

SUMMARY

Treasurer's reports are circulated to each District 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 restricted funds performing in line with budget
- Advance fund expected be in surplus for this year, but this is still expected to unwind next year
- Some progress is being made with shortfall in future years financing of Peak Park and Persian Ministry development roles
- Concerns about increases in Connexional assessment previously expressed on behalf of DLT will be taken forward to forthcoming district treasurers meeting

JULY 2023 DISTRICT FINANCES (Appendix 1)

Full year financial information for the year ended 31 August 2023 is not yet available. Comments below are based on information to the end of July. Our budget for 2023/24 was agreed in January.

General fund most costs and receipts continue to be consistent with budget. We are likely to end the year close to the budgeted deficit of £4k. Cost of living allowances £2k, magazine/ video costs £5k and higher than expected costs of subsidising Learning Network retreats are expected to be offset by higher interest income and lower than budgeted travel and maintenance costs and training grants.

Advance fund as previously noted has benefited from higher than budgeted receipts (£287k expected vs 160k budgeted). My expectation remains unchanged from our budget set in January, that the surplus in the advance fund will unwind next year as potential grants in the pipeline start to come through.

Restricted funds continue to be performing largely in line with budget.

The Peak Park Rural Development Enabler fund has received a £19k grant award from TMCP, leaving £15-20k further to be raised to fund the extension of this role to summer 2026. The grant is expected to be received during August.

Negotiations are being finalised for the newly independent The Kings Cross Church in Doncaster to pay for 10 hours per week of our Persian Ministry Development Enabler's time. The project steering group will monitor carefully how these arrangements are working in practice.

2024/25 Connexional assessment

For 2023/24 our circuits will incur a 9% increase in their Connexional assessment. We agreed to mitigate this by reducing their smaller District assessment by 16%, meaning a net assessment increase for our circuits of 3%. We noted that this approach was not sustainable without significantly curtailing circuit or district investment in new missional opportunities.

As previously reported to DLT, Gill Newton attempted to open a conversation with the Connexional Team about ways to reduce the Connexional assessment, but did not make progress, partly due to the Connexional Team considering the assessments to have been agreed by district treasurers. My understanding of the district

treasurers meeting references was that we had agreed the assessment formula (how to share the metaphorical pie rather than the ingredients which affect its size).

I am due to attend a district treasurers meeting in October, at which the assessment formula will likely be on the agenda. Given the continuing high rate of inflation, I am once again expecting a proposed increase in Connexional assessment for our circuits.

Legally the district is only a collection agent for Connexional assessments on circuits. We collect and pass on the money to simplify administration. But if a circuit were unable to pay its assessment, the district would not be liable to make up the difference from its own funds.

In this context, I intend to state at the district treasurers meeting that I cannot confirm what Connexional assessment our circuits can afford for 2024/25 until they have set their own budgets next March. Given the significant pace of change in our denomination, this would be consistent with the way that our circuits are having to negotiate with churches about what level of assessment can be sustained, rather than assuming that they can each afford a formula-driven cost.

Neil Harland

30 August 2023

APPENDIX 1 – JULY 2023 YTD FINANCES

	Actual YTD	Budget YTD	Var	Forecast FY	Budget FY	Notes
UNRESTRICTED FUNDS						
District assessment	138,866	139,814	(948)	138,866	139,814	
Other income	4,273	231	4,042	4,500	250	
	143,139	140,045	3,094	143,366	140,064	
<u>Manse & flat</u>						
Letting income	10,120	10,450	(330)	11,040	11,398	
Costs	(10,067)	(16,214)	6,147	(12,000)	(17,687)	1
	53	(5,764)	5,817	(960)	(6,289)	
<u>Safeguarding</u>						
Employment costs	(24,706)	(24,233)	(473)	(26,908)	(26,435)	
Other	(2,162)	(2,739)	577	(3,000)	(3,000)	
	(26,868)	(26,972)	104	(29,908)	(29,435)	
<u>HR</u>						
Income	9,836	10,956	(1,120)	12,025	11,955	
Employment costs	(20,716)	(20,075)	(641)	(22,551)	(21,910)	
Other	(780)	(1,826)	1,046	(1,500)	(2,000)	
	(11,660)	(10,945)	(715)	(12,025)	(11,955)	
<u>Retreats & events</u>						
Income	4,251	4,000	251	4,251	4,000	
Costs	(17,411)	(18,462)	1,051	(17,411)	(19,000)	
	(13,160)	(14,462)	1,302	(13,160)	(15,000)	
<u>Other costs</u>						
Admin & comms employment	(38,935)	(37,873)	(1,062)	(42,374)	(41,312)	
Other office costs	(19,461)	(14,234)	(5,227)	(21,000)	(16,000)	2
Chair & volunteer expenses	(9,840)	(12,826)	2,986	(12,000)	(14,000)	
Organisations supported	-	-	-	-	-	
Learning & development	(2,575)	(7,337)	4,762	(5,000)	(8,000)	
Surplus/ (deficit) before transfers	20,693	9,632	11,061	6,938	(1,928)	
Transfer to Learning Network	(3,248)	-	(3,248)	(5,000)	(2,000)	
Transfer to other funds	-	-	-	-	-	
Surplus/ (deficit) on unrestricted funds after transfer	17,445	9,632	7,813	1,938	(3,928)	
Advance fund						
Income	289,509	160,000	129,509	287,000	160,000	3
Transfer to other funds	-	-	-	(21,245)	(24,800)	
CYC & MPE employment costs	(53,823)	(52,415)	(1,408)	(58,590)	(57,182)	
CYC & MPE other costs	(1,715)	(5,511)	3,796	(3,000)	(6,000)	
Warm Space grants	(21,000)	-	(21,000)	(21,000)	-	
Energy survey grants	(2,619)	-	(2,619)	(2,619)	-	
Other grants	(87,667)	(82,500)	(5,167)	(87,667)	(90,000)	
Other costs	(1,198)	(913)	(285)	(1,500)	(1,000)	
Surplus/ (deficit) on advance fund	121,487	18,661	102,826	91,379	(18,982)	

