

**Consolidated Report and
Accounts for the year
ended 31 August 2014**



The Methodist Church in Great Britain

Registered charity number 1132208

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The Methodist Church in Great Britain

General Secretary's report

Welcome from the Revd Dr Martyn Atkins

The Methodist Church in Great Britain continues to undertake its 'calling' under God "to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission." In recent years this distillation of identity and purpose has been popularly articulated through a focus on discipleship and mission, often by use of the phrase: 'The Methodist Church – a discipleship movement shaped for mission.'

The triennial 'Statistics for Mission' indicate a diverse Methodist Church of some 4,800 local churches and c210,000 members, containing great variety of Christian life and witness.

The resources of the Methodist Church outlined in these Accounts are, together with the considerably greater resources held within the Methodist Church not found in these Accounts, regarded as the wherewithal for these essentially Christian and charitable purposes and priorities.

The Statistics for Mission make clear several things of note. The Methodist Church today includes local churches and members in rural, inner city, suburban, city centre, urban, and other categories of social identity, with the largest single grouping being rural and small. Methodist Christians contribute hugely and healthily to a plethora of community enriching causes, both as volunteers and financial contributors, and via the increasingly imaginative use of our buildings.

The Statistics also indicate that increasing numbers of ethnic groupings worship as Methodist Christians in Britain, and an estimated 125 different languages are spoken by those participating in Methodist activities each week. Work has begun on how this exciting plethora of people who make up contemporary British Methodism might participate in and contribute ever more fully to the life of the denomination.

The adoption of 'One Mission' as a theme gathering together activities and priorities hitherto separated into 'overseas mission' and 'home mission' also acknowledges that contemporary British Methodism is increasingly populated by people from around the globe. Ever closer relationships with Methodist groupings in Europe and around the world further enable this commitment to healthy integration which changes and transforms us all.

Finally, the Statistics for Mission make clear a disturbing, continuing decline in membership and other headline figures, causing the Methodist Church to reflect ever more seriously on how it might be more effective in terms of its mission and ministry, and particularly how it might make contemporary, authentic new disciples of Christ.

The implementation of the Discipleship and Ministries Learning Network outlined in this report last year has become further embedded in the regions, delivering resources of people and processes to the whole Church and allowing the contextual delivery of Connexional priorities. The Network is now almost fully staffed, and many developments and processes have been refined and further improved. A number of learning and development programmes have started to be rolled out, particularly those for Methodist Local Preachers and Worship Leaders: lay leadership and ministry being a particular emphasis of Methodism. A pathway for 'pioneer ministries' has been approved and is a further indication of a Methodist commitment to seek healthy and effective ways to offer the Gospel of Christ in contextually apt ways to those not historically involved in the life of any Christian Church.

Similarly, the comprehensive past safeguarding cases review included in this report last year, continues to be unfolded to each geographical area included in The Methodist Church of Great Britain, and a final report including learning and recommendations is expected to be presented, on time, to the Methodist Conference meeting in the summer of 2015.

The Methodist Church in Great Britain
General Secretary's report continued

The historic Covenant between the Church of England and the Methodist Church was signed over a decade ago. Proposals for next steps to further develop the impact and effect of that Covenant in both Churches have been initiated over the course of the year.

A new reserves policy has been agreed, and a developed risk management policy produced, which will be further refined, aided by the adoption of a comprehensive internal audit process.

During the year significant investment has been made in upgrading and enhancing the IT facilities available to support work across the connexion, accompanied by a necessary focus on data protection and system security. The introduction of on-line collection of property returns has enabled the development of a comprehensive database to facilitate more effective buildings management at local level.

We continue to believe that the actions, ministries, partnerships and commitments arising from our Christian faith and practice offer significant public benefit, to local communities and wider society, in a time when mutual care, social cohesion, support and respect, including the poorest and most disadvantaged, is so very important.

The Revd Dr Martyn Atkins

A handwritten signature in black ink, appearing to read 'Martyn Atkins', enclosed in a thin black rectangular border.

Secretary of the Methodist Conference and General Secretary of the Methodist Church

11 April 2015

The Methodist Church in Great Britain Trustees' Report

Strategic objectives, aims and purposes of the Methodist Church in Great Britain

The activities covered in these accounts fall within the work of the Methodist Church. The strategic objectives of The Methodist Church in Great Britain ("The Methodist Church") are directly linked to its aims. They are:

1. Worship – to increase awareness of God's presence and to celebrate God's love;
2. Learning and Caring – to help people to learn and grow as Christians, through mutual support and care;
3. Service – to be a good neighbour to people in need and to challenge injustice; and
4. Evangelism – to make more followers of Jesus Christ.

Public Benefit Requirement

The trustees of The Methodist Church had due regard to the public benefit guidance published by the Charity Commission in compliance with its duties under section 17 of the Charities Act 2011.

This guidance sets out two key principles:

1. The organisation must have an identifiable benefit.
2. The benefit must be to the public or a section of the public.

The Church exists, inter alia, to:

1. increase awareness of God's presence and to celebrate God's love;
2. help people to learn and grow as Christians, through mutual support and care; and
3. be a good neighbour to people in need and challenge injustice.

The trustees consider that for these reasons the charity meets these public benefit requirements.

Structure and Governance

The entities included in this report are not a record of all the financial activities of the Methodist Church as they do not include local church, circuit and district accounts. The names of the entities included in this report are listed in 'Note 1' of the accounts on page 42 and include:

Activities managed or administered by the Connexional Team (hereafter referred to as the "Connexional Funds"), and Cliff College	(a separately registered charity)
Cliff College Outreach Limited	(a separately registered company)
Cliff (Methodist) Developments Limited	(a separately registered company)
All We Can (Methodist Relief & Development Fund)	(a separately registered charity)
Southlands Methodist Trust	(a separately registered charity)
Methodist International Centre Limited	(a separately registered company)
Westminster College Oxford Trust Limited	(a separately registered company)
Westminster College Oxford Trust	(a separately registered charity)

For the purposes of these accounts these entities are referred to as The Methodist Church in Great Britain.

Structure

The Methodist Church applied and became a registered charity on 20 October 2009 (1132208 – "The Methodist Church in Great Britain"). The members of the Methodist Conference are the trustees and their names are publicly available on the Charity Commission website. The Methodist Council is appointed annually by the Conference. Amongst other functions it is responsible for the adoption annually of a unified statement of

Structure (continued)

connexional finances, clearly distinguishing between restricted and unrestricted funds and conforming to the law and accounting regulations so as to give an overall view of those monies and other assets for which the Council is responsible. The Council is further responsible for presenting that unified statement of connexional finances to the Conference. The names of the members of the Methodist Council are appended at the end of these accounts.

The basic governance structure so far as these Consolidated Accounts are concerned is presented in the diagram below.



The Methodist Conference

The government and discipline of the Methodist Church and the management and administration of its affairs are vested in the Conference. The Conference meets annually in Representative Session and Presbyteral Session (and there is in addition a Conference Diaconal Committee). The Conference is a representative body of 306 members comprising ministers and laypersons from the 31 districts of the Methodist Church as well as other bodies of the Church.

The Methodist Council

The Methodist Council consists of 54 members (see page 70 for members) most of whom hold office for four years. It meets at least three times a year and its terms of reference are to:

- Continuously review the life of the Methodist Church;
- Study the work of the Methodist Church and witness throughout the Connexion;
- Indicate what changes are necessary or what steps should be taken to make the work of the Church more effective;
- Give spiritual leadership to the Church;
- Implement Conference decisions;
- Report annually to the Conference, bringing to the notice of the Conference matters to which it believes the Conference ought to give urgent attention;
- Protect the assets of the Methodist Church.

The Methodist Church in Great Britain

Trustees' report continued

Structure (continued)

In addition to the above it is particularly responsible for (inter alia):

- Adopting and presenting to the Conference the unified statement of connexional finances;
- Recommending the budget for the Methodist Church Fund (unrestricted general reserves);
- Employing lay members of the Connexional Team and being the responsible body recommending the stationing of its ordained members;
- Administering the following funds:
 - The Methodist Church Fund
 - The Connexional Priority Fund
 - The World Mission Fund
 - The Mission in Britain Fund
 - The Fund for Training
 - The Fund for Property
 - The London Mission Fund
 - Fund for the Support of Presbyters and Deacons
 - The Sabbatical Fund
- Making recommendations on expenditure and amounts to be contributed by the Circuits through Districts to fund the next connexional year;
- Recommending to the Conference minimum stipends for Ministers and Probationers including additional allowances to be paid to Superintendent Ministers, District Chairs and the maximum to be reimbursed from the Connexional Sabbatical Fund;
- Dealing with all model trust property affairs for all Home Districts and the building, legal and financial aspects of shared schemes under the Sharing of Church Buildings Act 1969, where that act applies;
- Acting generally in relation to property affairs and constituted to discharge the responsibilities of the former Property Division;
- Ensuring that the sale, lease, rental or lending of artefacts, publications and records which are model trust property and which in the view of the Council are historically significant are scrutinised before going ahead.

Governance

The Constitutional Practice and Discipline of the Methodist Church (2014 edition) contains the governing documents of the Methodist Church. The authority under which the Conference acts is legally given by the Methodist Church Act (1976). The Deed of Union, the Model Trusts and the standing orders set out the governance and discipline of the church and they may be changed on the authority of the Conference according to prescribed procedures.

Much of the day to day work for which the Methodist Council is responsible is delegated to the Connexional Secretary and other members of the Senior Leadership Group for matters relating to the objectives of the Connexional Team and to local trustees in the case of the training institutions and residential centres. These local trustees report to the Methodist Council.

The following committees have an oversight / governance role in relation to the Methodist Council:

The Strategy and Resources Committee

The Conference appoints annually the Strategy and Resources Committee (SRC), a sub-committee of the Methodist Council. The SRC advises the Council in relation to all matters that are within the SRC's terms of reference, having regard to advice from non-voting members. The Committee, which met four times in the year, has specific responsibility for detailed review and subsequent reporting to the Council on the following aspects of its work:

- Detailed examination of the annual financial statements of Connexional finances and budgets;
- Recommendation to the Methodist Council of the three year Connexional finance budgets;
- Supervision of the work of the General Secretary and Connexional Team;

The Methodist Church in Great Britain

Trustees' report continued

Governance (continued)

- Exercising oversight of the general work of the Connexional Team and report to the Council and the Conference;
- Ensuring that a collaborative style of working is adopted throughout the Connexional Team;
- Review and presentation to the Methodist Council of the Annual Trustees' Report and consolidated accounts; and
- Identification and management of risks.

The Audit Committee

This is a committee of the Conference appointed on the nomination of the Methodist Council. To safeguard its independence, members of the Methodist Council or the Connexional Team are barred from serving. This committee nevertheless has powers to require the Connexional Treasurers and any appropriate staff members of the Connexional Team to attend its meetings.

Meeting three times in the year and reporting annually to the Methodist Council, the Audit Committee has responsibility for:

- Advising the Council on the appointment of external auditors;
- Reviewing the accounts of the Methodist Church;
- Reviewing, with the auditors, the consolidated accounts;
- Reviewing the effectiveness of the financial and other internal control systems with regards to monies and other assets for which the Council is responsible;
- Approving the annual risk-based internal audit plan, receiving internal audit reports, regular progress reports and risk updates;
- Submitting an annual report to the Council;
- Reviewing the effectiveness of procedures relating to risks.

Oversight committees

To assist the Council in discharging its duties there are a number of other committees, the key ones being:

- The Finance Sub-Committee of the Strategy and Resources Committee whose remit is to:
 - provide expert advice on financial matters to the SRC;
 - provide the core membership of the Conference Financial Committee;
 - represent as the employer in discussions with the Trustees of Connexional Pension Funds;
 - monitor and review the risk register.

In addition the connexional treasurers and some members of the Connexional Team meet regularly to consider matters of investment management, with particular concerns for:

- Monitoring the performance of the Council's investment managers (CFB);
 - Deciding, on the basis of the requirements of the various funds (under Connexional Team management), the most appropriate investment strategy.
- The Connexional Allowances Committee which is responsible for recommending allowances for Ministers and awarding grants from the following funds:
 - The Fund for Support of Presbyters and Deacons;
 - The Methodist Medical Benevolent Fund;
 - The Methodist Ministers Children's Relief Association;
 - The Connexional Travel Fund.

The Methodist Church in Great Britain

Trustees' report continued

Governance (continued)

- The Connexional Grants Committee which is responsible for:
 - All Connexional grants;
 - Monitoring all grants made by sub-committees and grant streams;
 - Operating within annual budget set by Council;
 - Monitoring the use of District Advance Funds (DAFs);
 - Establishing clear processes for the longer term monitoring and evaluation of grant expenditure.

- The Network Committee which is responsible for:
 - Developing and maintaining the learning and training of lay people and ministers and the pursuit of scholarship, research and innovation throughout the Connexion;
 - Ensuring the generation of income from those centres for which the committee has managing trustee responsibilities and the appropriate use of the resources so generated;
 - Reviewing and monitoring of the fulfilment of the terms of all agreements reached between the council and any training institutions with which the council has agreements;
 - Working collaboratively with the Ministries Committee to ensure the implementation of connexional policy as respects learning, training, scholarship, research and innovation.

- The Trustees of All We Can, (formerly Methodist Relief and Development Fund) whose remit is to receive, hold and transmit monies for relief, rehabilitation and development under Methodist, ecumenical or other appropriate oversight primarily overseas;

- Local managing trustees for the self accounting entities.

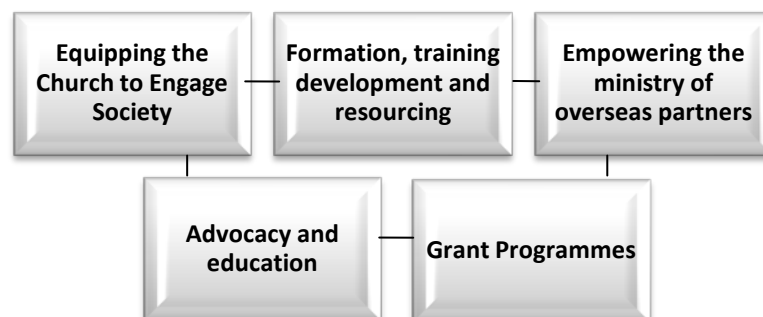
A comprehensive list of the self-accounting entities whose accounts are included in the Methodist Church Consolidated Accounts is provided on page 42. For each of them, with the exception of Westminster College Oxford Trust Ltd, a local governance committee or group of managing trustees is appointed by the Council to oversee the entity, within the terms of responsibility delegated to them by the Council. Ultimate control in all these cases resides with the Methodist Council. In the case of Westminster College Oxford Trust Ltd the Conference appoints the trustees, subject to the approval of the Methodist Council and they in turn report to the Conference. Through a governance scrutiny process overseen by the SRC, the Council aims to monitor standards of governance in all the entities, which are accountable to the Council and the Conference.

