

SUMMARY

Treasurer's reports are circulated to each Leading Team meeting, to keep members informed of the financial position of the District. Key points to note in this report are:

- General fund and advance fund finished 2021/22 more strongly than budgeted
- Advance fund expected to have higher than budgeted income for 2022/23
- Balancing 2023/24 budget whilst holding assessments unchanged will be challenging given exceptional inflationary pressures
- Cost of living allowance has been centrally funded for ordained ministers

SEPTEMBER DISTRICT FINANCES

General fund finished 2021/22 with a surplus of £4k vs to a budgeted deficit of £7k due to combination of:

- £8k contribution to pension fund appeal from general fund
- £4k salary increase for communications officer
- + £12k lower training and retreat costs than expected, possibly due to the range of free training opportunities now available, plus retreats deferred or on a smaller scale than budgeted. Learning & Development grants budget has already been scaled back for 2022/23 in anticipation of this.
- + £5k budgeted for repairs at 99 Grange Road manse, with none being required
- + £6k lower travel and other expenditure

Budget for 2022/23 is a deficit of £4k.

Advance fund finished 2021/22 with a surplus of £78k compared to a budgeted deficit of £33k, This is mainly due to larger than budgeted levies on previous year property sales, plus £15k saving due to later than anticipated recruitment of Children & Youth Co-ordinator and Missional Property Enabler.

Advance fund receipts for 2022/23 have once again been higher than budgeted (£278k expected vs £160k budgeted). This income varies according to the balances in Circuit Model Trust Funds and previous year property sale levies, which are both outside of control of DLT. So there is no guarantee that this trend will continue in future years.

Whilst we have allocated amounts for warm spaces, eco-surveys and new Christian communities, there does remain significant headroom for making other grants (see page 8 for details). I suggest we wait until we have more clarity on financial needs of the pipeline of new Christian communities and our budget for 2023/24 before considering whether other grant policies be amended.

Restricted funds broadly finished last year as anticipated, other than the Peak Park Rural Development Enabler, for which £4k of our 2022/23 contribution was allocated early to avoid the fund closing in deficit. The multi-district management team are alert to the need to source small amounts of additional income and costs are tightly managed.

FUTURE YEARS BUDGET OUTLOOK

The overall assessment charged on our circuits has fallen by 3.2% since 2018/19, a real terms reduction of 19%

Connexional Team budgets for 2023/24 are currently being revised given inflationary pressures. Despite £1m of cost savings, the Connexional element of assessments on our circuits is likely to rise.

Stipends increase each year based on the average of inflation and average earnings growth across the economy the previous September. Government data is not yet finalised, but my estimate is that stipends will increase by 8%. Previously we and most of our circuits have increased lay salaries in line with stipends.

I will attempt to prepare a district budget for presenting in January which sustains our required and missional activities whilst holding flat the total assessment on our circuits. This will be challenging if we are not to increase the level of ongoing district activities funded through the advance fund. Your prayers during December when this will need to be done would be appreciated!

COST OF LIVING ALLOWANCE

The Connexional Allowances Committee have been able to access a central restricted fund to pay for a one-off emergency cost of living allowance for all ordained ministers. Any support for lay employees would be a decision for the relevant employer.

Gill and our superintendents will discuss how circuits might best support their lay employees at this time at their next meeting. I suggest that we don't make any policy decisions about district employed staff until after this discussion.

