



LIVERPOOL DISTRICT METHODIST CHURCH

TRUSTEES' ANNUAL REPORT AND ACCOUNTS YEAR ENDED 31 AUGUST 2016

Registered Charity No 1134011
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Liverpool
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Liverpool District Methodist Church (Number 18)
Year Ended 31 August 2016

1 OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities, the District Synod (under the leadership of the District Trustees) which meets twice in each year, has 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 and conforms to the Charities Act 2011.

Our mission is to be a powerful spiritual influence in the District and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the Circuits and the Churches in our District, the worship, social, and outreach activities that currently exist, and by seeking new ways to extend to others the fellowship of the Church family.

In particular the Liverpool District Methodist Church ("District"):

- supports the activities of the churches and circuits within the District by provision of various support services including training, development and evangelism.
- administers an ecumenical project to develop and facilitate Church Action on Sexual Abuse Issues ("CASA").
- supports the provision of a chaplaincy service to the universities in Liverpool.

2 ACHIEVEMENTS AND PERFORMANCE

The principal purpose of the District is to act as a supporting body between Circuits and the Connexion. The District does not seek and, in large measure, does not attain direct contact with the public. The direct contact is by Churches and Circuits and it is these that the District supports in their desire to provide benefit to the public.

Under the heading Collaborative arrangements with connected charities (3.3 below) there is information on how we obtained our funds. In this paragraph we show how they were spent. The money collected, or available for dissipation, was used as grants to support Churches and Circuits throughout the District with their work in their local communities and to subsidise the administrative costs of the District. In 2015-16 the District paid grants out of the General Fund and the DAF that totalled £94,000 which was less than the sum received from the levies on some of the funds held by Circuits within the District. The surplus was passed to District reserves.

The policy of the trustees on grant making is to ensure that all applications can demonstrate public benefit, pass a test of sustainability, show that there is commitment from the applicant organisation (e.g. the District grant is a minor part of the total funding) and show imagination and creativity as well as a perceived need for that for which the grant is being applied.

The grants were of several kinds, including:

- Grants to support Chaplaincy work across the three universities in Liverpool
- Grants which supported mission and outreach in Liverpool City Centre including the work of the "Bread church".
- Grants which supported mission and outreach in the deprived communities of inner city North and South Liverpool.
- Grants to support the work of the Borough Ministry in Warrington town centre.

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Circuits and Churches that have received grants from the District will show in their own Trustees' Annual Reports (where these are required to be prepared) details of the outcome of the activities undertaken as a result of receiving the grant.

The district is in covenant with other districts in the North West and Mann Region supported by the North West and Mann Learning Network. During the year, work has continued on developing links with other Districts, including joint training for probationer ministers and a support group for candidates for ministry.

We have been pleased to support candidates for ministry and the one probationer presbyter who serve in the District.

2.1 Plans for future years

- To support the work of the CASAI project in particular given the significant increase in activity following the publication of the Past Cases review
- Ensure that any local issues emanating from the Past Cases Review are dealt with sympathetically, fully and timeously
- To develop District committee structures to enable more effective leadership and mission
- Ensure that all those within the District that should attend the Safeguarding Leadership Module do so
- Encourage attendance at 3Generate
- Encourage initiatives for mission and evangelism in Circuits and Churches within the District

3 FINANCIAL REVIEW

During the year the District received total income of £280k (2014-15: £265k) and dispersed £245k (2014-15 £290k). The resulting excess of income was added to by an unrealised gain of £12k (2014-15: unrealised loss of £1k) on the restricted reserves and endowments to produce a net excess of income of £47k (2014-15: net excess of expenditure of £26k) and total reserves carried forward of £897k (2014-15: £850k).

The unrestricted general account shows an improvement on the balanced budget due to lower manse repair and utility costs, an excess transfer of funds from the District Advance Fund towards the costs of the Mission and Evangelism facilitator and lower ecumenical costs that were partially offset by higher safeguarding salary and related costs. There were no significant events during the year.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. Trustees do not foresee any factors that will significantly affect the financial performance or position in the next year or two.

The District continues to hold the one freehold property being the Chair's Manse in Queens Drive, Liverpool.

3.1 Investment Policy and Performance

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Districts and for all large (over £20k) bequests and for the

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proceeds of sale of any property formerly owned by the District. These sums are invested in unitised investments or held on deposit. The investment returns are close to tracking the movements in the FTSE100 index. The deposit income mirrors the deposit rates available elsewhere. Liverpool District trustees' investment policy is aligned with that of the CFB and TMCP because these organisations take into consideration the social, environmental and ethical considerations, both negatively and positively, that make investments suitable for the Methodist Church.

Short term deposits are lodged directly with the Central Finance Board (CFB) and attract good rates of interest. There are no bench marks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

3.2 Reserves level and policy

The District 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. The aims are:

- to secure and sustain the District's viability and future.
- 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.