Appointments to the various trustee boards are approved by the Methodist Council on the recommendations of the existing board members, following a selection process that involves a skills audit and advertisement for trustees with the appropriate skills and expertise. Appointments are normally for a six-year period, but are confirmed annually.

All new trustees undergo induction to familiarise themselves with the aims and work of the charity, and to ensure they understand fully their responsibilities as Board members and the organisational expectations in terms of their commitment. As part of the induction programme, trustees are provided with constitutional, governance, financial and organisational documentation. Trustees also receive regular updates and are made aware of relevant events and training opportunities.

Key activities

In responding to the Methodist Church's Calling, the Methodist Church in Great Britain organises its work in the following five key areas:



1. Equipping the Church to engage society

Through the Mission in Britain, Property and Epworth Funds, the Connexional Grants Committee (CGC) works within the overall strategic plan of the church: to grow a discipleship movement shaped for mission. All grants have been offered to projects that are in line with the stated Priorities of the Methodist Church and the document Our Calling.

Social engagement – a Methodist priority

Yarm sits within a loop of the twisty River Tees, a few miles south of Stockton-on-Tees. The young people of the Methodist Church here have made a practical, mission-led response to the impact of poverty on the lives of children in their community.

They asked the questions: Does poverty affect children's health? And does it affect their educational attainment? Drawing on research from respected children's organisations, they discovered that the answer is "Yes". In particular, a far lower percentage of the five-year-olds entitled to free school meals have a good level of development at the end of their reception year than all other pupils.

So, the young people, supported by the church staff, have established a youth-run Lunch Project. Its aim is to provide lunch during school holidays to children who qualify for free school meals during term time, using the time before and after lunch to engage the children in faith based activities – the sort you might get at a Messy Church session. The Connexional Grants Committee has now underpinned this initiative with a £22,000 award, both allowing this valuable work to grow and affirming the young people in their volunteering.

Nurturing older people in the community

The Anna Chaplaincy scheme in Alton, Hampshire, is a community-based chaplaincy that supports older people, their families and those who care for them, wherever they are living. They might be at home, in supported housing or in a care home; it doesn't matter, and nor does the degree of their faith commitment.

Established in 2010 with one part-time chaplain, this is an ecumenical Methodist-Anglican initiative that has been making a growing impact right across Britain. This model of chaplaincy that offers a Christian presence to all older people wherever they live in a community is being taken up by other Methodist circuits. The Revd Keith Underhill describes Alton as a testing ground for not only innovative ways of delivering pastoral care to older people but also providing much needed support and training within the wider community – for example in end of life care within nursing homes. The value of the care on offer is encapsulated in the words of a woman who attended the annual

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Equipping the Church to engage society (continued)

service in celebration of older age. She wasn't quite sure why she had come but as she left she said, "Thank you so much – I'm going home feeling two foot taller".

The Anna Chaplaincy model (named after the older woman in the Gospel of Luke who recognised the baby Jesus for who he really was) has been taken up by the Bible Reading Fellowship as part of its development of a new ministry, The Gift of Years. And now, thanks to a connexional grant in 2014, a second part-time chaplain can be funded, the model be shared across the connexion, theological reflection undertaken, and the work in Alton itself be guaranteed for a further three years. Keith adds: "The connexion understands that it takes time to develop a project and that this is precisely the time funding is needed; it will enable us to continue to expand and develop all that we've achieved so far."

A gift for the community

Our strategic approach to making grants for property work is to ask: 'Which applications will be missional and be able to engage with community beyond its membership?' We believe that, where churches are growing, new-builds and major refurbishments have significant missional potential.

Stratford-upon-Avon Methodist Church is just three minutes from the heart of that world-famous town. Partly supported by a connexional grant, as well as much local fundraising, the congregation has transformed its less than ideal mid 1900s buildings into a welcoming community and worship space that offers renewed opportunities for engagement with the many groups and individuals that are now enjoying the refurbished facilities. Not only that, but the refurbishments have allowed the sort of environmentally friendly enhancements (solar panels, ground-source heat, rain-water harvesting and LED lighting) that makes the church something of a flagship for "green" innovation.

This is precisely the kind of building project to which the Connexional Grants Committee is delighted to lend its support. Previously, the worship area was a Sunday-only space. Now, with its other rooms and halls, the church is adding to the already long list of community user groups. This Methodist asset has become not only a more inviting and accessible space for the congregation but also a real gifting to the residents of, and visitors to, Stratford. As senior circuit steward David Loader puts it: "It does help us get to do the work we want to locally and offer more people opportunities to encounter the Gospel."

Planning ahead: wherever we are needed

- We will continue to tell stories of the Methodist people in action in local communities, supporting creative mission in collaboration with the Connexional Grants Committee;
- Our work will continue to support a discipleship movement shaped for mission, engaging with local communities;
- Following agreement to make greater immediate use of unrestricted reserves, to seek further opportunities to increase God's mission through the Mission in Britain Fund and Fund for Property, guided by the Methodist aims of supporting Worship, Learning and Caring, Service, and Evangelism;
- Following agreement to draw a greater amount from unrestricted reserves, to be creative in the way we utilise the Connexional Priority Fund.

Key activities (continued)

2. Formation, training, development and resourcing

The acceptance of the Fruitful Field report by the Methodist Conference of 2012 required that its recommendations be implemented by 1 September 2013. This strategic goal dominated the work of the Discipleship and Ministries cluster that also equips the Methodist Church's ministries through its work with chaplaincies, children and young people, and by enabling evangelism, spirituality and discipleship.

This past year has seen the Discipleship and Ministries Learning Network (DMLN) become more firmly rooted in the life of the Church as we have worked to support our Methodist membership, lay and ordained, to be a reflective, learning community. As we move closer towards the establishment of 'learning circuits', we are seeking ways from within the Network for our faith to remain fresh, relevant and active as we engage with each other and our communities.

To help this happen, we fulfilled our goal of establishing a complete staff team of 59 across our eleven regions and the specialist teams. At the same time we are proud to be bringing to fruition a long-held Methodist desire for an innovative Virtual Learning Environment (see below), which is already underpinning another of our stated aims – to develop and test a new local preacher and worship leader pathway (a collaboration between the Ministries Committee, the Faith & Order Committee and the Methodist Council).

An important facet of the Network's operation has been the ongoing integration of regionally-facilitated learning opportunities (see below) with formation and training based at Cliff College and The Queen's Foundation. Funds allocated by the Council's Strategy and Resources Committee for building work at Cliff will increase its conference capability, with en suite accommodation capacity of 86 rooms as well as the newly developed Network Suite, which provides office and meeting space for Network staff based in the college.

At Queen's, the total number of those in training on a full time pathway grew to 39 students (including 12 student deacons). This 'gravitational mass' of Methodist students and staff, capturing the diversity and breadth of Methodist identity and practice in Britain (plus a significant group of Methodists from other parts of the world), has created a vibrant environment for the formation of the Church's ministers which may not have been seen for 50 years. It complements the diverse learning opportunities delivered at Cliff (including short courses and an annual festival) and by learning and development officers located right across the UK.

Pioneering new Methodist learning

Those with experience of further or higher education are familiar with the idea of accessing course information online. One of our key goals for this past year was to bring to fruition just such a virtual learning environment. To do this, we had entered a cost-effective relationship with the University of London Computer Centre, which also supports many other organisations and charities to deliver online learning using computer software known as "Moodle".

Richard Andrew, Director of Learning & Development (Pathways) for the DMLN, is clear that e-learning is intended to complement learning in groups, not replace it. It is hoped that individuals can do their personal preparation before meeting together to share and discuss. He's excited by the diverse materials that can be made available to course participants – audio and video, as well as materials for printing off or reading online – and so supporting different types of learning as well as opening up the possibility of students engaging with each other no matter where they live within the UK.

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Formation, training, development and resourcing (continued)

Supporting Methodist pioneers

In 2013/14 we promised to establish a Pioneer Ministry Pathway. Building in part upon the experience of the Venture FX project, the DMLN has begun developing ways of supporting those who engage in evangelism and mission with groups, and in areas, that are largely un-churched. Richard Andrew says that these pioneering ministries are often lay-led as well as Spirit-led. They have a localness and spontaneity about them that the Methodist Church doesn't wish to see weighed down by heavy structures. "Instead, the DMLN has developed a pioneer pathway to support entrepreneurial, visionary, pioneering individuals to feel part of the bigger picture, and which will be piloted in the North East and Bristol and West Midlands regions in 2014-15."

Acknowledging that those engaged in pioneering ministries can sometimes feel isolated in their work, the new "pathway" aims to build a community of shared practice by drawing together those engaged in Fresh Expressions and pioneering ministries – offering mentoring, and suggesting educational opportunities designed to support individuals and to help them see their ministries within the broad Methodist theological tradition.

Pooling expertise in the south-west

2014 saw the fifth annual day conference bring together over 300 children's and youth workers in Exeter. Three things make the event unique, says Regional Learning & Development Officer Sharon Rowe. First is the way in which the event is "rooted in place" – it takes the regional context (which covers the Methodist districts of Cornwall, and Plymouth and Exeter) very seriously. Second, this is a broad, ecumenical gathering involving a number of church denominations but also para-church organisations such as Youth for Christ, Scripture Union and Urban Saints.

Third, and perhaps most significantly, this is an event for both paid and volunteer workers, where children's and youth ministries are shared from throughout the region. Workshop streams are tailored to the different needs and levels of experience that the workers bring but keynote speakers are chosen to address themes that will impact the ministry of workers whether paid or not. The sixth gathering is planned for March 2015 – proof of the ongoing encouragement that such an event provides to all those involved.

Suicide intervention courses raising understanding

The Learning Network has a broad and creative approach to helping groups and individuals develop and enact their faith in ways that both reflect our Methodist aims and engage with the needs of the communities in which we live. In The North West & Mann Region, the Methodist Church has been instrumental in setting up courses on intervention and accompaniment of those wrestling with suicidal thoughts.

Building on the work of Regional Learning & Development Officer Brec Seaton, the Network has part-funded a course with local church groups and other partners from across the ecumenical spectrum, with the hope of planning more. "We want to support members to connect with individuals in a wide range of pastoral settings", says Brec. "We do have the capability and capacity to help – but we underestimate ourselves. The Methodist Church has social justice and community engagement at its roots, and this is one practical display of how we can maintain that tradition within a contemporary setting."

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Formation, training, development and resourcing (continued)

Pilgrimage 1.0 – reimagining pilgrimage for the youth cultures of today

A group of youth workers who had met through the Methodist Church's ONE Programme began gathering through 2014 to discuss what pilgrimage means for younger people – reflecting on the place it can have in a spiritual life and asking how pilgrimage can be expressed in a modern way. They met in Huddersfield, Durham and Whitby, working on definitions for pilgrimage, visiting some local community projects and facilities, and sharing a meal together.

The project has been facilitated through the North East and Yorkshire+ DMLN regions, and is now being opened up to other young people aged 16-23. At the same time a resource is being developed for young people and youth leaders to use so that they can design pilgrimages in their own context and locality.

Not only do the pilgrimage experiences mirror the diverse learning approaches encouraged by the DMLN, says Regional Learning & Development Officer John Boyd; they also facilitate “talking on the road, having fun, being challenged to think about our lives in context and the society we're a part of. It's about getting out into the world, connecting with what's going on rather than walking on by, and trying to see where God is in it all.”

Planning ahead: innovation and imagination

In 2014-15, we plan to build upon the progress made in 2013-14, drawing upon a diverse range of learning models and styles in order to best support the members and ministries of the Methodist Church. Our plans include:

- Developing online resources for small group facilitation and evaluating Meet, Pray, Love as a small group initiative for the Connexion, liaising with three regions piloting the project;
- Establishing initial wider frameworks for an evangelism community of practice;
- Overseeing the rollout of the Local Preachers and Worship Leaders (LPWL) pilot and preparing for the launch of the new LPWL pathway in September 2015;
- Developing a model of Practice Based Formation as a pathway for initial ministerial learning;
- Supporting the development of the pioneer pathway across two pilot regions, establishing key learning for the roll out of the pathway across the connexion in 2015-16;
- Establishing a working group to address issues related to resourcing city centre ministries;
- Building an initial network of contacts and points of connection with key Fellowship groups and culturally and linguistically distinctive congregations;
- Collaborating with ecumenical partners, Cliff College and the University of Durham in the creation of a HE pathway within the Common Awards for workers and ministries with children and young people .

3. Empowering the ministry of overseas partners

The World Mission Fund enables us to maintain and develop relationships with Partner Churches throughout the world in collaboration with the Methodist Church in Ireland. In 2013-14, through the work of World Church Relationships we supported 89 mission partners, including the children of families, in 35 different countries, and we worked with 60 Partner Churches worldwide in four geographical areas: Africa, Caribbean and The Americas, Asia-Pacific and Europe.

These levels of activity remain similar from one year to the next and we have now moved to a strategy, in many cases, of committing financial support over a number of years, so offering a level of stability to important

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Empowering the ministry of overseas partners (continued)

initiatives. These include supporting staffing appointments, as well as community, building and disaster relief programmes.

One particular area of growth is our ability to deliver group training grants within the Scholarship and Leadership Training (SALT) scheme. In 2013-14, 31 grants were made as part of this scheme, totalling over £400,000. Our work with the Methodist Church in Nicaragua is a good example.

The Methodist Church in Nicaragua fully established only in 1996. Now with 16 congregations and over 3,000 members, the Church continues to develop and support social justice issues, but most of its pastors do not come from a traditional Methodist background and are looking for support and training. Thanks to the World Mission Fund it has been possible for them to develop their understanding of Methodist theology, doctrine and heritage at the Methodist seminary in El Salvador, to which the pastors travel for short blocks of training.

Engaging with climate change in the Pacific

While, for many of us, climate change is something we think may affect us or our children at some point in the future, for those living in Fiji and other Pacific islands, changes to our climate are already a daily reality. With support from the World Mission Fund, Julia Edwards is continuing the work she undertook as a mission partner in the Pacific region, where she worked as a climate change and relocation researcher.

Julia speaks of the uncertainty and challenge facing communities that have to move to safer environments in response to rising sea-levels, but also of the active faith that underpins much of their decision-making. One community, relocating further inland to higher ground, has named its new village with the Fijian word for Canaan – “the promised land”.

Julia worked directly with the ecumenical Pacific Conference of Churches (PCC) and since her return to Britain, the PCC has assisted in a meeting to establish ‘CAN Pacific Islands’ (a regional branch of the international NGO, Climate Action Network) and pursued other initiatives that Julia herself is still able to support.

Pop-up monastery for 2015

The striking notion of a “pop-up monastery” (<http://popupmonastery.com/>) is an initiative of the Ecumenical Forum of European Christian Women (EFECW) – a church-related organisation that is active in more than 30 European countries, forming a network of women from all Christian denominations.