Neil Harland

2 November 2022

APPENDIX 1 – 2021/22 FINANCES

	Actual YTD	Budget YTD	Var	Notes
UNRESTRICTED FUNDS				
District assessment	125,512	124,471	1,041	
Other income	1,313	1,000	313	
	126,825	125,471	1,354	
<u>Manse & flat</u>				
Letting income	11,040	11,174	(134)	
Costs	(11,855)	(17,340)	5,485	
	(815)	(6,166)	5,351	
<u>Safeguarding</u>				
Employment costs	(25,186)	(25,142)	(44)	
Other	(2,530)	(3,000)	470	
	(27,716)	(28,142)	426	
<u>HR</u>				
Income	9,121	11,422	(2,301)	
Employment costs	(19,127)	(20,845)	1,718	
Other	(520)	(2,000)	1,480	
	(10,526)	(11,423)	897	
<u>Retreats & events</u>				
Income	680	5,500	(4,820)	
Costs	(3,421)	(12,000)	8,579	
	(2,741)	(6,500)	3,759	
<u>Other costs</u>				
Admin & comms employment	(39,596)	(34,625)	(4,971)	1
Other office costs	(17,588)	(16,000)	(1,588)	
Chair & volunteer expenses	(9,516)	(15,000)	5,484	
Synod & conference expenses	(1,599)	(2,500)	901	
Organisations supported	(8,000)	(1,000)	(7,000)	2
Learning & development	(1,393)	(10,000)	8,607	3
Surplus/ (deficit) before transfers	7,335	(5,885)	13,220	
Transfer to Learning Network	(3,293)	(1,500)	(1,793)	3
Transfer to other funds	-	-	-	
Surplus/ (deficit) on unrestricted funds after transfer	4,042	(7,385)	11,427	
Advance fund				
Income	255,858	150,000	105,858	
Transfer to other funds	(41,793)	(38,458)	(3,335)	
CYC & MPE employment costs	(49,576)	(61,845)	12,269	4
CYC & MPE other costs	(4,768)	(6,800)	2,032	4
Other grants	(81,023)	(74,505)	(6,518)	2
Other costs	(770)	(1,000)	230	
Surplus/ (deficit) on advance fund	77,928	(32,608)	110,536	

- 1) Includes revised Communications Officer costs
- 2) Contributions to pension reserve fund appeal of £8k from general fund, £18k from advance fund
- 3) Lower MDR & L&D grants than budgeted, but higher engagement with Learning Network retreats
- 4) Later than budgeted recruitment

	Actual YTD	Budget YTD	Var	Notes
RESTRICTED FUNDS				
MDSW				
Income	25,758	25,758	-	
Transfer from other funds	13,858	13,858	-	
Employment costs	(35,983)	(35,892)	(91)	
Other costs	(2,373)	(4,000)	1,627	
	1,260	(276)	1,536	
Youth (Hodkin Bequest)				
Income	-	-	-	
Costs	(1,064)	-	(1,064)	
	(1,064)	-	(1,064)	5
Peak rural enabler				
Income	35,540	40,580	(5,040)	
Transfer from other funds	15,935	12,600	3,335	
Employment costs	(35,511)	(35,120)	(391)	
Other costs	(18,316)	(18,177)	(139)	
	(2,352)	(117)	(2,235)	
Who is your neighbour?				
Grant income	100,898	-	100,898	
Employment costs	(48,408)	-	(48,408)	
Other costs	(107,225)	-	(107,225)	
Transfer from other funds	-	-	-	
	(54,735)	-	(54,735)	6
Learning Network region				
Income	14,309	10,000	4,309	
Costs	(17,804)	(11,500)	(6,304)	
Transfer from other funds	3,293	1,500		
	(202)	-	(202)	
Persian ministry				
Income	32,545	45,000	(12,455)	
Transfer from other funds	12,000	12,000	-	
Employment costs	(36,318)	(35,121)	(1,197)	
Other costs	(4,611)	(24,001)	19,390	
	3,616	(2,122)	5,738	
NPNP Pilot				
Income	20,000	-	20,000	
Costs	(20,000)	-	(20,000)	
	-	-	-	7
Surplus/ (deficit) on restricted funds	(53,477)	(2,515)	(50,962)	
Total all funds	28,493	(42,508)	71,001	

5) Legacy now fully extinguished

6) Final balance in hand of £12k will be transferred to WIYN charity, with TUPE having completed

7) Grants received for NPNP Pilot will be transferred to Derbyshire North East who will employ the pioneer