The reserves held at the end of the year were as follows:

	£
<i>Unrestricted funds</i>	
General Fund	580,894
District Advance Fund	129,275
<i>Designated funds</i>	
Training Fund	3,203
Mission Fund	<u>4,241</u>
Total unrestricted funds	<u>717,613</u>
<i>Restricted funds</i>	
Overseas Students Dev Capital	132,530
Overseas Students Dev Revenue	7,316
Benevolence Fund	(116)
MWIB Liverpool District	1,848
CASAI	<u>6,026</u>
Total restricted funds	<u>147,604</u>
Total endowment funds	<u>32,511</u>
Total funds	<u>897,728</u>
Available Reserves	
Total undesignated and unrestricted funds	710,169
Less: invested in the manse	(458,855)
Less: contingent liabilities grants from DAF	<u>(124,929)</u>
Uncommitted reserves, readily available	<u>126,385</u>

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There are no funds materially in deficit. All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The minimum policy level of the readily available part of the General Fund is such as to pay for:

- six months' payroll costs and closing costs of staff redundancies - £40k
- six months ecumenical costs - £ 5k
- six months administration and staff expense costs - £10k
- manse repair reserve - £20k
- circuit assessment shortfall reserve - £20k

At 31 August 2016 this sum amounted to £95k against actual reserves of £126k as stated above. Actual readily available reserves were thus in excess of policy at the year end by £31k. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTF's) is not secure and it is judged prudent to retain a buffer against this funding volatility.

3.3 Collaborative arrangements with connected charities

The District's main source of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted to £100,617 (2014-15: £97,301).

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTF's at the start of the connexional year (01 September). In 2015-16 this sum was £84,220 and was credited to the District Advance Fund.

The District holds no funds as custodian trustee. It does, however, quarterly receive from Circuits within the District the Circuits' contributions to the Methodist Church Fund (MCF). These sums are collected as agent for the MCF and are passed to the MCF later in the same quarter. Funds received by the District as agent are not recognised as an asset in the financial statements because the funds are not within its control. No fee is earned in respect of this agency arrangement and the District incurs no cost through this arrangement.

4 Trustees' responsibilities

For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the District's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and applied them consistently using the accruals method
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards
- prepare accounts to comply with the Charities SORP

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the District and enables them to

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ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the District and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Training in the responsibilities of trustees is offered to all new trustees soon after their appointment.

4.1 Risk

The District is largely risk averse but, especially in making grants to entities embarking on new and imaginative initiatives, the District is prepared to underwrite considered risks. Risks are managed by being aware of them, quantifying their impact not only in cost terms but in possible reputational or structural damage, laying them off through an insurer and minimising them by not taking them or by setting up control systems that timeously report any significant change in the risk.

5 Structure, governance and management

The District is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commissioners on 1 February 2010.

5.1 Structure

Circuits are the coordinating charities for local groups of Churches; Circuits pay the stipends of the ministers and employ lay staff to serve the Churches in the Circuit; most decisions are made at or ratified by the half yearly Circuit Meeting. A District is the coordinating charity for a group of contiguous Circuits and makes its decisions at the half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- Overall regulatory authority rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
- The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
- The Circuit Meeting passes regulatory control down to Church Councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by Church Councils as Managing Trustees of their charity.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

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The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

- the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church
- any charitable purposes for the time being of any connexional, District, Circuit, local or other organisation of the Methodist Church
- any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church
- any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in a geographical area from Southport in the north to Wirral in the south and including parts of Lancashire and Cheshire to the east.

- by providing opportunities for Circuits to work together and support each other
- by offering to Circuits resources of finance, personnel and expertise.