Any event or business that appears only for a certain amount of time and then moves on may be described as a “pop-up”. The pop-up monastery, due to appear in Germany in August 2015, will be the first of its kind in Europe, allowing space and time for women from across different denominations in Europe to come together to explore spirituality through their denominations’ various traditions. By offering a peaceful environment (and silence, if needed), the monastery will allow participants to take home tools and skills of rituals and prayers.

The Methodist World Mission Fund is supporting the making of a documentary film focusing on some of the participants in the project, as a way of inspiring others to develop the concept and replicate it in other areas of Europe and beyond.

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Empowering the ministry of overseas partners (continued)

Planning ahead: engagement with the church worldwide

Our plans for 2014-15 include:

- Supporting engagement with Partner Churches and other organisational partners around the world in order to facilitate funding programmes in support of our World Church Relationships (in collaboration with Connexional Grants Committee);
- Reviewing the strategic use of the World Mission Fund within the context of the Church's commitment to One Mission, adopting a reserves policy that reflects the strategy.

Doing all we can with overseas partners

In April 2014, "MRDF" re-launched as "All We Can – Methodist relief and development", the new operating name for the Methodist Relief and Development Fund.

Its new identity, inspired by words attributed to John Wesley, reflects the renewal of its commitment to work in partnership, doing "all we can" for those in some of the world's poorest communities. It has refocused its work to better support its partners – including churches, organisations and individuals to bring about lasting change in their communities.

In 2013-14, All We Can:

- supported 33 partner organisations in 14 of the world's poorest countries to improve the quality of life of more than 225,000 people;
- helped local partners to respond to eight disaster situations, including aiding refugees from the conflicts in Syria and in Mali.

Helping churches to be good neighbours

During the year, All We Can also launched a new programme – Church CAN (Church Community Action for Neighbours) – to work collaboratively with Methodist Churches in developing countries, offering training and support so that they can more effectively respond to the needs of their local communities. A pilot project with the Methodist Church in Haiti provided training and an additional staff member to strengthen and develop the capacity of the Health Board established to manage the work of its 12 health clinics, and make them more effective and sustainable. Over five years, Church CAN aims to reach one million people with sustainable long term support, through the efforts of one thousand churches across ten countries.

Responding in times of great need

In November 2013, Typhoon Haiyan devastated many communities in the Philippines and affected over 14 million people. Thanks to the generous reaction of many Methodists, who donated over £400,000, All We Can was able to respond quickly, working through local partner organisations to provide vital supplies such as food, bedding, kitchen utensils and hygiene kits in the immediate aftermath of the typhoon, and then supporting people to rebuild their lives through funding of shelter kits and houses.

Anna, a victim of the typhoon, said: "I now have a house. A blue house which will be finished with yellow frames. A firm new home with happy colours. This house is so important for me, it means I have a home again! Living in a new home was in the beginning also a little bit scary."

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Empowering the ministry of overseas partners (continued)

Calculating the cost of fashion

Our testimonies from the margins campaign highlighted the true cost of debt and fashion for people in the world's poorest communities, and supporters amplified the voices of garment workers and debt campaigners from indebted countries. As part of the World Action in Methodist Schools (AIMS) educational programme, students from Methodist Schools hand-stitched hundreds of mini protest banners as a form of 'craftivism' in support of the call for better conditions for those who make our clothes, in the wake of the Rana Plaza factory collapse in Bangladesh.

Planning ahead: building strategic partnerships

All We Can will continue to help people in some of the world's poorest communities to become all that they can through its development, relief and advocacy activities, guided by its strategic principles:

- Working for sustainable long-term change to end the cycle of suffering caused by poverty, inequality and injustice;
- Working around the world with diverse individuals, all types of Civil Society Organisations and Methodist groups;
- Focusing on local partnerships and longer term collaborative relationships in support of the poorest communities in some of the poorest countries;
- Having an active, courageous and prophetic voice calling for justice for the poor and vulnerable.

4. Advocacy and education

The work of advocacy on behalf of, and with, the Methodist people demands creativity and flexibility. Our goal is to help Methodists to be better informed about, and engaged with, social and political issues of the day while always responding to Methodism's governance bodies regarding the Church's priorities.

Supported by the publications, media and creative professionals based at our head offices, we offer expert leadership through our paid and volunteer heritage specialists (see "An object lesson..." on page 19 and "Who do you think you are?" on page 19 below) and from the ecumenical Joint Public Issues Team (JPIT).

JPIT sees the Methodist Church working in cooperation with the Baptist Union of Great Britain and the United Reformed Church. Its key strategic objectives for 2013-14 included:

- Helping people understand that politics is part of being a Christian disciple
- Helping the Churches and local people speak into national debates
- Changing the narratives we tell each other, particularly about poverty and peace

Engaging with politics

In 2014, acknowledging that European Parliament elections have often attracted a low turnout of voters in the UK, JPIT produced a short resource based around six key issues likely to dominate the debates of MEPs over the next five years.

We have recognised the need to offer particular support to young people in engaging with political debate. In July 2014, we ran a day-long opportunity to explore faith, politics and participation in social justice. We invited young people with a connection to the Methodist, URC and Baptist denominations to take tours around the Houses of

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Advocacy and education (continued)

Parliament and participate in a panel discussion with MPs and Lords, before ending the day at Methodist Central Hall for reflection and discussion session in small groups.

One young person involved in the day wrote: "The day illustrated to me how important it is as Christians that we explore not just what is happening in our churches but what is outside. It is part of our Christian calling to be 'priests to the nations', not just our congregations, and we can do this by engaging in the issues of the day, showing our faith through our politics."

Organ donation resource

Following the passing of the Human Transplantation (Wales) Act 2013 – which will introduce an opt-out, or presumed consent, system of organ donation in Wales from December 2015 – and with similar proposed legislation now under discussion in Scotland, JPIT produced *Sharing the gift of life?*, a guide to discussion and reflection on the issue. We know that debate around questions of organ donation can be heated and complex; add in religious viewpoints and the issues can become very difficult indeed. For these reasons, we felt it important to offer a combination of real life stories and points for discussion as well as background information and theological reflection in order to help church groups and individuals become well-informed contributors to the debate.

Faith in foodbanks

The total number of people helped by all foodbanks within the UK in 2013-14 was well over a million. That number continues to increase and local churches and congregations have often played a key role in the establishment of foodbanks. In May 2014, building upon the previous year's Truth and Lies about Poverty campaign, the JPIT launched *Faith in Foodbanks: Resources for Churches*, an online resource supported by videos and other resources, and since updated. The resource included the why's and background of the growth in foodbanks, together with detailed suggestions of how church members can respond theologically and practically. At least 1,400 copies of the resource were downloaded, many of them inspiring special Harvest-time reflections.

Consulting on BDS

The Methodist Conference in 2013 commissioned, through the Methodist Council, a briefing document laying out the arguments for and against the Boycott, Divestment, Sanctions (BDS) Movement which aims to place pressure on Israel over the intensification of its occupation of Palestinian Territories.

In the course of preparing this significant, sensitive and detailed briefing, an online consultation was launched, which generated 2,500 responses from individuals and organisations. Further consultation took place through face to face meetings with key individuals and groups in the UK and in Israel/Palestine. As a result of this work, Conference 2014 affirmed the previous resolutions of the Conference on Israel/Palestine and the briefing paper was commended to Methodists for study, reflection and prayer.

Living generously

Our internal Methodist campaigns and resourcing strategy for 2013-14 was informed by the theme, *A Generous Life*, designed to place fundraising initiatives within the large framework of growing Methodist discipleship. We said that:

"As a discipleship movement shaped for mission, we are engaging with our generous God to: give more time, give more money, know more of what we are doing and can do to change the world".

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Advocacy and education (continued)

We offered a range of resources on a specially designed website page (<http://www.methodist.org.uk/mission/a-generous-life>), including an interactive “Wheel of Generosity” based on a 'real life' wheel designed by a Methodist local preacher. We also collaborated with ROOTS magazine to publish a striking, one-off issue that featured worship planning materials and which will continue to enable churches to explore what it means to be a generous disciple in the local church context.

Methodist Publishing makes a smooth transition

Building upon the integration, in 2009, of Methodist Publishing with the Methodist Connexional Team, in September 2013 an agreement was reached with Norwich Books and Music for the provision of distribution services for Methodist Publishing resources, accompanied by the development of a new website for online orders, with the Publishing and Fundraising team continuing to take responsibility for the ongoing provision of publications for the Methodist Church.

An object lesson in caring for Methodism's past

How local churches and individuals look after their historic artefacts is both a challenge and an opportunity for mission, says Methodist Heritage Officer, Jo Hibbard. Which objects are the best to be retained and how can they be used to further illustrate the background, values and mission of Methodist people? The Methodist Church has long been clear about how to archive or dispose of its written records, and so a key piece of work during the past year has been to develop similar clarity for objects. With the support of heritage and museums consultant, Emma Chaplain, a 'Historic artefact collections management policy' proposal was developed and presented to the Methodist Council for approval in April 2014. Proposals for changes and additions to Methodist regulations are being considered for approval by the 2015 Methodist Conference. In the meantime, the Council approved the preparation of a suite of guidance documents, which it is expected will be presented to the Methodist Council for approval by January 2015. They have been made available on the Methodist Heritage website (<http://www.methodistheritage.org.uk/artefacts.htm>). Some of these draft documents have already been 'road tested' with Methodist archivists and members of the Methodist heritage sites network.

Who do you think you are?

The growing interest in our family stories means that more and more people are re-engaging with the history and values of Methodism. As well as participating in 'Who You Think You Are? Live' road shows and publishing a new book (A Methodist in the Family? Answers to ten frequently asked family history questions), Methodist Heritage has established three websites where users worldwide can post family pictures and memories, all managed by committed volunteers. These, says Pamela Atkins, one of the volunteer website editors are connecting points for researchers who often know little of what Methodism has been – and still is – about. She speaks of mysteries being cleared up and links made. But she also points to stories that illuminate Methodist and Christian values. One granddaughter shared the story of her mother, born illegitimately to the daughter of a Methodist preacher and respected local citizen. Both daughter and child were kept within a loving Methodist family at a time when the desire for respectability might well have resulted in them being moved elsewhere. The granddaughter understood that love and humanity had been shown out of faith and Methodist commitment.

The Methodist Church in Great Britain Trustees' report continued

Key activities (continued)

Advocacy and education (continued)

Dr Jill Barber, editor of the award-winning www.myprimitivemethodists.org.uk received a message, which encapsulates what this Methodist service can offer. "... I am keen to trace the threads of family beliefs and values as they seep down through the generations. Understanding them in the social context of the day is most illuminating. As well as adding colour to family history, it helps me to understand how I came to be me!"

It's not just the words

We recognise that our communication both with the Methodist membership and also with the wider world is most effective when we employ a wide range of challenging and creative media. We produced videos for the World Mission Fund (featuring our partnership with the mission of the Methodist Church in Sri Lanka, and with one version aimed specifically at Methodist young people) and Singing the Faith Plus.

We continued to build on our social media outreach. We shifted the release day of our news and information digest The Week Ahead and increased the distribution of JPIT's Praxis newsletter to once a month in order to increase the efficacy of these communications tools. In total, over 37,000 people are now signed up to receive one or more of our newsletters, including over 11,000 for E-News.

Planning ahead: empowering and encouraging Christian response

Our plans include:

- Preparing campaign resources ahead of the 2015 General Election around the theme "Love your neighbour: use your vote";
- Highlighting the injustices and impact of benefit sanctions upon the poorest in our society;
- Publishing a new resource for people in the second half of life, Seasons of my Soul, in conjunction with the Church of England;
- Increasing collaboration between Mission & Advocacy and the Discipleship & Ministries Learning Network, including work on pilot training resources to be delivered via Moodle platform (see "Pioneering new Methodist learning" above);
- Supporting JPIT to produce further resources in the run-up to the general election and to follow up on "The lies we tell ourselves", published in 2013;
- Providing printed and online materials to support the annual Advent and Easter Offering fundraising campaigns;
- Increasing awareness and use of our historic archives and artefacts, particularly through increased digital access;
- Collating WW1 war memorial inscriptions on www.mymethodisthistory.org.uk;
- Launching a new website in the 'My Methodist Ancestors' network to recognise the 200th anniversary of the founding of the Bible Christians.

5. Grant programmes

The following types of grants are available at a connexional level: grants to support personnel of the Church; grants to support mission and ministry of "*connexional significance*", grants to resource mission through property projects and student grants.

The Methodist Church in Great Britain

Trustees' report continued

Key activities (continued)

Grant programmes (continued)

Mission and Ministry Grants

Resourcing mission at home grants £6.2m (2013: £8.8m)

The Connexional Grants Committee (CGC) receives applications for funding for Mission and Ministry projects. The CGC assesses these applications against criteria for eligibility and impact. The first allows the committee to assess whether the project should be funded from its resources; the second enables the committee to prioritise competing applications on the basis of potential impact.

Property Grants £1.4m (2013: £1.2m)

The CGC assesses applications for funding by circuits and churches for property projects which have mission aims. Grants are drawn from the Fund for Property, the Connexional Priority Fund and a number of endowment funds.

Mission & Ministry in the World Church Grants £2.3m (2013: £7.6m)

The CGC also administers the Church's international grants. These are given to Partner Churches and organisations overseas to support mission and ministry in their communities. These grants are made from the World Mission Fund and the entire cost of a multi-year grant, where there is no break clause, is committed in the year it is approved.

All We Can – Methodist Relief & Development Grants £1.5m (2013: £1.0m)

All We Can awards grants through local partners in their priority countries which are registered non-governmental organisations (NGOs), community based organisations (CBOs) or development offices of Methodist Churches. Humanitarian aid is only allocated through organisations which are existing All We Can partners, Methodist Churches, or through Action by Churches Together (ACT).

Personnel Support Grants £1.0m (2013: £1.3m)

Small grants are made to Methodist presbyters, deacons, lay employees and local preachers and their families towards the education of their children, during times of ill health and for one-off financial support. Giving for this purpose draws on a variety of funds including the Fund for the Support of Presbyters and Deacons, Trinity Hall Trust and several benevolent funds.

Westminster College Oxford Trust (WCOT) Grants £5k (2013: £5k)

Westminster College Oxford Trust holds endowment funds for the benefit of students studying at Oxford Brookes University. Income from these funds is allocated in accordance with the appropriate terms of reference and the restrictions imposed by the donors.

The Methodist Church in Great Britain
Trustees' report continued

Financial Review

The activities covered in these consolidated accounts are those under the oversight of the Methodist Council. The Methodist Church in Great Britain is the registered charity and the Charity Commission have agreed that these accounts can properly serve as the accounts of the charity.

At the end of the year, the Church recorded a net surplus before transfers and revaluations of £2.1 million (2013: £3.0 million deficit). Total incoming resources for the year were £41.5 million, a decrease of 12% compared to the previous year. Total resources expended fell by 21% to £39.5 million (£50.3 million in 2013).