APPENDIX 2 – 2022/23 YTD FINANCES

	Actual YTD	Budget YTD	Var	Forecast FY	Budget FY	Notes
UNRESTRICTED FUNDS						
District assessment	34,717	34,954	(237)	139,814	139,814	
Other income	88	21	67	250	250	
	34,805	34,975	(170)	140,064	140,064	
<u>Manse & flat</u>						
Letting income	920	950	(30)	11,040	11,398	
Costs	(1,187)	(1,474)	287	(17,327)	(17,687)	
	(267)	(524)	257	(6,287)	(6,289)	
<u>Safeguarding</u>						
Employment costs	(2,200)	(2,203)	3	(26,435)	(26,435)	
Other	(38)	(249)	211	(3,000)	(3,000)	
	(2,238)	(2,452)	214	(29,435)	(29,435)	
<u>HR</u>						
Income	-	996	(996)	11,955	11,955	
Employment costs	(1,822)	(1,825)	3	(21,910)	(21,910)	
Other	(7)	(166)	159	(2,000)	(2,000)	
	(1,829)	(995)	(834)	(11,955)	(11,955)	
<u>Retreats & events</u>						
Income	-	5,500	(5,500)	4,000	4,000	
Costs	(678)	(2,042)	1,364	(19,000)	(19,000)	
	(678)	3,458	(4,136)	(15,000)	(15,000)	
<u>Other costs</u>						
Admin & comms employment	(3,350)	(3,443)	93	(41,312)	(41,312)	
Other office costs	(921)	(3,894)	2,973	(16,000)	(16,000)	
Chair & volunteer expenses	(242)	(1,166)	924	(14,000)	(14,000)	
Organisations supported	-	-	-	-	-	
Learning & development	-	(667)	667	(8,000)	(8,000)	
Surplus/ (deficit) before transfers	25,280	25,292	(12)	(1,925)	(1,928)	
Transfer to Learning Network	-	-	-	(2,000)	(2,000)	
Transfer to other funds	-	-	-	-	-	
Surplus/ (deficit) on unrestricted funds after transfer	25,280	25,292	(12)	(3,925)	(3,928)	
Advance fund						
Income	-	160,000	(160,000)	277,589	160,000	1
Transfer to other funds	-	-	-	(21,245)	(24,800)	
CYC & MPE employment costs	(4,757)	(4,765)	8	(27,567)	(57,182)	
CYC & MPE other costs	(2,003)	(501)	(1,502)	(6,000)	(6,000)	
Other grants	-	(7,500)	7,500	(160,000)	(90,000)	
Other costs	-	(83)	83	(1,000)	(1,000)	
Surplus/ (deficit) on advance fund	(6,760)	147,151	(153,911)	61,777	(18,982)	

1) Estimated pending final data: CMTF levies £132k, £135k sale levies, £10k MAPJ distribution

	Actual YTD	Budget YTD	Var	Forecast FY	Budget FY	Notes
RESTRICTED FUNDS						
MDSW						
Income	-	-	-	25,758	25,758	
Transfer from other funds	-	-	-	-	-	
Employment costs	(3,142)	(3,146)	4	(37,759)	(37,759)	
Other costs	(8)	(333)	325	(4,000)	(4,000)	
	(3,150)	(3,479)	329	(16,001)	(16,001)	
Peak rural enabler						
Income	2,340	12,000	(9,660)	41,220	41,000	
Transfer from other funds	-	-	-	9,245	12,800	2
Employment costs	(3,098)	(3,039)	(59)	(36,459)	(36,459)	
Other costs	(1,526)	(1,528)	2	(18,338)	(18,338)	
	(2,284)	7,433	(9,717)	(4,332)	(997)	
Learning Network region						
Income	-	833	(833)	10,000	10,000	
Costs	(144)	(999)	855	(12,000)	(12,000)	
Transfer from other funds	-	-	-	2,000	2,000	
	(144)	(166)	22	-	-	
Persian ministry						
Income	-	15,334	(15,334)	32,000	32,000	
Transfer from other funds	-	-	-	12,000	12,000	
Employment costs	(3,122)	(3,126)	4	(37,522)	(37,522)	
Other costs	-	(828)	828	(9,937)	(9,937)	
	(3,122)	11,380	(14,502)	(3,459)	(3,459)	
NPNP Pilot						
Income	-	-	-	20,000	30,000	
Costs	-	-	-	(30,000)	(30,000)	3
	-	-	-	(10,000)	-	
Surplus/ (deficit) on restricted funds	(8,700)	15,168	(23,868)	(33,792)	(20,457)	
Total all funds	9,820	187,611	(177,791)	24,060	(43,367)	