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

5.3 Governance

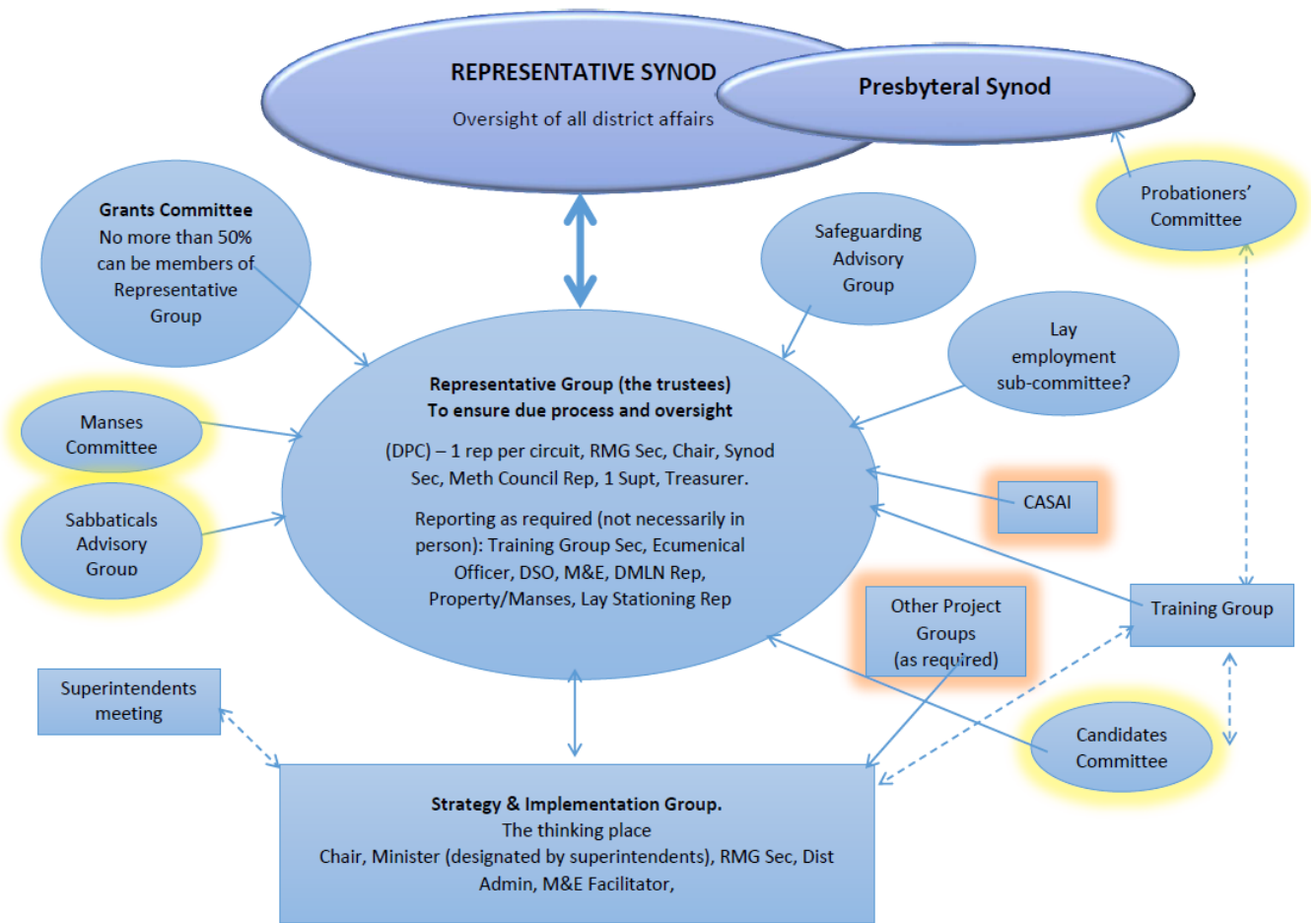
The District operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the District.

The members of the Resourcing Mission Group (RMG) are annually appointed by a vote of the Synod for a continuous term not normally exceeding six years. The Chair of District is *ex officio* chair of the RMG. When a position becomes vacant on the Resourcing Mission Group, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the Resourcing Mission Group and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The Resourcing Mission Group normally meets three times per year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District manse, stationing, safeguarding, the work of the Mission and Evangelism Facilitator, the work of the CASAI project development facilitator, authorisations to preside at communion, and extensions to local preacher training.

The structure of committees within the District is shown in the chart overleaf.

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Year Ended 31 August 2016



5.4 Responsibilities of the Resourcing Mission Group

The responsibilities of the Resourcing Mission Group are:

- 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
- to encourage inter-Circuit and ecumenical co-operation
- to act in an executive capacity in matters remitted by the Synod
- to keep within its purview all District concerns not dealt with elsewhere
- 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
- to be aware that the stipend of the Chair of the District is set – currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index – using a formula that was agreed by the Methodist Conference for all ministers within the Connexion
- to be constantly aware of the public benefit guidance issued by the Charity Commission

**Liverpool District Methodist Church (Number 18)
Year Ended 31 August 2016**

6 REFERENCE AND ADMINISTRATION DETAILS

6.1 Charity Name

Liverpool District Methodist Church

6.2 Charity Registration Number

1134011, registered in England and Wales

6.3 Principal Office

49 Queens Drive
Liverpool
L18 2DT

E-mail mail@liverpoolmethodistdistrict.org.uk

Web Site www.liverpoolmethodistdistrict.org.uk

6.4 Chair of District

The Revd Dr Sheryl Anderson

6.5 Secretary of the Synod

Mr Stephen Cooper

6.6 Secretary of the Presbyteral Session of Synod

The Revd Lily Twist

6.7 Assistant Secretary of the Synod and Secretary of the Resourcing Mission Group

Mrs Elizabeth Hudson until 31 August 2016

Mr Graham Pegg from 1 September 2016

6.8 District Treasurer

Mr David K Smith

6.9 Names of trustees

The following served as trustees throughout part or all of the year 2015-16 or were trustees at the time of this report being approved:

The Revd Caroline Ainger

The Revd Dr Sheryl Anderson

Mrs Anne Baldwin

Mr Stephen Cooper

Mr Ralph W Dransfield

The Revd Patrick Evans from 1 September 2016

The Revd Andrew Fox until 31 August 2016

Mr Iain S A Henderson

The Revd Ian Hu

Mrs Elizabeth Hudson until 31 August 2016

The Revd Christine Jones from 1 September 2016

The Revd Peter A Knight until 31 August 2016

Mr Graham Pegg from 1 September 2016

The Revd Ann Rigby-Jones

Mr Kenneth Sims

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Mr David K Smith
The Revd Luke Smith
The Revd David Somerville from 1 September 2016
The Revd Marcus Torchon
The Revd Lily Twist
The Revd Martin J Wood

The Managing Trustees for the District are the members of the Resourcing Mission Group.
No trustee claims exemption from disclosure of his or her name here.