Incoming resources

Total income fell by 12% due to two main reasons. Firstly, legacy income is significantly less than what we received in 2013. Secondly, there were no property disposals this year; last year, we disposed of the freehold properties at Wesley College, Bristol, resulting in gains of £4.5m. Fundraising trading income grew by 22%, a rise driven primarily by improved financial performance at both the Methodist International and Guy Chester Centres. This year we continue to see a decline in income from grants and property levies due to a reduction in sales of properties across the Connexion.

Investment income and interest rose by 2%, building on our success from 2013 and a real achievement in tough economic times. The value of our investments increased by £12.4 million compared to an increase of £9.7 million in 2013. We expect market volatility to continue given the current economic environment. However we are currently pursuing a total return policy which seeks growth in both income and capital in the long term rather than focusing on short term gains and losses.

We also received £1.1m in compensation from HSBC Bank plc following two successful mis-selling complaints against the bank. This one off receipt has been included in "other income".

Table 1: Total Income 2014

	2014	2013	% Change
	£m	£m	
District Assessment	12.6	12.3	2%
Fundraising trading	8.2	6.7	22%
Voluntary income	7.4	10.8	-31%
Grants and property levies	5.6	5.7	-2%
Investment income and interest	5.0	4.9	2%
Other income	2.7	2.3	17%
Net gains on the disposal of tangible fixed assets	-	4.5	-100%
Total incoming resources	41.5	47.2	-12%

Voluntary income, which includes donations and legacy income, fell by 31%. This dramatic decrease is mainly due to legacy income which by its nature tends to be lumpy and non recurrent and therefore we expect it to fluctuate from one year to the next.

Table 2: Voluntary Income 2014

	2014	2013	% change
	£m	£m	
Donations	5.8	6.6	-12%
Legacies	1.6	4.2	-62%
Total voluntary income	7.4	10.8	-31%

Financial Review (continued)

Incoming resources (continued)

The economic environment is still extremely challenging for many of our donors and so this year we have seen a fall in donations of 12%. In spite of this, we continue to see sustained giving to the core funds and in particular the Mission in Britain Fund. This level of giving could not be sustained without the generosity of our donors, the commitment and efforts of our local fundraisers and connexional fund treasurers.

Resources expended

During the year we spent £39.5 million to pursue the Church's mission, a decrease of 21% compared to the previous year. Of this, £30.1 million was spent directly on charitable activities. This includes all amounts spent in furtherance of our mission including grants, direct programme activity and support costs and are summarised in Table 3 below.

Table 3: Charitable Expenditure

	2014	2013	% Change
	£m	£m	
Equipping the church to engage society	11.1	12.1	-8%
Formation, training development and resourcing	9.8	13.4	-27%
Empowering the ministry of overseas partners	7.8	15.1	-48%
Advocacy and education	1.4	1.3	+8%
Total expenditure on charitable activities	30.1	41.9	-28%

- During the year, we spent £11.1 million on “Equipping the Church to engage society”, a reduction of 8% compared to 2013. This reduction is due to the new grant making criteria which assess applications for both eligibility and impact.
- We spent £9.8 million on “Formation, training development and resourcing”, a decrease of 27% from 2013. 2013 saw the establishment of the Discipleship and Ministries Learning Network (DMLN). This decrease is largely due to two main reasons: firstly, there were reductions in grants to training institutions in line with our expectations following the establishment of the DMLN; secondly, the network was not operating at full capacity during the first part of the year.
- £7.8 million was spent on “Empowering the ministry of overseas partners”, a decrease of 49% compared to 2013. This is largely due to a reduction of 55% in grant expenditure and is consistent with the changes in the overseas mission grant making policy whereby we moved from a one to a three year rolling grants system, and which we reported on last year. Direct expenditure fell by 49%, having accounted for the liabilities of the Superannuation Scheme for Lay Mission Partners for the first time in 2013. These were included the prior year accounts at a cost £2.3 million.
- Expenditure on Advocacy and Education increased by 8% to £1.4 million. During the year we ran a number of campaigns including the Mission in Britain Advent Appeal as well as the continual supply of key publications such as Mission Matters, World Mission Fund 2014, Mission in Britain Fund 2014 and the Methodist Prayer Handbook which are used locally for fundraising and worship purposes.
- As a grant making organisation, a significant proportion of our total expenditure budget is set aside for grants. Out of the aforementioned £30.1 million direct charitable expenditure, £12.5 million was either committed or paid during the year as grants.

The Methodist Church in Great Britain
Trustees' report continued

Investments

As at 31 August 2014, we held fixed asset investments with a market value of £160 million (2013: £142 million). Our investments reported net gains of £12.4 million in 2014. The Investment Committee regularly reviews our investment portfolio and performs an annual review of our investment policy. Our investment objective is to seek an optimal return from income and capital combined. The Investment Committee is satisfied with the overall performance of the investment portfolio against agreed benchmarks.

Segmental information

The accounts of the Methodist Church in Great Britain are composed of different entities as set out in note 1 (d) on page 42. These entities are engaged in different activities as follows:

- The “Funds administered by the Connexional Team” include the Methodist Church Fund, the main restricted funds (Mission in Britain Fund, Property Fund, World Mission Fund, the Fund for the Support of Presbyters and Deacons) as well as designated funds such as the Epworth and Connexional Priority funds. These funds are applied towards a number of activities including the grants programme, Discipleship and Ministries work, governance, key projects of the Methodist Church (such as Venture FX and The One Programme) and mission and advocacy work;
- Supporting international and home students studying in London (the Guy Chester Centre) which is included in the Connexional Funds;
- Ministerial training (Cliff College, Hartley Victoria and The York Institute);
- Advancement of education, including further and higher education (Westminster College Oxford Trust Ltd, Southlands Methodist Trust);
- Empowering people to change structures that are oppressive and unjust, supporting long term development, disaster relief, building the capacity of its local partners, education and advocacy (All We Can – Methodist relief and development);
- Furthering the work of the Discipleship and Ministries Learning Network (Methodist International Centre and Methodist International Centre Ltd);

The aggregate amount of assets / liabilities and funds and summary income, expenditure and surplus / (deficit) for these entities for the year are set out in the Tables 4 and 5 below:

Table 4: Aggregate net assets of the entities consolidated in the accounts of The Methodist Church in Great Britain

Entity	Assets £m	Liabilities £m	Funds £m
The Connexional Funds	178.9	20.1	158.8
Cliff College	5.7	0.2	5.5
Southlands Methodist Trust	6.1	0.7	5.4
Westminster College Oxford Trust Ltd	3.6	-	3.6
All We Can - Methodist relief & development	2.3	0.4	1.9
Methodist International Centre Ltd	0.5	0.5	-

The Methodist Church in Great Britain
Trustees' report continued

Segmental information (continued)

Table 5: Income and expenditure of the entities consolidated in the accounts of The Methodist Church in Great Britain

Entity	Income	Expenditure	Surplus / (Deficit)
	£m	£m	£m
The Connexional Funds	32.4	31.6	0.8
Methodist International Centre Ltd	5.3	4.0	1.3
Southlands Methodist Trust	1.1	0.1	1.0
Westminster College Oxford Trust	0.02	0.03	(0.01)
Cliff College	2.0	1.5	0.5
All We Can - Methodist relief & development	2.7	2.7	-

The Methodist Church in Great Britain managed reserves

The Methodist Church in Great Britain does not have a blanket reserves policy to cover its operations. Rather, the policies are set locally by the relevant trustee bodies and take into account the unique risk factors faced by each entity. The unrestricted funds reported in these accounts are under the trusteeship of the Methodist Council, therefore the reserves policy outlined below is that of the Methodist Council. There are four main unrestricted funds:

- The Methodist Church Fund
- The Connexional Priority Fund
- The Pension Reserve Fund
- The Epworth Fund

The Council's general reserves enable it to make long-term commitments to projects, and to protect its work against adverse financial events. A formal review of the reserve levels takes place every three years. In the intervening years the Strategy and Resources Committee (SRC) considers the impact of the financial risks associated with the income and expenditure streams and balance sheet items and assesses the appropriateness of the reserve range. This allows time for fundamental restructuring in the event of a major downturn and to protect the current programme of work from unexpected demands. The goal is to plan for the effective deployment of the available financial resources to achieve the aims of the Methodist Church which are:

- Worship – to increase awareness of God's presence and to celebrate God's love;
- Learning and Caring – to help people to learn and grow as Christians, through mutual support and care;
- Service – supporting community development and action for justice, especially among the most deprived and poor - in Britain and worldwide; and
- Evangelism – developing confidence in evangelism and in the capacity to speak of God and faith in ways that make sense to all involved.

The Council is faced with the following financial risks:

- dependency on limited income sources (the Methodist Church Fund (MCF) Assessment, investment income and donations);
- fluctuations in investment income;
- fluctuations in income from the levies on proceeds of property sales;

The Methodist Church in Great Britain managed reserves (continued)

Financial risks (continued)

- inability to attract donations from the general public;
- an unforeseen rise in demand for grants;
- an unforeseen increase in the actuarial shortfall on the pension funds for which the Council could be deemed responsible;
- an unforeseen increase in the requirement for additional connexional manses;
- a sustained fall in the value of investments and property held by the Council and appearing in the balance sheet.

The MCF Assessment is one of the main sources of unrestricted income for the Council. It is a major contributor to the funding of a number of key activities including the administration of the Connexional Funds, the Discipleship and Ministries Learning Network and major aspects of the governance processes such as the Methodist Council and Conference.

The assessment is a charge upon circuit receipts. The impact of a reduction in membership and a turbulent economic environment has left a number of circuits expressing doubts about their ability to meet the assessment. If these trends continue there is a risk that the annual increases in the assessment will not be sustainable and in a few years we could see a decline. If this decline were to happen it would be gradual, and with the three year planning processes in place, the Council would have time to adjust.

Other sources of income available to the Council are in the form of voluntary income (donations and legacies) and investment income. Legacy income, when received, is lumpy, and prone to fluctuation. Unrestricted donations have been mainly from a single donor, whose support is provided on a year by year basis. In recent years the Council has seen an increase in investment income. However, there could be a reduction if a proportion of the investment assets were realised to fund the continuing activities of the Church.

The impact of a sustained fall in the investments and other assets held by the Council would be felt in two ways: first, a deficit in the statement of financial activities occurring over a number of years; second, difficulty in realising assets with the potential for consequent cash flow and operational problems.

General Funds

At 31 August 2014 the balance of the Methodist Church Fund was £16.7 million (2013: £16.0 million). Of this, £8.9 million is invested in tangible fixed assets, equipment and furniture used in the day to day running of the Council's activities and therefore not available for use as a reserve. In line with best practice, the trustees have approved a reserves balance of £7.5 million to be held, which is equivalent to approximately 6 months of expenditure. This would ensure that there is sufficient cash or near cash at hand at all times to enable operations to continue smoothly and without the disruption that might otherwise arise when receipts and payments occur lumpily or are delayed or accelerated. At 31 August 2014 the free general reserves balance was £7.8 million.

Designated funds

Designated funds are part of the unrestricted funds which trustees have earmarked for a particular project or use, without restricting or committing the funds legally. The designation may be cancelled by the trustees if they later decide that the charity should not proceed or continue with the use or project for which the funds were designated.

The Methodist Church in Great Britain Trustees' report continued

The Methodist Church in Great Britain managed reserves (continued)

Designated funds (continued)

At 31 August 2014 Designated Funds totaled £33.6 million, (2013: £29.7 million) of which there were three main designated funds with balances as follows:

• The Connexional Priority Fund (CPF)	£10.9 million
• The Pension Reserve Fund	£15.6 million
• Epworth Fund	<u>£6.7 million</u>
	£33.2 million

The Connexional Priority Fund (CPF) as a large designated fund reflects the connexional nature of the Methodist Church. Its income is derived from levies on property sales. It serves to redistribute money around the Connexion as a proportion of money released in one area becomes available for new mission and ministry elsewhere. This happens via District Advance Funds (27.5% of the net levies). It has been used to promote the establishment of new church communities via VentureFX and Fresh Expressions and more recently to contribute to the general expenses of the Church through funding of the Pension Reserve Fund (45% of net levies) and a contribution of £1 million pa towards the work of the Discipleship and Ministries Learning Network (DMLN). Whilst the fund is overseen by the Connexional Grants Committee (CGC), it has not been available for new grant commitments over the last three years as a precaution to prevent its balance being eroded without any formal reserves policy having been agreed.

The Methodist Council has now determined that from 2015, the long-term uncommitted reserves level of the CPF should be £5m. Around £3m of this will cover the potential claims for levy refunds as applications can be made regarding replacement projects for up to five years under SO 973. The remaining £2 million will cover year-to-year fluctuations in levy income and investment values. Without this planned reduction the forecast closing balance of the fund would be £12 million at 31 August 2017.

One of the financial risks faced by the Council is the level of the deficit of the Methodist Ministers' Pension Scheme (MMPS) and the Pension & Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC). In order to mitigate this risk, the Pension Reserve Fund was established by the 2009 Conference to establish a fund outside of the Schemes, which could be used to meet future funding deficits. This fund has the benefit of providing comfort to the Pension Fund Trustees of the financial support of the Church for the Schemes and enables them to follow an investment policy more likely to generate higher returns than would a more conservative policy. The fund is currently making annual contributions of £1 million for 10 years (ending in 2021) to the MMPS in order to help eliminate the existing deficit. The accumulating level of reserves expected to be held in this fund forms part of the 'employer covenant' with the pension trustee boards and is therefore currently considered to be appropriate. This fund is defined by SO 974(iA); decisions regarding its use can only be taken by the Conference.

The Epworth Fund was set up following the sale of Epworth House, City Road, London in 1987 as a designated fund. The Church wanted the fund to be used in the long term for innovative projects, expenditure for which could not always be justified using other resources and designated an amount of £5 million for this purpose. It receives approximately £0.2 million annually from investments and has the potential for some capital appreciation. The current expenditure policy is in line with the reserves policy and serves to ensure that the fund balance does not fall below the designated sum of £5 million.

At 31 August 2014 the reserves position exceeds the requirements of the policy by £7.6 million. £5.9 million of this excess is in the Connexional Priority Fund and the plan is for it to be eliminated from August 2015. A further £1.7

The Methodist Church in Great Britain Trustees' report continued

The Methodist Church in Great Britain managed reserves (continued)

Designated funds (continued)

million of this excess is in the Epworth Fund and the planned use of the Fund, with expenditure exceeding income, should eliminate this excess in the coming years.

Investment policy and review

Funds not immediately required are invested in marketable securities through the Methodist Church's in-house investment manager, the Central Finance Board (CFB) of the Methodist Church, whose mission is to:

- Provide a high quality investment service, seeking above average returns for long term investors;
- Follow a discipline in which the ethical dimension is an integral part of all investment decisions;
- Construct investment portfolios which are consistent with the moral stance and teachings of the Christian faith;
- Encourage strategic thinking on the ethics of investment;
- Be a Christian witness in the investment community.