- 2) £3,555 of current year contribution made in 2022/23 to prevent closing deficit on fund
- 3) Delayed pass through to Derbyshire North East of some of prior year's Connexional grant due to delayed recruitment

	31-Aug-22 Actual £	30-Sep-22 Actual £	YTD Movement £
Fixed assets	215,093	214,803	(290)
Debtors and prepayments	47,864	45,929	(1,935)
			Includes £32k to Greenhill Methodist Church, repayable in instalments by July 2030, £13k to Enable Housing repayable in instalments by 2029.
CAF	12,400	25,748	13,348
TMCP	420,478	410,478	(10,000)
MWiB	2,575	2,575	-
CFB	22,403	18,912	(3,491)
Total cash	457,856	457,713	(143)
Grants payable	(113,919)	(103,919)	10,000
Held for other organisations	(538)	(538)	-
Other	(12,045)	(9,670)	2,375
Total creditors	(126,502)	(114,127)	12,375
Net assets	594,311	604,318	10,007

FUNDS	31-Aug-22 Actual £	30-Sep-22 Actual £	31-Aug-23 Forecast £
Unrestricted funds	290,535	315,816	286,610
MDSW	18,291	15,141	2,290
Peak Rural Enabler	-	(2,284)	(4,332)
DLMN region	1,960	1,817	1,960
MWiB	2,576	2,575	2,576
Persian ministry	31,565	28,442	28,106
NPNP Pilot	10,000	10,000	-
Restricted funds	64,392	55,691	30,600
Advance Fund	239,385	232,808	301,162
Total funds	594,312	604,315	618,372

Unrestricted liquid funds (months spend held)			
General fund	6.3	7.5	5.6
Advance fund	24.4	50.1	64.8

GRANTS PAYABLE						
Applicant	Grant Description	Total offered	Prior years payments	Paid this year	Lapsed	Remaining to pay
		£	£	£	£	£
GRANTS FROM PREVIOUS SCHEME						
Doncaster Circuit	town centre outreach worker	33,000	23,000			10,000
Edale MC	historic chapel renovation (up to 10% of project)	20,000	19,600			400
Doncaster Circuit	RE Team Co-ordinator (phase 2)	27,000	19,000	8,000		0
Trinity Circuit	Circuit Operations Manager	30,000	22,000			8,000
Emmanuel Waterthorpe LEP	youth & childrens outreach worker	6,000	4,000	2,000		0
Sprotbrough MC	families worker	12,000	5,000			7,000
Peak Circuit	Hub at Hope development worker	27,000	10,000			17,000
TRANSFORMING MISSION GRANTS						
Derbyshire North East	Left Behind Places	20,000	2,000			18,000
Manor Church & Community Project	community cohesion & outreach worker	23,023				23,023
PROPERTIES FIT FOR MISSION GRANTS						
The Grove	Growth of the Grove	20,000				20,000
		0				0
Total main grants		218,023	104,600	10,000	0	103,423

ADVANCE FUND ALLOCATIONS

30-Sep-22 £

Uncommitted funds 31 August 2022 239,385

2022/23 income forecast 277,589

2022/23 commitments

CYC & MPE (63,182)

PPRDE match funding (12,800)

Persian ministry match funding (12,000)

Admin & other (1,000)

Allocated specific grants 2022/23

Carbon reduction feasibility reviews (50,000)

Warm Spaces grants (20,000)

Reserves policy (3 months spend excluding grants) (22,245)

Available for grants 2022/23 335,747

Other allocations

Youth internships - 2023/24 onwards (20,000)

NPNP funding (assuming district matches Connexional amount available for our churches & circuits) (156,000)