6.10 Chair's PA

Mrs Margaret Sadler

6.11 Bankers

HSBC plc
99 – 101 Lord Street
LIVERPOOL
L2 6PG

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

6.12 Investment managers and custodian trustees

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

6.13 Independent Examiner

Mr Keith Taylor FCA
12 Newholme Close
Liverpool
L12 0JG

Approvals

The Trustees' Report and the Financial Statements were approved by the Resourcing Mission Group (RMG) on 18 May 2017 having been presented to the Synod on 29 April 2017.

Signed on behalf of the RMG, as authorised:

Sheryl M Anderson (signed)

David K Smith (signed)

Rev Dr Sheryl M Anderson

District Chair Date: 18 May 2017

David K Smith

District Treasurer Date: 18 May 2017

Statement of Financial Activities (SOFA) for the year ended 31 August 2016

	Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2015-16	Totals 2014-15
		£	£	£	£	£	£	£
Incoming Resources								
Investments		660	1,025		4,267	832	6,784	5,901
Charitable activities	6	448			2,358		2,806	3,073
Assessment on circuits From Circuit Model Trust Funds	4	100,617					100,617	97,301
Contribution to the cost of the Chair			84,220				84,220	74,355
Connexional Advance & Property Fund	5	37,548					37,548	37,184
			48,853				48,853	47,625
Total		139,273	134,098		6,625	832	280,828	265,439
Expenditure on:								
Grants and Donations	7	24,700	69,300		3,444		97,444	146,284
Salaries and associated costs	8	75,879			22,496		98,375	81,612
Property costs	9	5,422			3,000		8,422	25,113
Office Expenses	10	5,757	163		4,262	47	10,229	5,478
Synods, committees, conferences	11	12,434		2,082	6,067		20,583	16,769
Other Outgoings	12	10,727					10,727	15,412
Total		134,919	69,463	2,082	39,269	47	245,780	290,668
Net income / (expenditure)		4,354	64,635	(2,082)	(32,644)	785	35,048	(25,229)
Transfers between funds	14	3,918	(41,000)	5,082	32,783	(783)		
		8,272	23,635	3,000	139	2	35,048	(25,229)
Other recognised gains / (losses):								
Gains and losses on investment assets					10,012	1,968	11,980	(1,379)
Net movement in funds		8,272	23,635	3,000	10,151	1,970	47,028	(26,608)
Reconciliation of funds:								
Total funds brought forward		572,622	105,640	4,444	137,453	30,541	850,700	877,308
Total funds carried forward		580,894	129,275	7,444	147,604	32,511	897,728	850,700

LIVERPOOL DISTRICT METHODIST CHURCH

Number 18

Balance Sheet as at 31 August 2016

	Notes to the accounts	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2016 £	Total 2015 £
Tangible Fixed Assets								
Manse and other property	15	458,855					458,855	458,855
Investments					132,530	26,082	158,612	146,632
Total fixed assets		458,855			132,530	26,082	617,467	605,487
Current Assets								
Debtors and Prepayments Central Finance Board and Trustees for Methodist	16	51,345		2,970			54,315	69,653
Church Purposes Deposits	18	75,934	129,275	4,474	14,017	6,429	230,129	187,364
Cash at Bank and in hand		38,117			1,508		39,625	28,182
Total current assets		165,396	129,275	7,444	15,525	6,429	324,069	285,199
Current liabilities								
Creditors and Accruals (due in under 1 year)	19	43,357			451		43,808	39,986
Net current assets/liabilities		122,039	129,275	7,444	15,074	6,429	280,261	245,213
Total assets less current liabilities		580,894	129,275	7,444	147,604	32,511	897,728	850,700
Net assets		580,894	129,275	7,444	147,604	32,511	897,728	850,700
Funds of the District								
General Fund (Unrestricted)	21	580,894					580,894	572,622
District Advance Fund (Unrestricted)	20		129,275				129,275	105,640
Designated Funds (Unrestricted)	21			7,444			7,444	4,444
Total unrestricted funds		580,894	129,275	7,444			717,613	682,706
Restricted Funds	22				147,604		147,604	137,453
Endowment Funds						32,511	32,511	30,541
Total Funds		580,894	129,275	7,444	147,604	32,511	897,728	850,700

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

1 Accounting framework and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (the Charities SORP (FRS 102) as amended by Update Bulletin 1) – in replacement for the SORP’s 2005 version specified in its related 2008 Regulations and in accordance with the “true and fair override” provision contained therein.

ii Public benefit entity

The Liverpool District Methodist Church (“District”) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year, on the accruals basis to show a true and fair view of the District’s financial position and activities.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

v Going concern

Based on the monetary assets and human resources available at 31 August 2016, the trustees believe that the District is a going concern.

vi Consolidation

The District oversees the work of ministers and lay workers in Churches and Circuits within the District but does not have control over those Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which were applicable. For this reason, the financial statements of the Churches and Circuits within the District are not consolidated into these financial statements.

vii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the District. No attempt is made to measure the value of services donated by volunteers. Details of how the contribution to the cost of the District Chair has been determined appear in Note 5. A similar figure appears in the Expenditure at Note 8.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The District acts as agent in four matters:

- the collection of quarterly assessments from circuits which are paid to the Methodist Church Fund
- the payment of expenses of delegates from the District to the Methodist Conference

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

- the collection taken at the spring synod on behalf of the Methodist Minsters' Children's Relief Fund
- the payment of salary to the Safeguarding Officer on behalf of the Wirral Methodist Circuit.