- 1) Lower than budget repair bills, plus Council Tax refund
- 2) Includes £5k magazine and video production
- 3) 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	-	25,758	25,758	
Transfer from other funds	-	-	-	-	-	
Employment costs	(35,491)	(34,606)	(885)	(38,644)	(37,759)	
Other costs	(1,397)	(3,663)	2,266	(3,000)	(4,000)	
	(11,130)	(12,511)	1,381	(15,886)	(16,001)	
Peak rural enabler						
Income	40,450	41,000	(550)	59,650	41,000	4
Transfer from other funds	-	-	-	9,245	12,800	5
Employment costs	(33,643)	(33,429)	(214)	(36,673)	(36,459)	
Other costs	(16,214)	(16,808)	594	(18,338)	(18,338)	
	(9,407)	(9,237)	(170)	13,884	(997)	
Learning Network region						
Income	16,221	9,163	7,058	16,221	10,000	
Costs	(20,638)	(10,989)	(9,649)	(21,000)	(12,000)	
Transfer from other funds	3,248	-		5,000	2,000	
	(1,169)	(1,826)	657	221	-	
Persian ministry						
Income	31,999	32,000	(1)	32,000	32,000	
Transfer from other funds	-	-	-	12,000	12,000	
Employment costs	(35,275)	(34,386)	(889)	(38,411)	(37,522)	
Other costs	(4,186)	(9,108)	4,922	(6,000)	(9,937)	
	(7,462)	(11,494)	4,032	(411)	(3,459)	
NPNP Pilot						
Income	20,000	30,000	(10,000)	30,000	30,000	
Costs	-	(30,000)	30,000	(26,000)	(30,000)	6
	20,000	-	20,000	4,000	-	
Surplus/ (deficit) on restricted funds	(9,168)	(35,068)	25,900	1,808	(20,457)	
Total all funds	129,764	(6,775)	136,539	95,125	(43,367)	

- 4) £19k TMCP grant for future years expected to be received in August
- 5) £3,555 of current year contribution made in 2021/22 to prevent closing deficit on fund
- 6) Delayed pass through to Derbyshire North East of some of prior year's Connexional grant due to delayed recruitment

	31-Aug-22 Actual £	31-Jul-23 Actual £	YTD Movement £	
Fixed assets	215,093	212,151	(2,942)	
Debtors and prepayments	47,864	23,891	(23,973)	Includes £8k to Greenhill Methodist Church, repayable in instalments by July 2030, £12k to Enable Housing repayable in instalments by 2029.
CAF	12,400	32,404	20,004	
TMCP	420,478	522,963	102,485	
MWiB	2,575	2,575	-	
CFB	22,403	101,717	79,314	
Total cash	457,856	659,659	201,803	
Grants payable	(120,819)	(168,864)	(48,045)	
Held for other organisations	(538)	(509)	29	
Other	(12,045)	(8,639)	3,406	
Total creditors	(133,402)	(178,012)	(44,610)	
Net assets	587,411	717,689	130,278	

FUNDS	31-Aug-22 Actual £	31-Jul-23 Actual £	31-Aug-23 Forecast £
Unrestricted funds	289,903	307,514	291,841
MDSW	18,291	7,162	2,405
Peak Rural Enabler	-	(9,408)	13,884
DLMN region	1,960	790	2,181
MWiB	2,576	2,575	2,576
Persian ministry	31,565	24,105	31,154
NPNP Pilot	10,000	30,000	14,000
Restricted funds	64,392	55,224	66,200
Advance Fund	233,117	354,953	324,496
Total funds	587,412	717,691	682,537

Unrestricted liquid funds (months spend held)			
General fund	6.3	7.2	6.1
Advance fund	24.4	50.5	46.2

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		0
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	9,000		8,000
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		5,008	5,333	12,682
Sheffield Circuit	mental health coordinator	20,000				20,000
Doncaster Circuit	NPNP Rossington (phase 1)	20,000				20,000
PROPERTIES FIT FOR MISSION GRANTS						
The Grove	Growth of the Grove	20,000				20,000
The Foundry Sheffield	Main Hall chairs	6,900		6,900		0
Peak Circuit	Peak Wesley Way	14,000				14,000
Stocksbridge Christian Centre	community hub & food matters	20,000				20,000
SAPLC	emergency spire repair	12,000				12,000
St Johns Swinton	youth house roof	4,000				4,000
Totley Rise	riverbank stabilisation	3,000				3,000
		0				0
Total main grants		317,923	104,600	38,908	5,333	169,082

Grant to MCCP was calculated based on funding from Methodism and URC only. Two years of CofE funding has been confirmed, and so our grant reduces accordingly.