To ensure that the CFB is working to the highest ethical standards, the Trustees established the Joint Advisory Committee for the Ethics of Investment (JACEI), which is made up of five people nominated by the CFB and five by the Methodist Council. The committee monitors the activities of the CFB to ensure that it complies with the ethical stance of the Church.

With regard to investment management the Investment Committee and representatives from the Connexional Team decide, after taking advice from the CFB, the most appropriate investment strategy for each fund under the management of the Connexional Team.

In addition to marketable securities, some funds hold freehold property as investments. These tend to be either given to the fund, or are redundant properties that are either rented out or are awaiting disposal. The value of these properties is small in relation to the overall amounts held in marketable securities £28m vs. £160m (2013: £17m vs. £142m).

Performance and holdings

The investments (under the management of the Methodist Church in Great Britain) as at 31 August are as follows:

CFB Managed Funds	31-Aug-14		31-Aug-13	
	£000	% of total	£000	% of total
CFB UK Equity Fund (Charity)	27,984	17.53%	26,806	18.94%
CFB Overseas Fund	23,470	14.70%	19,903	14.06%
CFB Managed Equity Fund (Charity)	30,156	18.89%	29,145	20.59%
CFB Managed Mixed Fund (Charity)	1,145	0.72%	1,545	1.09%
CFB Managed Fixed Interest Fund	3,609	2.26%	3,509	2.48%
CFB Corporate Bond Fund	12,374	7.75%	12,262	8.66%
CFB Property Fund	12,535	7.85%	10,746	7.59%
CFB Deposit Fund	9,102	5.70%	8,952	6.32%
William Leech (Investments) Ltd	9,050	5.67%	8,665	6.12%
Investment Properties	28,106	17.60%	17,177	12.14%
Other Investments	2,143	1.34%	2,825	2.00%
Total	159,674	100%	141,535	100%

Investment policy and review (continued)

The total returns as at 31 August for CFB managed funds are summarised as follows:

Index	1 year to 31.08.14 %	5 years to 31.08.14 % p.a.	10 years to 31.08.14 %p.a.
CFB UK Equity Fund	10.8	11.5	8.5
FTSE All Share Index	10.3	11.4	8.8
FTSE All Share Index (traditional ethical adjustment)	11.3	10.9	8.3
CFB Overseas Fund	13.2	12.2	9.8
FTSE All World ex U.K Index	13.6	12.0	9.6
CFB Managed Equity Fund¹	11.2	11.6	8.7
Managed Equity Fund Composite Index	10.8	11.5	9.0
Managed Equity Fund Composite Index (using traditional UK ethical adjustment)	11.7	11.1	8.5
CFB Managed Mixed Fund¹	10.0	10.3	8.0
Managed Mixed Composite Index	9.9	10.0	8.2
Managed Mixed Composite Index (using traditional UK ethical adjustment)	10.4	9.7	7.9
CFB Managed Fixed Interest Fund¹	4.6	4.7	5.5
Managed Fixed Interest Composite	5.1	4.7	5.4
CFB Corporate Bond Fund¹	7.7	6.7	6.5
iBoxx Non Gilts Index	9.1	7.8	5.9
Corporate Bond Composite Index	8.2	7.0	5.5
CFB Property Fund^{1,3}	15.4	11.4	n/a
IPD All Balanced Funds Index ^{2,3}	15.1	9.1	4.1
CFB Deposit Fund¹	0.7	1.1	2.9
Higher Rate Bank Deposits (over £10,000)	0.1	0.1	0.9
1 Week LIBID	0.3	0.4	n/a
¹ Source: CFB			
² Source: IPD			
³ Performance to 30 June 2014			

Risk Management and Internal Controls

Risk management

The Methodist Church in Great Britain has a risk management policy, which has been set by the Methodist Council for use both by the Trustees and by the Connexional Team on behalf of the Trustees. The risk management policy is designed to identify and analyse key strategic and operational risks facing the Methodist Church and, where at unacceptable levels, to take steps to mitigate the risks.

We define key strategic and operational risks as those that, without effective or appropriate mitigation, are highly likely to occur and would have a positive or negative impact on the Church's ability to fulfil its purpose of advancing the Christian faith in accordance with its doctrinal standards. These risks are reported to the trustees through a risk management process, which allows them both to challenge any assumptions the management team has made about risks and also to understand the context in which decisions are taken. This helps to ensure that the most serious risks are being managed effectively.

The Methodist Church in Great Britain

Trustees' report continued

Risk Management and Internal Controls (continued)

Risk management (continued)

The trustees recognise that it is neither possible nor appropriate to seek to eliminate risk entirely. We recognise that risk-taking is inherent within the task of communicating the Gospel; John Wesley himself took risks in establishing the Methodist communities. Our task, therefore, is to embrace risks that aim to advance the Church's purposes while ensuring that we avoid or minimise those risks that might have a negative impact. Effective risk management processes will help to increase the likelihood of the Church fulfilling its mission.

In 2013/14, we identified the most significant risks as follows:

- declining church membership;
- failure to provide adequate resources that enable the Conference to discharge its responsibilities;
- the experience of Venture FX fails to be integrated into the mission and ministry pathways of the Methodist Church;
- failure of the Discipleship and Ministries Learning Network (DMLN) to deliver the strategic change envisaged in the Fruitful Field report,
- sudden change in policy or strategic direction enforced by Methodist Council or the Annual Methodist Conference;
- dependency on limited income sources (the Methodist Church Fund Assessment, investment income and donations);
- the impact of economic fluctuations on our assets, liabilities and our ability to raise funds to enable us to continue our work;
- an unforeseen increase in the actuarial shortfall on the pension funds for which the Council could be deemed responsible;
- loss of key personnel.

These risks are likely to remain equally relevant throughout 2015.

Risk appetite

Risk appetite is the amount of risk that the Church is willing to accept in relation to key drivers of the organisation. Our risk management philosophy is to minimise risk but it enables us to accept additional risk, providing the impact has been evaluated, mitigation measures have been put in place and a regular robust monitoring process is established. This approach to reviewing risk enables the Methodist Council to adopt appropriate behaviours, decisions and controls according to the priorities in the Connexional Team's strategy plan.

Prior to any risk being accepted, we consider the likelihood of the risk occurring and the impact on the Church if the risk did occur. Any risk that seriously threatens the ability of the Methodist Church in Great Britain, now or in the future, to further its purpose of advancing the Christian faith will not be acceptable. If such a risk cannot be extinguished then all steps will be taken to minimise the likelihood of the risk occurring.

During the year we developed our risk tolerance framework against which opportunities and critical decisions can be weighed and assessed.

Derivative arrangements have been entered into by Methodist International Centre (MIC) to hedge 70% of a major loan transaction against significant movement in interest rates. The arrangement is for a 5 year period ending on 31 August 2016. The interest rate swap is 0.92% on 3 month BBA LIBOR. During the year the LIBOR rates remained below 0.92% and the cost to MIC was £13k.

Risk Management and Internal Controls (continued)

Internal controls

Risk management is part of the wider system of internal control. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling the Church to respond to a variety of operational, legal, financial and commercial risks.

These elements include:

- Policies and procedures: attached to significant risks are a series of policies that underpin the internal control system. Written procedures support the policies where appropriate.
- Reporting: the Senior Leadership Group, the Council and its committees (Audit Committee and Strategy and Resources Committee) receive a number of key reports on a regular basis, which allow for the monitoring of key risks and their controls. Decisions to rectify problems are made at regular meetings of the Senior Leadership Group and the Council if appropriate.
- Strategic planning and budgeting: the strategic planning and budgeting process, undertaken by the Strategy and Resources Committee, is used to set objectives, agree action plans and allocate resources. Progress towards meeting strategic plan objectives is monitored regularly.
- Risk register: registers exist for both the corporate and programme dimensions of the life of the Church. These documents will be formally appraised annually but emerging risks are added as required and improvement actions and risk indicators are monitored regularly.
- Team risk management: all members of the Lead Staff Team are expected to use the framework of the plan to ensure that risk management is embedded within their areas of responsibility and that significant risks are identified, assessed and referred to the Connexional Secretary, who acts as the Church's 'Risk Champion'. This also includes the removal of any previously listed risks where the threat is no longer significant enough to be included in the document.
- Audit Committee: in its report to the Council on internal controls, the Audit Committee alerts the Council to any emerging issues. In addition, the Committee oversees internal audit, external audit and management as required in its review of the internal controls. The Committee is therefore well-placed to provide advice to the Council on the effectiveness of the internal control system, including the Team's system for the management of risk.
- Internal audit programme: internal audit is an important element of the internal control process. Apart from the normal programme of work, the internal audit is responsible for aspects of the annual review of the effectiveness of the internal control system within the organisation.
- External audit: external audit provides a report to the Audit Committee on the operation of the internal financial controls and the statutory requirements placed upon the trustee body.
- Third party reports: from time to time, the use of external consultants will be necessary in areas such as health and safety and human resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.

Risk strategy and responsibilities

The Council's role in the oversight of risk is to set the ethos for risk management and to promote a culture of risk management within the activities of the Methodist Church in Great Britain on behalf of the Trustees, including:

Risk Management and Internal Controls (continued)

Risk strategy and responsibilities (continued)

- determining the risk appetite for key drivers of the organisation; which types of risk are acceptable and which are not; setting of standards and expectations of staff with respect to conduct and probity;
- approving major decisions affecting the Church's risk profile or exposure;
- monitoring the management of significant risks on an annual basis by the Audit Committee and the Strategy and Resources Committee on behalf of the Council;
- satisfying itself that the less significant risks are being managed actively, with the appropriate controls in place and working effectively;
- annually reviewing the Team's approach to risk management; approving changes or improvements to key elements of its processes and procedures; forming an opinion on whether or not the Team has complied with expected risk management practice.

Monitoring and review of the policy

The risk management policy is reviewed by the Senior Leadership Group Risk Management Group annually, which will report to the Audit Committee and make recommendations to the Strategy and Resources Committee and/or Council.

For the year under review, the Council is satisfied that the major risks to which the Church is exposed have been assessed and is satisfied that systems are in place to manage and mitigate exposure to them.

The Environment

The Methodist Church takes its responsibility towards the environment seriously (as detailed in *Hope in God's Future*) and has established a Carbon Reduction project, whose management group works with ecumenical partners to lead the church's policy and action in this area. The Methodist Church has set itself an ambitious target of an 80% reduction of carbon emissions by 2050. Interim targets will need to be reviewed annually against a carbon management plan and budgets.

Our environmental goals

- Improved knowledge of the footprint of The Methodist Church and of the measures that would be most effective in reducing carbon emissions;
- Improved knowledge of further technical support that could be made available to support circuits' adaptation of buildings;
- Further financial resources identified to support reduction in carbon emissions;
- Better equip staff and Ministers to make informed choices to reduce their carbon footprint.

Related parties

The various parts of the legal framework within which the Methodist Church is governed allow for the setting up of separate bodies all reporting into the Conference to handle specific aspects of the Church's work and/or discharge a specific power of the Church.

a) The Trustees for Methodist Church Purposes (TMCP) are the custodian trustees of all property held on the model trust of the Methodist Church Act 1976, except for that in the Channel Islands or the Isle of Man which is held by the Trustees for Jersey Methodist Church Purposes, the Trustees for Guernsey Methodist Church Purposes or the Trustees for Manx Methodist Church Purposes.

b) The Central Finance Board of the Methodist Church (CFB) set up by an Act of Parliament in 1960 to enable Methodist organisations to pool their assets and manage them efficiently. The Board has its own fund management

The Methodist Church in Great Britain
Trustees' report continued

Related parties (continued)

department enabling it to provide professional investment management for the Connexional Team as well as other organisations within Methodism.

c) The Methodist Ministers' Housing Society - set up under the Industrial and Provident Societies Act 1965 and operating from Methodist Church House in London, the Housing Society provides housing and associated amenities for retired Methodist presbyters, deacons and their partners. The Methodist Council makes regular grants from the Fund for the Support of Presbyters and Deacons (FSPD) in support of its work under Standing Order 364.

d) The Queen's Foundation for Ecumenical and Theological Education which offers training pathways for student ministers to prepare for ordained ministry in the Methodist Church.

e) Other Methodist bodies with which the Connexional Team has regular dealings include the Methodist Ministers' and Lay Employees' Pension Trusts and the Board of Management for the Methodist Independent Schools Trust.

Full details of transactions with these related parties and any outstanding balances at the year-end are provided under Note 23 of the accounts.

The Methodist Church in Great Britain
Trustees' report continued

Provision of information to the auditor

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware. The Trustees have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditor

A resolution proposing the re-appointment of Baker Tilly UK Audit LLP as auditor to the charity will be put to the Methodist Council.

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.



The Reverend David Gamble

Chair of the Council

11 April 2015

The Methodist Church in Great Britain

Independent Auditor's Report to the Trustees of The Methodist Church in Great Britain

We have audited the financial statements of The Methodist Church in Great Britain for the year ended 31 August 2014 on pages 37-71. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 34 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 August 2014 and of their incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

The Methodist Church in Great Britain

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

BAKER TILLY UK AUDIT LLP
Statutory Auditor
Hartwell House
55 – 61 Victoria Street
Bristol, BS1 6AD

Date: 27 April 2015

Baker Tilly UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Methodist Church in Great Britain

Consolidated Statement of Financial Activities for the year ended 31 August 2014

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2014 Total £000	2013 Total £000
Incoming resources						
Incoming resources from generated funds						
District Assessment		12,582	-	-	12,582	12,340
Voluntary income	2a	678	6,796	-	7,474	10,806
Investment income and interest	3a	1,325	3,650	-	4,975	4,932
Activities for generating funds						
Fundraising trading	4a	679	7,544	-	8,223	6,749
Incoming resources from charitable activities						
Capital levies and grants	5a	4,891	697	-	5,588	5,676
Other income	15	791	1,914	-	2,705	2,304
Other incoming resources						
Gain on the disposal of tangible fixed assets		-	-	-	-	4,470
Total incoming resources		20,946	20,601	-	41,547	47,277
Resources expended						
Costs of generating funds						
Costs of generating voluntary income		304	23	-	327	309
Fundraising trading		363	5,111	-	5,474	4,049
Investment management		101	196	12	309	262
Total costs of generating funds		768	5,330	12	6,110	4,620
Charitable activities						
Equipping the church to engage society	6a	7,624	3,506	-	11,130	12,066
Formation, training development and resourcing		4,887	4,860	-	9,747	13,450
Empowering the ministry of overseas partners		1,248	6,584	-	7,832	15,076
Advocacy and education		1,287	117	-	1,404	1,298
Total charitable activities		15,046	15,067	-	30,113	41,890
Governance costs		3,018	199	-	3,217	2,938
Loss on the disposal of tangible fixed assets		33	-	-	33	835
Total resources expended		18,865	20,596	12	39,473	50,283
Net incoming / (outgoing) resources before transfers		2,081	5	(12)	2,074	(3,006)
Gross transfers between funds	17a, 18a	-	37	(37)	-	-
Net incoming / (outgoing) resources after transfers and before other recognised gains and losses		2,081	42	(49)	2,074	(3,006)
Gains on revaluations and disposals of investment assets		2,521	9,277	643	12,441	9,737
Actuarial losses on defined benefit pension schemes	10	-	(44)	-	(44)	-
Net movement in funds		4,602	9,275	594	14,471	6,731
Total funds brought forward as at 1 September		45,682	100,054	15,011	160,747	154,016
Total funds carried forward as at 31 August		50,284	109,329	15,605	175,218	160,747