In all these matters the transactions are not reflected in the SOFA because there is no obligation on the District to make up any shortfall in assessments from Circuits. Sums received as Circuit assessments cannot be recognised as income in the District as they are the income of the Methodist Church Fund

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

viii Expenditure

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the District to pay out resources.

ix Grants

Grants are recognised annually only as and when any 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 Grants Committee being satisfied, on the basis of progress reports from the grantee, that the grant's achievements to date justify the payment of further instalments of that grant. Such commitments are noted as contingent liabilities as shown in Note 27 in these accounts.

x VAT

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

xi Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold property is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £150,000. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse building (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. The property has been reviewed for impairment.

xii Investments

The investments of the District are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 22 below.

xiii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the District or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the District. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

xiv Methodist Church Fund

The District acts as agent for the Methodist Church Fund (MCF) by collecting its assessments on Circuits and does not, therefore, include the assessments in the SOFA. If a Circuit is late in paying its MCF assessment to the District but such sum is received before the quarterly transfer to the MCF, the amount paid late will be shown as a debtor in the District's accounts.

xv Transition to FRS 102

Other than the reclassification of expenditure between categories (Note 3), and restatement of the comparative figure for opening funds of the prior year in respect of the change of accounting policy by accrual of unpaid instalments of multi-year grants (Note 20), no restatement of items has been required in making the transition to FRS 102 section 1A.

2 Glossary of terms

CASAI: A District project on Churches Action on Sexual Abuse Issues

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain

District: a group of contiguous Circuits

DAF: District Advance Fund

FRS: Financial Reporting Standard

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

MWIB: Methodist Women in Britain (Liverpool District)

RMG: Resourcing Mission Group. The policy committee of the District

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TCC: Transforming Church and Communities

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

3 Prior year

3.1 Reclassification of Restricted Fund

The trustees have determined that the Mission and Evangelism Development Facilitator project, previously classified as a Restricted Fund, should be shown within the General Fund (Unrestricted). A reconciliation of opening balances is shown below:

3.2 Restatement of comparative figures

In preparing the accounts the trustees have considered where, in applying the accounting policies required by the Charities SORP (FRS102), any comparative figures have needed restatement. No restatements were required other than the reclassification between categories of expenditure.

	Previous 2015	Reclassification	Restated 2015
	£	£	£
General Fund (Unrestricted)	569,684	2,938	572,622
District Advance Fund (Unrestricted)	105,640		105,640
Designated Funds (Unrestricted)	4,444		4,444
Restricted Funds	140,391	(2,938)	137,453
Endowment Funds	30,541		30,541
Total Funds at 2015	850,700		850,700

4 Assessments on Circuits

The District is made up of the following Circuits:

- 18-1 Liverpool North
- 18-3 Liverpool North Central
- 18-4 Liverpool City Centre
- 18-5 Liverpool South
- 18-8 Crosby
- 18-9 Wirral
- 18-13 Sankey Valley
- 18-17 Southport
- 18-19 Lancashire West

All Circuits paid their assessments to the District and to the MCF during the year or shortly after its end. An assessment on Circuits is annually determined by Districts by reference to the number of staff in the Circuits, the number of Church members and attendances and the Circuit's net income.

Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £363,201 (2014-15: £352,872) all of which were collected or shown as debtors at the end of the year and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

5 Cost of Chair and trustees

The Chair of District chairs meetings of the Resourcing Mission Group (RMG). The members of the RMG are the trustees of the District. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The Chair's other costs are met mostly by the District.

	2015-16	2014-15
	£	£
Stipend of Chair of District, Rev Sheryl Anderson	28,575	28,290
Employer's National Insurance contributions	2,824	2,806
Employer's pension contributions	6,149	6,088
<i>Cash cost paid by the Connexion (see SOFA)</i>	<i>37,548</i>	<i>37,184</i>
Notional estimate of cost of providing manse	12,000	12,000
Chair's expenses	3,537	2,222
Total cost	53,085	51,406

Since the stipend-related costs above (*i.e.* £37,548; 2014-15 £37,184) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See Note 8). It should be noted that the chair is required to occupy the District manse. The manse is provided by the District and the District maintains the property. The sum of £12,000 (2014-15: £12,000) was determined by enquiry of local letting agents and does not appear elsewhere in these accounts. The Chair of District is the sole paid key management person but is supported by members of the RMG.

No accrual is made for the Chair's entitlement to a sabbatical as her functions are undertaken by a Deputy Chair at minimal extra cost to the District.

Payments to trustees

It is District policy to offer to reimburse members of the Resourcing Mission Group and others involved in the administration of District affairs for expenditure properly incurred in carrying out their duties. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District no member of the Resourcing Mission Group was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

None of the trustees is an employee of the District. Travel expenses have been reimbursed to some four (2014-15: four) trustees (members of the Resourcing Mission Group (RMG)) who, in aggregate, have received the cost of travel incurred in attending meetings of the RMG and this amounted to £1,141 (2014-15: £1,413).

6 Other income

The District does not undertake fundraising.

A sum of £448 was received from the Isle of Man District in respect of services provided by the District Safeguarding Officer.

