Conference Expenses	<u>1,194</u>	<u> </u>
	30,701	24,998
Net surplus/(deficit) for year	<u>(5,010)</u>	<u>(1,450)</u>
Balance b/f	3,664	5,114
Balance c/f	<u>(1,344)</u>	<u>3,664</u>

3.5 Fund balances

At the year end the balances on the various designated accounts are as follows:

	Balance	Commitments	Available
	£	£	£
Overseas Students Development	92,382	89,237	3,145
Network	1,430	1,430	-
CASAI Project	(1,344)		(1,344)
Benevolent Fund	<u>16,363</u>		<u>16,363</u>
	<u>108,831</u>	<u>90,667</u>	<u>18,164</u>

4 Endowment Funds

A number of endowment funds exist which generate income, some for general purposes but primarily for benevolent fund purposes. All funds are invested through TMCP, Manchester.

THE METHODIST CHURCH LIVERPOOL DISTRICT TRUSTEES' ANNUAL REPORT RESERVES POLICY AT 31 AUGUST 2009

This document includes all funds held by the District as charity trustees.

Our Reserves policy relates to our general (unrestricted) funds which are freely available to be used for any or all of the purposes of the District.

Other funds are also included for the sake of clarity and openness and to show that the District has a policy for the management of all of its money not simply those which are defined as reserves.

Aims

Our aim is twofold:

- (1) To secure and sustain the District's viability and future.
- (2) To give reassurance to the general public that the district, which is a charity, intends to use all of the money coming into its care for the purposes of the charity.

Financial plans

The District assessment is reviewed annually and covers the costs of supporting the Chair and the various committees and organisations of the District, the costs of various ecumenical subscriptions and levies and the grant funding of certain projects of primary importance to the overall work of the District. In addition designated funds exist for training, mission and a resources bookshop.

General Fund (Unrestricted)

At 31 August 2009 the breakdown of general fund reserves is as follows:

	Balance £	Commitments £	Available £
General	74,329	42,500	31,829
Manse (Valuation)	458,855	458,855	-
Training & Reserve	4,111	1,167	2,944
Mission	6,857		6,857
Resources Bookshop	<u>3,939</u>		<u>3,939</u>
	<u>548,092</u>	<u>502,522</u>	<u>45,569</u>

The reserves policy is to hold at least six months expenditure in hand. Based on the proposed budget for 2010/11 these reserves are believed to be reasonable and a balanced budget is proposed. The amounts designated for Training, Mission and Resources are felt to be appropriate in respect of planned expenditure in the next year. Additional budgetary amounts will be required for training in 2010/11.

District Advance Fund (Restricted)

This fund provides grants to circuits and churches to engage in mission and property schemes. The balance at 31 August 2009 of £204,793 has commitments to the value of £184,319 to be paid over the next five years. The remaining balance will be utilised in 2009/10.

Restricted Funds

At 31 August 2009 the breakdown of other restricted funds is as follows:

	Balance £	Commitments £	Available £
Overseas Students Development	92,382	89,237	3,145
Network	1,430	1,430	-
CASAI Project	(1,344)		(1,344)
Benevolent Fund	<u>16,363</u>	<u> </u>	<u>16,363</u>
	<u>108,831</u>	<u>90,667</u>	<u>18,164</u>

The Overseas Students Development fund provides grants to international students studying in Liverpool who face financial hardship. The committed amount is a capital amount invested to provide income to support the purposes of the fund. The balance on the fund has increased in the last year but is anticipated to reduce in the next year. The CASAI project is an ongoing project which is under funded and in urgent need of higher reserves which are actively being sought. The benevolent fund has restricted purposes and lies at the sole funding discretion of the District Chair.

Endowments

A number of endowment funds exist which generate income, some for general purposes but primarily for benevolent fund purposes. All funds are invested through TMCP, Manchester.