The Methodist Church in Great Britain

Statement of Financial Activities for the year ended 31 August 2014 - The Connexional Funds

				2014	2013
	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	
		£000	£000	£000	£000
				Total	Total
				£000	£000
Incoming resources					
Incoming resources from generated funds					
District Assessment		12,582	-	-	12,582
Voluntary income	2b	678	4,258	-	4,936
Investment income and interest	3b	1,325	3,545	-	4,870
Gift aid received from MIC Ltd	3c	-	1,254	-	1,254
Activities for generating funds					
Fundraising trading	4b	679	1,554	-	2,233
Incoming resources from charitable activities					
Capital levies and grants	5b	4,891	296	-	5,187
Other income	15	791	553	-	1,344
Other incoming resources					
Gain on the disposal of tangible fixed assets		-	-	-	4,471
Total incoming resources		20,946	11,460	-	32,406
Resources expended					
Costs of generating funds					
Costs of generating voluntary income		304	23	-	327
Fundraising trading		363	798	-	1,161
Investment management		101	170	12	283
Total costs of generating funds		768	991	12	1,771
Charitable activities					
Equipping the church to engage society	6b	7,624	3,506	-	11,130
Formation, training development and resourcing		4,887	4,037	-	8,924
Empowering the ministry of overseas partners		1,248	3,943	-	5,191
Advocacy and education		1,287	117	-	1,404
Total charitable activities		15,046	11,603	-	26,649
Governance costs		3,018	170	-	3,188
Loss on the disposal of tangible fixed assets		33	-	-	835
Total resources expended		18,865	12,764	12	31,641
Net incoming / (outgoing) resources before transfers		2,081	(1,304)	(12)	765
Gross transfers between funds	17b, 18b	-	32	(32)	-
Net incoming / (outgoing) resources after transfers and before other recognised gains and losses		2,081	(1,272)	(44)	765
Gains on revaluations and disposals of investment assets		2,521	9,127	643	12,291
Actuarial losses on defined benefit pension schemes	10	-	(44)	-	(44)
Net movement in funds		4,602	7,811	599	13,012
Total funds brought forward as at 1 September		45,682	85,140	15,006	145,828
Total funds carried forward as at 31 August		50,284	92,951	15,605	145,828

The Methodist Church in Great Britain
Balance Sheets as at 31 August 2014

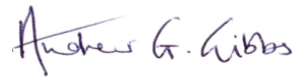
	Notes	The Methodist Church in Great Britain		The Connexional Funds	
		2014 £000	2013 £000	2014 £000	2013 £000
Fixed assets					
Tangible assets	11	21,038	24,429	17,071	21,080
Investments	12	159,674	141,535	149,131	131,344
		180,712	165,964	166,202	152,424
Current assets					
Stocks		210	128	196	128
Asset held for sale	12b	220	-	220	-
Debtors	13	4,878	5,475	4,738	5,346
Short term deposits		7,399	12,459	5,670	10,512
Cash at bank and in hand		3,718	2,644	1,928	2,302
Total current assets		16,425	20,706	12,752	18,288
Creditors					
Amounts falling due within 1 year	14	(12,049)	(13,195)	(10,674)	(12,800)
Net current assets		4,376	7,511	2,078	5,488
Total assets less current liabilities		185,088	173,475	168,280	157,912
Creditors					
Amounts falling due after more than 1 year	15	(7,674)	(10,468)	(7,244)	(9,824)
Net assets excluding pension liability		177,414	163,007	161,036	148,088
Defined benefit pension scheme liability	10	(2,196)	(2,260)	(2,196)	(2,260)
Net assets including pension liability		175,218	160,747	158,840	145,828
Funds					
Unrestricted funds	16	50,284	45,682	50,284	45,682
Restricted funds	17	109,329	100,054	92,951	85,140
Endowment funds	18	15,605	15,011	15,605	15,006
Total funds		175,218	160,747	158,840	145,828

The notes on pages 41 to 71 form an integral part of these accounts

Approved and authorised for issue by the Board of Trustees on 11 April 2015 and signed on their behalf by:



The Reverend David Gamble
Chair of the Council



Mr Andrew Gibbs
Connexional Treasurer

The Methodist Church in Great Britain

Consolidated cashflow statement for the year ended 31 August

	Notes	2014 £000	2013 £000
Cash (outflow) from operating activities	(a)	(5,130)	(4,127)
Returns on investment and servicing of finance			
Deposit interest received and investment income		4,951	4,208
Capital expenditure and financial investments			
Payments to acquire tangible fixed assets		(3,452)	(2,027)
Receipts from sales of tangible fixed assets		610	5,946
Payments to acquire fixed asset investments		(5,189)	(26,079)
Receipts from the disposal of investments		5,040	17,717
Cash outflow from the management of liquid resources		(2,991)	(4,443)
Short term deposits withdrawn		5,060	3,852
Financing			
New loans		100	600
Repayments of loans		(915)	(1,056)
		(815)	(456)
Net cash inflow / (outflow) in the period		1,075	(966)
Net cash resources at 1 September	(b)	2,643	3,609
Net cash resources at 31 August		3,718	2,643

a Reconciliation of net incoming resources to net cashflow from operating activities

	2014 £000	2013 £000
Net incoming / (outgoing) resources for the period	2,074	(3,006)
Net loss / (gain) on the disposal of tangible fixed assets	33	(3,635)
Investment income	(4,975)	(4,932)
Depreciation	458	368
(Increase)/Decrease in stocks	(82)	37
(Increase)/Decrease in debtors	597	1,061
Increase/(Decrease) in creditors	(3,125)	3,808
Difference between pension costs charged and paid	(110)	2,260
The Oxford Institute of Theological Studies	-	(88)
Cash flow from operating activities	(5,130)	(4,127)

b Analysis of net funds

	01/09/2013 £000	Cashflow 2014 £000	31/08/2014 £000
Cash in hand and at bank	2,644	1,074	3,718
Overdrafts	(1)	1	-
Short term deposits	12,459	(5,060)	7,399
Bank loans	(5,844)	815	(5,029)
Total	9,258	(3,170)	6,088

c) Reconciliation of net cash flow to movement in net funds

	2014 £000	2013 £000
Net funds at 1 September	9,258	5,916
Net funds at 31 August	6,088	9,258
Movement in funds in this period	(3,170)	3,342
Repayment of bank loan	(815)	(456)
Decrease in liquid resources	5,060	(3,852)
Increase in cash in the period	1,075	(966)

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014

1 Accounting policies

a) Basis of accounting

The consolidated accounts of the Methodist Church in Great Britain have been prepared under the historical cost convention, except for investments which are stated at market value and works of art which are held at valuation, and are in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005), UK Accounting Standards and the Charities Act 2011.

b) Basis of preparation

The entities included in these accounts have been consolidated based on the degree of control which the Council exercises over the entities concerned and which is frequently under review.

c) Basis of consolidation

The consolidation principles applied are based on Financial Reporting Standard (FRS) 2 and SORP 2005 which require consolidation of subsidiary undertakings as identified by the measure of control exercised. Control can be determined in the context of voting rights and / or the exercise of dominant influence over the Board or activities of the subsidiary undertaking. All of the entities listed on page 5 are consolidated on the grounds that the Methodist Conference has the right to exercise dominant influence, and this influence is demonstrated in a number of ways, but mainly through the selection of the trustee boards of these entities.

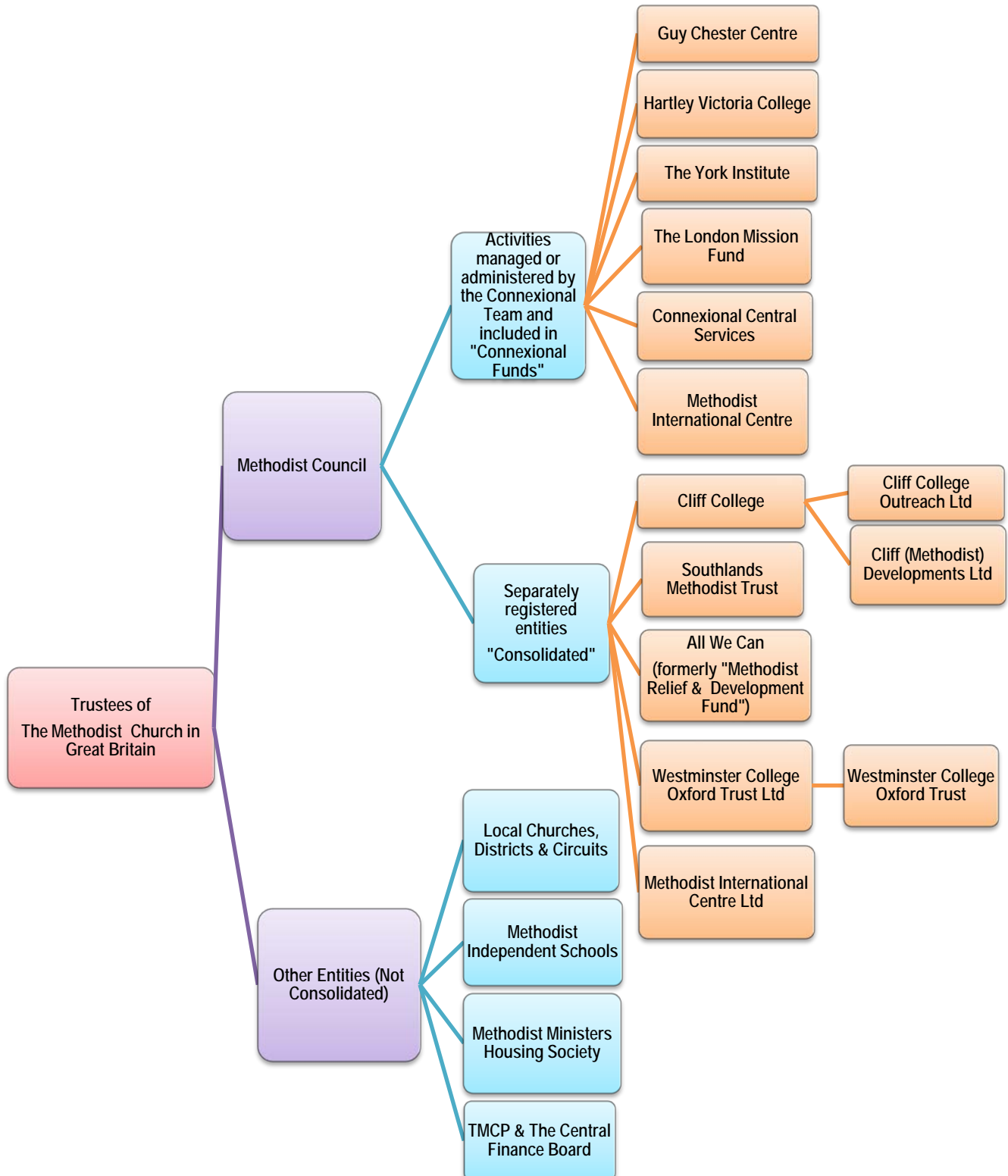
All the entities which are separate entities, together with their wholly owned trading subsidiaries, have been consolidated as subsidiaries on a line by line basis in accordance with FRS2 and SORP 2005.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Accounting policies (continued)

d) The accounting / reporting structure



Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Accounting policies (continued)

e) Excluded entities - grounds for exclusion under paragraph 384 of SORP 2005

A number of entities have been excluded from consolidation. These are:

Local churches, circuits and districts

Methodist Independent Schools Trust

Trustees for the Methodist Church Purposes (TMCP)

The Central Finance Board (CFB)

The Methodist Ministers' Housing Society

Whilst these entities might form part of the overall picture of the Methodist Church, the Methodist Council does not control their activities.

f) Incoming resources

District Assessment

The District Assessment is accounted for on a receivable basis.

Voluntary income

Donations, contributions and legacies are accounted for when entitlement has been confirmed, the amount can be measured accurately and receipt is certain. In accordance with this policy, legacies are included when advice has been received from the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified with reasonable certainty.

Capital (property) levies

Capital levies are due on the disposal of property by churches, circuits and districts under Standing Order 970 of the Constitutional Practice and Discipline of the Methodist Church and are accounted for on a receipts basis.

Grants receivable

Grants receivable are included when the relevant grant conditions have been met.

Rental income

Rental income is accounted for on a receivable basis. In the Statement of Financial Activities, rental income from investment properties is included within investment income; income from functional properties is included in fundraising trading income.

All other incoming resources

All other incoming resources are accounted for on an accruals basis.

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Accounting policies (continued)

g) Resources expended

All resources expended are accounted for on an accruals basis. Any ensuing liabilities are recognised as soon as a legal or constructive obligation arises.

Costs of generating funds

Costs of generating funds include the direct costs of fundraising trading, investment management, custody fees and a proportion of support costs.

Charitable activities

These include the direct costs of the activities. Where such costs relate to more than one functional cost category, they have been apportioned based on the proportion of the direct costs of the relevant service units.

Support costs

Support costs include the central functions and have been allocated to fundraising, charitable activities and governance in proportion to the directly attributable staff costs of these activities.

Grants payable

These have been accounted for in full to the extent that past events have created a legal and constructive expectation in other parties that the Church will honour commitments, both legal and implied and any attaching conditions are outside the Church's control.

Governance costs

These are the costs associated with the constitutional and statutory requirements and include external and internal audit, legal advice on governance issues, district chairs, trustees' expenses and a proportion of shared indirect support costs.

h) Funds

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the trustees for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of the major restricted funds is set out in the notes to the financial statements.

Endowment funds represent monies received from donors where there is some restriction on the use of the initial capital.

Investment income is allocated to the appropriate fund in the case of restricted funds and in accordance with the terms of the endowment in case of endowment funds.

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Accounting policies (continued)

i) Gains / (losses) on investments

Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities in the year in which they arise.

j) Pension costs

As explained in note 10, two of the Church's defined benefit schemes are treated for accounting purposes as though they are defined contribution schemes on the grounds that both are multi-employer schemes and the Church is unable to identify its share of the underlying assets and liabilities in the schemes on a consistent and reasonable basis. There is a further unfunded defined benefit scheme for which full provision has been made in these accounts. For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year.

k) Tangible fixed assets

Properties are stated at cost. The trustees consider that the lives of the properties are so long and their residual values so high based on the prices prevailing at the time of acquisition that the annual depreciation charge and accumulated depreciation is not material. Further, under Standing Order 952, all Methodist properties must have a quinquennial inspection which involves a thorough survey of all aspects of the building's fabric and are intended to identify problems which have developed since the last time it was inspected and to establish priorities for repair to ensure the preservation of the fabric. As a result, the buildings are kept in a state of good repair.