Each year the District Synod invites donations from the members of synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £276 (2014-15: £239).

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

7 Grants and donations and related support costs

Grants and donations totalling £97,444 were made during the year (2014-15: £146,284).

	2015-16	2014-15
	£	£
From General Fund to Liverpool Universities chaplaincy	24,700	24,700
From DAF (see Note 20)	69,300	118,905
From Overseas Students Development Fund	500	
From MWIB Liverpool District	2,094	719
From Benevolent Fund	850	1,960
Total	97,444	146,284

Details of the recipients of grants paid by the District during the year may be found on the District website, www.liverpoolmethodistdistrict.org.uk.

Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

To	£	For	£
Churches	15,800	Projects	-
Circuits	53,500	Ministry	110,300
<i>Institutions</i>	<i>69,300</i>		
Liverpool District	41,000		
Total	110,300		110,300

The income of the fund was £133,935 (net of costs) during the year, some £23,635 in excess of the total paid out in grants in the year. This surplus was passed to reserves. The Grants Committee is aware that grant applications must demonstrate public benefit. The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

8 Salaries and associated costs

Gross salaries paid to one full time (2014-15: one) and three part time (2014-15: two) part time employees were as follows:

	2015-16	2014-15
	£	£
Gross pay	55,159	38,501
Employer's National Insurance contributions	558	1,860
Employer's pension contributions to defined contribution schemes	5,110	4,066
Total costs of 4 staff	60,827	44,427
Cost of Chair (see Note 5)	37,548	37,185
Total staff costs	98,375	81,612
Total weekly contractual hours for 4 staff	84	70

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff is paid at or above the living wage.

The full time employee is a facilitator in sexual abuse issues. One of the three part time employees is a Methodist minister engaged to develop and facilitate mission and evangelism. An employee is engaged exclusively in safeguarding matters, whilst the other employee provides PA and administrative assistance to the District Chair.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand lay employees are contractually employees and may have the option of joining The Pensions Trust in accordance with Auto-enrolment legislation.

The Connexion accounts for the MMPS pension scheme and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

9 Property costs

	2015-16	2014-15
	£	£
Chair's manse repairs	1,963	18,684
Council tax and water rates	1,994	2,001
Insurance	1,465	1,428
Total charged to General Fund	5,422	22,113
CASAI office, rent and services	3,000	3,000
Total charged to CASAI Restricted Fund	3,000	3,000
Total	8,422	25,113

Manse repair costs were considerably lower than the previous two years of high expenditure during which a new Chair of District was engaged and a short vacant period allowed for maintenance work to be carried out.

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

10 Office expenses

	2015-16	2014-15
	£	£
Printing, postage and stationery	2,811	1,434
Telephone	2,067	1,783
Staff training	535	-
Safeguarding	344	-
Total charged to General Fund	5,757	3,217
TMCP charges	163	285
Total charged to District Advance Fund	163	285
CASAI Printing, postage and stationery	655	25
CASAI Telephone	1,602	541
CASAI Training and supervision	1,760	1,410
Total charged to CASAI Restricted Fund	4,017	1,976
TMCP charges	245	-
Total charged to Students Dev Restricted Fund	245	-
TMCP charges	47	47
Total charged to Endowment Funds	47	47
Total	10,229	5,478

Office expenses (General Fund) have increased due to increased staffing in particular the appointment of the Safeguarding Officer. CASAI expenses (Restricted Fund) have increased due to high levels of work activity following the release of the Past Cases Review.

11 Synods, Committees, Conference

	2015-16	2014-15
	£	£
Synod expenses	1,041	804
Conference	165	(36)
Committees	1,145	1,241
Chair's travel	3,537	2,222
Mission and evangelism facilitator travel	2,945	1,429
Safeguarding officer travel	1,843	-
Other	1,758	353
Total charged to General Fund	12,434	6,013
Training (charged to Designated Fund)	2,082	7,690
Total charged to Designated Fund	2,082	7,690
CASAI travel	4,308	3,066
CASAI other	1,759	-
Total charged to CASAI Restricted Fund	6,067	3,066
Total	20,583	16,769

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

None of the remaining individual amounts – aggregated as ‘Other’ above - is considered material and none is listed separately.

12 Other outgoings

	2015-16	2014-15
	£	£
Churches Together Merseyside Region	6,863	8,578
Mission in the Economy	3,564	3,564
Churches Together in Cheshire	300	300
Total charged to General Fund	10,727	12,442
TCC contribution (charged to Mission Designated Fund)		2,970
Total charged to Mission Fund		2,970
Total	10,727	15,412

13 Investment management

During the year the District paid £455 to TMCP, the custodians of the District’s investments (District Advance Fund, Overseas Student Development Fund and various endowment funds (2014-15: £581). The sum of £455 was levied at 0.2% on the value of the funds at the end of the year and is shown as allocated to the three groups of funds: £163, £245 and £47. See Note 10 above.

14 Transfers between funds

During the year £25,000 was withdrawn from the District Advance Fund to contribute to the funding of the work of the Mission and Evangelism development facilitator. In addition £16,000 was transferred from general funds and £16,000 was withdrawn from the District Advance Fund for the work of the CASAI project. In addition £5,082 was transferred from General account to a designated training account.