Accordingly, no depreciation is provided for on freehold properties used for charitable activities. An annual impairment review is undertaken for assets which are not depreciated. Any material impairment in the value of such properties, following an annual review, would be chargeable to the Statement of Financial Activities. In line with SORP Para 276 requirements, the managing trustees of the various entities have considered that given the location of the properties, the market value of the existing land and buildings significantly exceeds the book value of the assets. A full valuation of all the buildings is not available, apart from Methodist Church House which had an options valuation undertaken in April 2012 valuing it at £18.2 million, which is significantly in excess of the historical cost carrying value of £2.9 million.

Assets having an initial cost of £1,000 or less are written off on acquisition. Furniture and fittings, computer equipment and software and motor vehicles having an initial cost greater than £1,000 are stated at cost less depreciation which is charged on a straight line basis. Computer equipment and software are depreciated at the rate of 33 1/3% per annum. Furniture and fittings and motor vehicles are depreciated at the rate of 20% per annum.

l) Heritage assets

Heritage assets are defined as assets which have historical, artistic, scientific, technological, geographical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture in addition to the underlying mission of the Methodist Church. Where the church has information on the cost or value of a heritage asset then it will account for it at that cost or valuation.

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Accounting policies (continued)

There are four Methodist Heritage sites in Great Britain which fit into this definition. These are: The Old Rectory, Epworth, Lincolnshire - the childhood home of John and Charles Wesley; The New Room (John Wesley's Chapel), Bristol - the first ever Methodist building in the world; Wesley's Chapel & House, and The Museum of Methodism, London - John Wesley's London base (from which he travelled 250,000 miles to preach, and the place of his death and burial) and Englesea Brook Chapel & Museum of Primitive Methodism, near Crewe - exhibitions and activities focusing on one strand of 19th Century Methodism. These assets have not been consolidated in the accounts of the Methodist Church in Great Britain because they belong to trustee bodies within the Methodist Church which are excluded from the consolidated accounts.

m) Investments

Investment properties are revalued by firms of professional valuers triennially, and in between by the trustees. The market value of quoted securities is based on the middle market quotation on the relevant Stock Exchange. Investments, which are held in units in the Central Finance Board are stated at the Board's published valuations. Investments in William Leech (Investments) Ltd are stated at the underlying value of the net assets based on the company's audited balance sheet at 31 March 2014, updated by the value of any share acquisitions (at cost) up to 31 August 2014.

n) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete or slow moving items.

o) Operating leases

Annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

p) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

q) Irrecoverable VAT

Irrecoverable VAT has been charged to the expenditure to which it relates to within the Statement of Financial Activities.

r) Cashflows and liquid resources

Cashflows comprise increases or decreases in cash. "Cash" includes cash in hand, deposits repayable on demand and overdrafts. No investments, however liquid, are included as cash. Liquid resources comprise assets held as a readily disposable store of value. They include term deposits and loan stock held as part of the Church's investment policy.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

	The Methodist Church in Great Britain			2014	2013
	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	£000	£000
2 a Voluntary income	£000	£000	£000	£000	£000
Donations	585	5,280	-	5,865	6,530
The Oxford Institute of Theological Studies	-	-	-	-	88
Legacies	93	1,516	-	1,609	4,188
Total	678	6,796	-	7,474	10,806
	The Connexional Funds			2014	2013
	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	£000	£000
b Voluntary income	£000	£000	£000	£000	£000
Donations	585	3,572	-	4,157	5,207
The Oxford Institute of Theological Studies	-	-	-	-	88
Legacies	93	686	-	779	3,074
Total	678	4,258	-	4,936	8,369
	The Methodist Church in Great Britain			2014	2013
	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	£000	£000
3 a Investment income	£000	£000	£000	£000	£000
Central Finance Board deposits	1,325	2,489	-	3,814	4,034
Interest and other investment income	-	533	-	533	288
William Leech (Investments) Ltd	-	628	-	628	610
Total	1,325	3,650	-	4,975	4,932
	The Connexional Funds			2014	2013
	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	£000	£000
b Investment income	£000	£000	£000	£000	£000
Central Finance Board deposits	1,325	2,423	-	3,748	3,968
Interest and other investment income	-	494	-	494	197
William Leech (Investments) Ltd	-	628	-	628	610
Total	1,325	3,545	-	4,870	4,775
c Methodist International Centre Ltd				2014	2013
				Total	Total
				£000	£000
Turnover				5,295	2,416
Cost of sales				3,043	1,244
Gross profit				2,252	1,172
Total expenses				(998)	(585)
Profit for the year				1,254	587
Donation to Methodist International Centre - (Gift Aid)				(1,254)	(587)
Retained profit for the year				-	-

Methodist International Centre Limited, a company registered in England and Wales, is a wholly owned subsidiary of the Methodist Church in Great Britain, directly controlled through the Methodist International Centre (MIC). Any taxable profit is donated by way of charitable donation to MIC (see also Note 4b below).

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

	The Methodist Church in Great Britain			2014	2013
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
	£000	£000	£000	£000	£000
4 a Fundraising trading					
Sales	559	10	-	569	825
Rental income	113	863	-	976	719
Room and conference hire income	-	6,671	-	6,671	5,193
Advertising income	7	-	-	7	12
Total	679	7,544	-	8,223	6,749

	The Connexional Funds			2014	2013
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
	£000	£000	£000	£000	£000
4 b Fundraising trading					
Sales	559	9	-	568	866
Rental income	113	506	-	619	318
Room and conference hire income	-	1,039	-	1,039	4,828
Advertising income	7	-	-	7	12
Total	679	1,554	-	2,233	6,024

MIC Limited and its activities were previously included under Connexional Funds but as MIC Limited is a separately registered entity, from 1 September 2013, its activities have been consolidated as part of "The Methodist Church in Great Britain" and not included within the "Connexional Funds".

	The Methodist Church in Great Britain			2014	2013
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
	£000	£000	£000	£000	£000
5 a Capital levies / grants receivable					
Capital levies	4,882	-	-	4,882	5,062
Grants receivable	9	697	-	706	614
Total	4,891	697	-	5,588	5,676

	The Connexional Funds			2014	2013
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
	£000	£000	£000	£000	£000
b Capital levies / grants receivable					
Capital levies	4,882	-	-	4,882	5,062
Grants receivable	9	296	-	305	233
Total	4,891	296	-	5,187	5,295

Standing Order 973 permits capital levies to be refunded for qualifying projects. Some of these levies may be refunded at any time. Therefore, a contingent liability exists in respect of income already recognised in the Connexional Priority Fund.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

		The Methodist Church in Great Britain			2014	2013
		Grant	Direct	Support	Total	Total
		Costs	Costs	Costs	£000	£000
		£000	£000	£000	£000	£000
6 a Total resources expended						
Costs of generating funds						
	Costs of generating voluntary income	-	153	174	327	309
	Fundraising trading	-	5,400	74	5,474	4,049
	Investment management	-	309	-	309	262
		-	5,862	248	6,110	4,620
Charitable activities						
	Equipping the church to engage with society	7a	5,669	2,461	3,000	11,130
	Formation, training development and resourcing	7a	2,992	5,997	758	9,747
	Empowering the ministry of overseas partners	7a	3,818	3,151	863	7,832
	Advocacy and education	7a	1	517	886	1,404
	Governance costs		-	2,571	646	3,217
	Loss on the disposal of tangible fixed assets		-	-	33	33
	Total		12,480	20,559	6,434	39,473
						50,283

		The Connexional Funds			2014	2013
		Grant	Direct	Support	Total	Total
		Costs	Costs	Costs	£000	£000
		£000	£000	£000	£000	£000
b Total resources expended						
Costs of generating funds						
	Costs of generating voluntary income	-	153	174	327	309
	Fundraising trading	-	1,087	74	1,161	3,773
	Investment management	-	283	-	283	262
		-	1,523	248	1,771	4,344
Charitable activities						
	Equipping the church to engage with society	7b	5,549	2,581	3,000	11,130
	Formation, training development and resourcing	7b	3,527	4,639	758	8,924
	Empowering the ministry of overseas partners	7b	2,228	2,100	863	5,191
	Advocacy and education	7b	1	517	886	1,404
	Governance costs		-	2,542	646	3,188
	Loss on the disposal of tangible fixed assets		-	-	33	33
	Total		11,305	13,902	6,434	31,641
						47,418

All activities conducted via MIC Ltd from 1 September 2013 are now reported under "The Methodist Church in Great Britain" and not the "Connexional Funds".

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

		The Methodist Church in Great Britain				2014	2013
		Individuals	Institutions	UK	Overseas	Total	Total
		£000	£000	£000	£000	£000	£000
7 a	Grants payable						
	Resourcing Mission at Home						
	<i>Non property grants</i>						
	Mission and ministry general grants	-	1,398	1,398	-	1,398	2,098
	District advance grants	-	1,368	1,368	-	1,368	1,391
	Ministerial training grants ¹	847	2,302	3,149	-	3,149	5,073
	Formal relationships	-	288	288	-	288	159
	Chaplaincy	-	16	16	-	16	46
	Total	847	5,372	6,219	-	6,219	8,767
	Property Grants						
	Standard property grants	-	1,398	1,398	-	1,398	1,195
	Total	-	1,398	1,398	-	1,398	1,195
	Resourcing Mission Overseas²						
	General grants	-	605	-	605	605	6,555
	Nationals in mission appointments	-	(17)	-	(17)	(17)	831
	Scholarship programme	-	1,290	-	1,290	1,290	446
	World church in Britain	-	200	200	-	200	62
	Lay professional programme	-	-	-	-	-	13
	Relief and other sundry grants	-	1,740	-	1,740	1,740	630
	Total	-	3,818	200	3,618	3,818	8,537
	Sundry Grants						
	Ministerial support and benefits	750	-	750	-	750	1,070
	Contingency grants	-	38	38	-	38	65
	Sabbatical grants	112	-	112	-	112	108
	Initial and removal grants	113	-	113	-	113	52
	Island travel	-	27	27	-	27	15
	Other miscellaneous grants	5	-	5	-	5	5
	Total	980	65	1,045	-	1,045	1,315
	Total grants payable	1,827	10,653	8,862	3,618	12,480	19,814

¹Included in the 2013 ministerial training grants figure is two years' worth of student grant commitments which were recognised for the first time in line with our accounting policy.

²In 2013 our grant making policy for overseas mission grants changed from a one year to a three year rolling grants system.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

	The Connexional Funds				2014	2013
	Individuals	Institutions	UK	Overseas	Total	Total
7 b Grants payable	£000	£000	£000	£000	£000	£000
Resourcing Mission at Home						
<i>Non property grants</i>						
Mission and ministry general grants	-	1,398	1,398	-	1,398	2,098
District advance grants	-	1,368	1,368	-	1,368	1,391
Ministerial training support ¹	847	2,721	3,568	-	3,568	5,227
Formal relationships	-	288	288	-	288	159
Chaplaincy	-	16	16	-	16	46
Total	847	5,791	6,638	-	6,638	8,921
Property Grants						
Standard property grants	-	1,398	1,398	-	1,398	1,195
Total	-	1,398	1,398	-	1,398	1,195
Resourcing Mission Overseas²						
General grants	-	605	-	605	605	5,577
Nationals in mission appointments	-	(17)	-	(17)	(17)	831
Scholarship programme	-	1,290	-	1,290	1,290	446
World church in Britain	-	200	200	-	200	62
Lay professional programme	-	-	-	-	-	13
Relief and other sundry grants	-	150	-	150	150	630
Total	-	2,228	200	2,028	2,228	7,559
Sundry Grants						
Ministerial support and benefits	750	-	750	-	750	1,070
Contingency grants	-	38	38	-	38	65
Sabbatical grants	112	-	112	-	112	108
Initial and removal grants	113	-	113	-	113	52
Island travel	-	27	27	-	27	15
Other miscellaneous grants	1	-	1	-	1	-
Total	976	65	1,041	-	1,041	1,310
Total grants payable	1,823	9,482	9,277	2,028	11,305	18,985

¹Included in the 2013 ministerial training grants figure is two years' worth of student grant commitments which were recognised for the first time in line with our accounting policy.

²In 2013 our grant making policy for overseas mission grants changed from a one year to a three year rolling grants system.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

8 Net incoming resources before transfers (consolidated)

This is stated after charging for the year ended 31 August as follows:

	2014	2013
	£000	£000
Audit and consultancy fees		
The Connexional Funds - payable to Baker Tilly UK Audit LLP	70	71
Other self accounting entities - payable to Baker Tilly UK Audit LLP	12	12
Payable to other auditors - for audit of self accounting entities	11	11
Payable to Baker Tilly Tax & Accounting Ltd for financial advice	6	-
Payable to Baker Tilly Tax & Accounting Ltd for taxation advice	13	-
Depreciation	458	368

9 Stipends and salary costs (consolidated)

The Methodist Council appointed or employed an average of 370 (2013 - 368) people during the year, and the costs were charged to the Methodist Church consolidated accounts as follows:

	2014	2013
	Total	Total
	£000	£000
Stipends and salaries	11,511	12,124
Redundancy costs	151	475
Temporary staff costs	197	208
Social security costs	1,062	1,198
Pension costs (see Note 10)	2,971	5,342
Total	15,892	19,347

6 employees were paid £60k or more during the year (2013 - 4 employees).

The total aggregate pension contributions for these employees for the year were £60k (2013: 48k).

	2014	2013
	Number of employees	Number of employees
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-

Average headcount by activity

	2014	2013
Governance (including 28 District Chairs)	38.5	36.3
Fundraising trading	85.3	71.7
Administration and support	96.9	94.3
Equipping the church to engage society	52.3	69.3
Formation, training development and resourcing	57.9	55.7
Empowering the ministry of overseas partners	29.1	28.4
Advocacy and education	10.0	12.7
	370.0	368.4

10 Pension costs

Methodist Church Pension Arrangements

The Methodist Council operates three main pension schemes - the Methodist Ministers' Pension Scheme for ministers; the Pensions and Assurance Scheme for Lay Employees of the Methodist Church and the Superannuation Scheme for Lay

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Methodist Church Pension Arrangements (continued)

Mission Partners of the Methodist Church. The assets of the first two schemes are held separately from the Methodist Church consolidated accounts in independently administered funds. The Superannuation Scheme for Lay Mission Partners is an unfunded scheme.

Contributions to the Methodist Ministers' Pension Scheme and the Pensions and Assurance Scheme for Lay Employees of the Methodist Church schemes are charged to the Statement of Financial Activities in the year in which they are payable.