15 Manse and other property

The value of the District manse in Queens Drive, Liverpool is shown in the accounts at 2015 deemed values, of which the land component is deemed to be £150,000. There is no depreciation on the manse as the impairment review at the end of the year confirmed that the current residual market value of the building was greater than the carrying value of that part of the asset’s cost to date.

	Land	Buildings	Total
	£	£	£
Cost or valuation			
Balance brought forward at 1 September, at cost	150,000	308,855	458,855
Balance carried forward at 31 August 2016	150,000	308,855	458,855

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

16 Debtors and prepayments

Debtors were made up as follows:		
	2015-16	2014-15
	£	£
Trade debtors		
Circuit assessments received late	12,345	29,823
Methodist Church DDE Expenses	30,701	30,701*
Methodist Church Conference expenses	2,431	857
	45,477	61,381
Prepayments and accrued income		
Payments in advance	8,838	8,272
	8,838	8,272
Total (net)	54,315	69,653

With the exception of items marked thus (*) all sums shown as Debtors at 1 September 2015 were received during the following year. All sums paid in advance at 1 September 2015 were for activities that have been held during 2015-16. Similarly, it is expected that payments in advance at 1 September 2016 will be expensed in 2016-17.

17 Trustees for Methodist Church Purposes

The funds that support the District Advance Fund and the Overseas Students Development Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

18 Central Finance Board (CFB) and Cash at Bank

The District has three current accounts at HSBC plc, an authorised institution. The sums held on those accounts are immediately available. In addition the District has seven deposit accounts at CFB, a common deposit fund. Interest is earned on these accounts and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

19 Creditors and accrued expenses

Creditors were made up as follows:	2015-16	2014-15
	£	£
Trade creditors		
Methodist Church fund assessments	33,407	33,407*
Circuit assessments overpaid	2,667	27
<i>Total trade creditors</i>	<i>36,074</i>	<i>33,434</i>
Various accruals	5,993	4,661
<i>Total Accruals:</i>	<i>5,993</i>	<i>4,661</i>
PAYE and pension contributions	1,741	1,891
<i>Taxation and Social Security</i>	<i>1,741</i>	<i>1,891</i>
Total	43,808	39,986

Maturity analysis of financial liabilities				
	Accrued at		Accrual made	Accrued at
	01-Sep-15	Paid in year	in year	31-Aug-16
Trade creditors				
Methodist Church fund assessments	33,407			33,407
Circuit assessments overpaid	27	27	2,667	2,667
<i>Total trade creditors</i>	<i>33,434</i>	<i>27</i>	<i>2,667</i>	<i>36,074</i>
Various accruals	4,661	611	1,942	5,993
<i>Total Accruals:</i>	<i>4,661</i>	<i>611</i>	<i>1,942</i>	<i>5,993</i>
PAYE and pension contributions	1,891	1,891	1,741	1,741
<i>Taxation and Social Security</i>	<i>1,891</i>	<i>1,891</i>	<i>1,741</i>	<i>1,741</i>
Total	39,986	2,165	6,269	43,808

With the exception of items marked thus (*) all sums shown as Creditors at 1 September 2015 were paid during the following year. It is expected that all sums accrued at 31 August 2016 will be paid during the year to 31 August 2017.

20 Grant Commitments and the District Advance Fund

Expenditure on charitable activities: District Advance Fund

Where grants are payable in annual instalments it is necessary for the grantee to provide a satisfactory report on the achievements of activities funded by previous instalments of the multi-year grant award before any further instalments will be paid. The commitment for unpaid grant amounts £124,929 (2014-15 £92,893) as covered by the DAF is shown as a contingent liability.

This total of anticipated grants is comfortably within the balance of £129,275 in the DAF as at 31 August 2016. The award of a grant by the District does not create a contractual relationship. No institution received grants of such materiality that they should be separately disclosed in these accounts.

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

21 Unrestricted Funds

21.1 General Fund – balance £580,894 at 31 August 2016 (2015: £572,622)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the District and which have not been designated for other purposes. About 80% of this fund is held as a freehold property, the District manse for the Chair of District. During the year £24,700 was paid out as grants and donations from the General Fund.

21.2 Other Designated Funds – balance £7,444 at 31 August 2016 (2015: £4,444)

These funds are to serve specific purposes but are not restricted by any document or deed to that purpose alone. These funds comprise:

The Training Fund – balance £3,202 (2015: £202) is available to meet some of the training costs of ministers and lay people within the District. Total expenditure in the year was £2,082.

The Mission Fund – balance £4,241 (2015: £4,241) is available to meet some of the specific mission project costs of circuits or churches within the District. There was no expenditure in the year.

22 Restricted Funds - balance £147,604 at 31 August 2016 (2015: £137,453)

The Overseas Students Development Fund, a restricted fund, exists to support international students, studying in Liverpool, who face financial hardship. A capital amount, £132,530 at 31 August 2016, is invested to provide income to support the purposes of the fund.

This is made up as follows:	2016: £	2015: £
CFB Managed Mixed Fund	132,530	122,518
Total	132,530	122,518

The Revenue account – balance £7,316 (2015: £3,839) provides grants to students as recommended by Chaplains at the Liverpool Universities. Total expenditure in the year was £500.

The Methodist Women in Britain Liverpool District account – balance £1,848 (2015: £2,637) is prepared and controlled independently making donations to projects at home and overseas. Total income in the year was £1,305 and expenditure was £2,094.

The Benevolent Fund – overdrawn £116 (2015: overdrawn £93) makes specific donations to individuals or communities in need. Total expenditure in the year was £851.

The CASAI Fund – balance £6,026 (2015: £8,552) is a project that seeks and facilitates actions on issues of sexual abuse. Following the issue of the Methodist church Past Cases review work activity has increased significantly in the year. Total income in the year was £33,053 (2014-15 £29,516) and expenditure was £35,579 (2014-15 £29,516).

The market valuations for the Overseas Students Development Fund have been provided by TMCP. The funds of the Benevolence Fund and CASAI project are held on deposit at CFB.

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

23 Summary of movements on significant individual funds

	Balance at					Balance at
Fund	01-Sep-15	Income	Expenditure	Transfers	Gains/ Losses	31-Aug-16
	£	£	£	£	£	£
General Fund	572,622	139,273	(134,919)	3,918		580,894
District Advance Fund (Designated)	105,640	134,098	(69,463)	(41,000)		129,275
Training (Designated)	203		(2,082)	5,082		3,203
Mission (Designated)	4,241					4,241
<i>Total other designated</i>	<i>4,444</i>		<i>(2,082)</i>	<i>5,082</i>		<i>7,444</i>
Total unrestricted	682,706	273,371	(206,464)	(32,000)		717,613
Overseas students Dev Fund Capital	122,518	4,217	(245)	(3,972)	10,012	132,530
Overseas students Revenue (Restricted)	3,839	5	(500)	3,972		7,316
Benevolence (Restricted)	(93)	45	(851)	783		(116)
MWIB Liverpool District	2,637	1,305	(2,094)			1,848
CASAI	8,552	1,053	(35,579)	32,000		6,026
Total restricted	137,453	6,625	(39,269)	32,783	10,012	147,604
Powell Fund	6,427	2	-	-	-	6,429
T A Turney Benevolent Fund (Trust 10343)	3,143	108	(6)	(102)	257	3,400
Edgar W P Meredith Trust (Trust 7942)	16,851	580	(34)	(546)	1,377	18,228
Various Charities Trust (Trust 849)	1,487	51	(3)	(48)	119	1,606
Jas Gilkes Bequest Trust (Trust 2561)	1,198	41	(2)	(39)	98	1,296
Wm Ashcroft Memorial (Trust 1221)	925	32	(2)	(30)	75	1,000
Other	510	18	-	(18)	42	552
Total endowment	30,541	832	(47)	(783)	1,968	32,511
Total Funds	850,700	280,828	245,780	0	11,980	897,728

Liverpool District Methodist Church (Number 18)
Notes to the Accounts For The Year Ended 31 August 2016

24 Connected organisations and related parties

All of the District trustees are members of one or another Church and Circuit within the District and may be trustees in their Churches and/or Circuits.

Connected organisations include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Relief Association, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors and autonomous administration such that Liverpool District has no significant influence over any of them, nor they over Liverpool District. They are, therefore, not considered related parties.

Names of Connected Organisations	Receipts £	Payments £
Donee: Methodist Church Fund		(363,201)
Donee: Methodist Ministers' Children's Relief Association	276	(276)
Donor: Circuits within Liverpool District (assessments on Circuits}	363,201	
Donor/Donee: Circuits within Liverpool District (levies/grants)	84,220	(53,500)
Donor/Donee: Churches within Liverpool District (grants)		(15,800)

There were no related party transactions.

26 Volunteer contributions

Every entity (Connexion, District, Circuit, and Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

27 Capital commitments and contingent liabilities

There were no capital commitments at the year end (2014-15: nil).

There were contingent liabilities in respect of grants awarded to Circuits within the District at 31st August 2016 these amounted to £124,929 (2014-15 £92,893).

28 Lease commitments

The District has no lease commitments

29 Independent examiner

No accrual has been made for the fee of the independent examiner who has provided his services free of charge (2014-15: Nil). The independent examiner provided no additional services during the year.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2016 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee.

Signature of treasurerDavid K Smith.....Date.....18 May 2017..

Name of treasurer ,,,**DAVID K SMITH**,,

Address ...**16 DALEGARTH AVENUE, LIVERPOOL L12 0AJ**.....

Presentation to the Resourcing Mission Group

I confirm that the annual report and accounts for the year ended 31 August 2016 were presented to the Resourcing Mission Group at its meeting on ...18 May 2017

Signature of the Chair of the meetingSheryl Anderson.....

Name of the Chair of the meeting**REVD DR SHERYL ANDERSON**... Date ...18 May 2017

Independent Examiner's Report to the Trustees of the District, named above

The District's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2016 present a true and fair view of the District's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

Liverpool District Methodist Church (Number 18)

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than as disclosed below*)

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Charities Act 2011
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

(3) I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner.....Keith Taylor.....

Name of independent examiner ...**MR KEITH TAYLOR**.....

Relevant professional qualification of independent examiner ...**FCA**.....

Address ...**12 NEWHOLME CLOSE, LIVERPOOL L12 0JG**.....

Date1 June 2017.....