Under the rules of the Methodist Church pension schemes for ministers and lay employees, the Methodist Council has an undertaking to indemnify the trustees against any liabilities that might arise in the proper discharge of their duties as pension trustees. No provision has been made in the financial statements to 31 August 2014 (2013: £nil) in respect of this matter.

The total pension costs for the year to 31 August 2014 as set out in Note 9 above reflect the costs to the Council of the three pensions arrangements. There are no outstanding or prepaid contributions at the balance sheet date.

Methodist Ministers' Pension Scheme (MMPS)

There are 1,509 ministers who are members of the MMPS. The Methodist Council is responsible for the pension scheme contributions of 68 of them. The majority of members' contributions come from the circuits which, as shown on page 42, are not included in these accounts. The actuary is of the opinion that it is not possible to identify, on a consistent and reasonable basis, the underlying assets and liabilities of the Methodist Church in Great Britain and accordingly this scheme is treated as a multi employer scheme and accounted for as a defined contribution scheme under FRS 17.

A summary funding statement giving information on the funding and solvency position of the Scheme is issued to all members and beneficiaries annually in accordance with the Pensions Act 2004. The latest statement was issued in May 2014 and showed that the funding level of the scheme had improved over the year to 1 September 2013 from 77.5% to 91.3% with the shortfall reducing to around £34m. The reason for the reduction in the shortfall over the year was mainly due to higher than expected investment returns.

The funding update as at 1 September 2013 indicated that the total contributions being paid to the Scheme were sufficient to eliminate the shortfall around 2.5 years earlier than anticipated, based on the funding position as at 1 September 2013. However, market conditions have changed since 1 September 2013, and the funding level is expected to have worsened since that date.

A full actuarial valuation is being carried out as at 1 September 2014. The position will be reviewed once the results are known.

Action taken to meet the shortfall

The 2012 Conference agreed that the existing shortfall contributions of 14% of Stipend being paid further to the 1 September 2008 valuation should be continued for the remainder of the recovery period of 8 years 4 months from 1 September 2012 and additionally Conference also agreed that a contribution of £1m would be payable to the Scheme annually each September from the Pension Reserve Fund in order to eliminate the shortfall. The amount of these agreed shortfall contributions that remain payable at 31 August 2014 is £7.0m. The Pension Reserve Fund was set up following a 2009 Conference decision to establish a fund outside of the Scheme, which could be used to meet future funding deficits.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Pension schemes (continued)

Methodist Ministers' Pension Scheme (MMPS) (continued)

The Trustee of the Scheme has confirmed that the Pension Reserve Fund strengthens the Church's financial covenant of the Scheme (see Note 16c).

The 2012 Conference, on the recommendation of the Methodist Council and in agreement with the Trustee of the Scheme, decided that the Church contribution rate be increased from 25.6% to 26.6% of Stipends from 1 September 2012 with a further 1% increase from 1 September 2013. The Conference asked for a consultation with members regarding possible changes to member contributions and linking normal pension date to the future male State Pension Age to assist in the affordability of the extra contribution due from the Church from 1 September 2013.

The 2013 Conference adopted the proposals within the consultation with members to link normal pension date to the future male State Pension Age and to share the balance of the cost equally between the members and the Church. From 1 September 2013 member contributions increased to 9.3% and church contributions to 26.9% of the standard stipend. The Council expects to contribute £1.3m to the scheme which includes £1m from the Pension Reserve Fund in 2014-15.

Ongoing contribution rate

A recovery plan and schedule of contributions to satisfy the requirements of Sections 226 and 227 respectively of the Pensions Act 2004 have been agreed by the Trustees and the Conference. The actuary certified on 20 September 2013 that the rates of contributions, as set out above and in the schedule of contributions were expected on 1 September 2011 to restore the funding level to 100% by the end of the period specified in the Recovery Plan and also confirmed that the schedule of contributions was consistent with the Statement of Funding Principles agreed by the Trustee on 1 March 2012.

The pension charge for the year was £1.388m (2013 £1.376m) and includes a charge against the Pension Reserve Fund of £1m to reduce the deficit (Note 16c).

Pension and Assurance Scheme for Lay Employees of the Methodist Church

The Methodist Council is the principal employer of this multi employer defined benefit scheme for lay employees. Its employees both past and present account for more than 80% of the current scheme members.

The scheme has not been accounted for as a defined benefit scheme, but as a defined contribution scheme in accordance with FRS17 (but this disclosure has been included to add clarity), as the actuaries are of the opinion that it is not possible to identify, on a consistent and reasonable basis, the share of the underlying assets and liabilities of the individual schemes attributable to the Methodist Church consolidated accounts.

The contributions by the employers and the scheme members' contributions were 24.1% and 8% of pensionable pay respectively. The pension charge for the year was £1.26m (2013: £1.23m).

Action to meet the shortfall

The last full actuarial valuation of the scheme as at 1 September 2011 revealed a funding shortfall of £2.156m. In order to eliminate this shortfall the Trustee and the Employers agreed that additional monthly contributions would be paid into the Scheme at the rate of 4.3% per annum of pensionable earnings from 1 July 2012 until 29 February 2020. The amount of these agreed shortfall contributions that remains payable at 31 August 2014 is £1.6m based on a recovery period of 5 years and 6 months.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Pension schemes (continued)

Pension and Assurance Scheme for Lay Employees of the Methodist Church (continued)

FRS 17 Disclosures

The fair value of the Scheme's assets as at 31 August 2014 is £51m, compared to liabilities of £54m.

The FRS 17 funding position as at 31 August 2014 is a deficit of £3m compared to a surplus of £1.4m in 2013. The changes to the assumptions adopted as at 31 August 2014 as a result of changes to market conditions have significantly increased the value of the liabilities. The increase in the value of the liabilities has been partly offset by gains from membership movements.

In addition, the actual return on the Scheme's assets has been greater than expected.

The net position was a reduction in the FRS 17 position as at 31 August 2014 of approximately £4m resulting in a deficit of £3m as at 31 August 2014.

The Council expects to contribute £1.4m to the scheme from 1 September 2014 to 31 August 2015.

Contributions will remain at 8% for members and 24.1% for employers of pensionable earnings.

The Superannuation Scheme for Lay Mission Partners

The Methodist Council is the principal employer of this defined benefit scheme for retired Mission Partners. There are 61 members in total, 7 of whom are deferred pensioners.

The scheme has been accounted for as a defined benefit scheme in accordance with FRS 17. The Scheme is unfunded and is now closed. The pension interest charge for the year was £88k. For the first time an actuarial assessment of the liabilities of the scheme was carried out during 2013 and was included in the accounts at £2.26m.

The scheme provides a pension of £147.54 per year of qualifying service to a single retired mission partner or widow / widower, £196.76 per year of qualifying service to a married mission partner. The rates are increased annually in line with the retail price index. There are also retirement grants of £98 (single) / £131 (married) per year of qualifying service for those mission partners who withdraw before completing 10 years qualifying service. Mission partners who retire after completing 10 but less than 15 years qualifying service are given the option of receiving a withdrawal grant or a retirement pension at the appropriate retirement age. Mission partners who withdraw or retire after completing 15 years qualifying service receive a retirement grant and a pension at the appropriate retirement age.

Estimated pension costs for 2014/15

The amount expected to be charged to the Statement of Financial Activities for 2014/15 is £13k (2013/14: £13k).

FRS 17 Disclosures

The charity has restricted fund investment assets of £2.3m (included in Note 12) available to meet the scheme obligation of £2.2m at 31 August 2014, as valued under FRS17 leaving a positive balance carried forward on the restricted fund (see Note 17) of £0.14m.

The changes in the value of the defined benefit obligation are as follows:

	£m
Opening defined benefit obligation	2.26
Interest cost	0.09
Actuarial gains	0.04
Benefits paid	(0.20)
Closing defined benefit obligation	<u>2.19</u>

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Pension schemes (continued)

The Superannuation Scheme for Lay Mission Partners (continued)

The interest cost of £0.09m is included in "Empowering the ministry of overseas partners" on the SOFA and under direct costs in notes 6a and 6b. No comparative information is currently available in respect of the defined benefit obligation.

Summary of FRS 17 financial assumptions as at 31 August	2014	2013
Discount rate	3.5% pa	4.10%
Inflation (RPI)	3.1% pa	3.20%
Increases to all benefit levels	3.0% pa	3.10%

Other pension schemes

The Methodist Church in Great Britain also participates in a number of smaller pension schemes. The members are mission partners currently working overseas. The schemes are: The Pensions Trust, The Scottish Public Pensions Agency (SPPA) and the Retirement Benefit Scheme (Ireland).

The Pensions Trust

There are 29 members in the scheme participating in the Trust's two defined contribution schemes: the Ethical Fund and the Flexible Retirement Plan. The pension charge for the year was £0.3m (2013: £0.3m).

Scottish Public Pensions Agency (SPPA)

The Scheme is an unfunded multi employer defined benefit scheme. The scheme has not been accounted for as a defined benefit scheme but as a defined contribution scheme in accordance with FRS17. There is currently one member in this scheme. The pension charge for the year was £3k (2013: 3k).

Further disclosures are deemed unnecessary on the grounds of immateriality.

The Retirement Benefit Scheme (Ireland)

There is currently one member in this scheme. The pension charge for the year was £20k (2013: 15k).

Further disclosures are deemed unnecessary on the grounds of immateriality.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

11 a Tangible fixed assets

The Methodist Church in Great Britain

	Freehold land and buildings	Furniture and fittings	Computer equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000
At cost					
At 1 September 2013	23,484	1,643	1,499	36	26,662
Additions during the year	3,062	228	162	-	3,452
Transfers in / (out)	(5,758)	17	(1)	-	(5,742)
Disposals	(643)	-	-	-	(643)
Total	20,145	1,888	1,660	36	23,729
Depreciation					
At 1 September 2013	-	1,310	892	31	2,233
Charge for the year	-	139	318	1	458
Total	-	1,449	1,210	32	2,691
Net book value as at 31 August 2014	20,145	439	450	4	21,038
Net book value as at 31 August 2013	23,484	333	607	5	24,429

The transfer from freehold land and buildings relates to the property at 81-103 Euston Street, London, NW1 2EZ, 60% of which was held as freehold property but is now 100% classified as an investment property.

b Tangible fixed assets

The Connexional Funds

	Freehold land and buildings	Furniture and fittings	Computer equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000
At cost					
At 1 September 2013	20,203	1,431	1,313	19	22,966
Additions during the year	2,535	129	122	-	2,786
Transfers out	(5,742)	-	-	-	(5,742)
Disposals	(643)	-	-	-	(643)
Total	16,353	1,560	1,435	19	19,367
Depreciation					
At 1 September 2013	-	1,132	739	15	1,886
Charge for the year	-	114	295	1	410
Total	-	1,246	1,034	16	2,296
Net book value as at 31 August 2014	16,353	314	401	3	17,071
Net book value as at 31 August 2013	20,203	299	574	4	21,080

The transfer from freehold land and buildings relates to the property at 81-103 Euston Street, London, NW1 2EZ, 60% of which was held as freehold property but is now 100% classified as an investment property.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

12 Investments	The Methodist Church in Great Britain		The Connexional Funds	
	2014 £000	2013 £000	2014 £000	2013 £000
Market value at 1 September	141,535	130,402	131,344	121,450
Additions a	5,189	26,079	4,724	24,312
Transfers b	5,522	(50)	5,522	(50)
Disposals a	(5,013)	(24,732)	(4,750)	(24,220)
Revaluation of William Leech (Investments) Ltd	218	515	218	515
Investment gains	12,223	9,321	12,073	9,337
Market value as at 31 August	159,674	141,535	149,131	131,344
Investments comprise				
Investment properties c	28,106	17,176	21,725	10,889
Central Finance Board Units	111,273	104,166	108,421	101,870
Central Finance Board Deposit Fund	9,102	8,952	9,007	8,952
William Leech (Investments) Ltd d	9,050	8,665	9,050	8,665
Other investments	2,143	2,576	928	968
Total	159,674	141,535	149,131	131,344

Included in the Central Finance Board Units is £23.5m (2013: £19.9m) invested in the CFB Overseas Fund.

a Investment additions and disposals

During the year the Investment Committee reviewed the investment portfolio in line with the current investment policy. This resulted in the disposal of, and subsequent purchase of units in a number of Central Finance Board investment funds.

b Transfer of assets to / (from) investments properties

	2014 £000	2013 £000
24, Long Acre Murton, Murton Swansea SA3 from investment to current assets*	(220)	-
81-103 Euston Street, London, NW1 2EZ from freehold to investment properties	5,742	-
17 Redshaw, Fallowfield, M14 6JB, from investment to freehold properties	-	(50)
	5,522	(50)

* During the year the managing trustees voted to dispose of the property at 24, Long Acre Murton, Swansea SA3 hence the asset has been moved from investment properties to current assets.

c Analysis of movement of investment properties

	The Methodist Church in Great Britain		The Connexional Funds	
	2014 £000	2013 £000	2014 £000	2013 £000
Market value at the beginning of the year	17,176	17,682	10,889	11,395
Additions to investment properties at cost	1,158	-	1,064	-
Transfers in / (out)	5,522	(50)	5,522	(50)
Disposals at carrying value	(25)	(65)	(25)	(65)
Net gain on revaluation	4,275	(391)	4,275	(391)
Market value at the end of the year	28,106	17,176	21,725	10,889

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Included within investment properties are:

- i) The property 81-103 Euston Street, London was revalued by G Brent MRICS, B Brown MRICS and J Williamson MRICS of GVA Grimley Ltd acting as external valuers as defined in the RICS valuation standards, on 14 October 2013 at £14.8m. A revaluation gain of £3.1m has been included in the accounts to 31 August 2014.
- ii) Property at 11 Ledsham Road, Little Sutton, Wirral CH66 4QE
This property was revalued on 28 July 2014 by Nigel R French B.Sc FRICS at £75k (2011: £70k)
- iii) Property at 60 Hawthorn Road, Little Sutton, Ellesmere Port CH66 1PS
This property was revalued on 28 July 2014 by Nigel R French B.Sc FRICS at £72.5k (2011: £65k)
- iv) Property at 7 Colney Hatch Lane, Muswell Hill, N10 1PR (Hazlehurst)
This property was revalued on 31 July 2014 by Joe Salmon MRICS RICS Registered Valuer, Gilmartin Ley Limited, Chartered Surveyors and Property Consultants at £3.23m (2011: £2.3m)
- v) The following London Mission Fund properties were revalued by Tony Harris, LLM FRICS FCI Arb, Cluttons, RICS Registered Valuer, on 31 August 2014:

213 Streatham High Road, London SW16 £270k (2011: £100k)

14 Residential and 2 garage ground leases, Hove, Sussex £90k (2011: £127k)

Hostel, King Street, Hammersmith London W6 £385k (2011: 275k)

Public Library, Sutherland Avenue, London W9 (beneficial interest of 20% of investment value £1.5m) £270k (2011: 255k)

Eight Retail shops, Archway Central Hall, London N19 £845k (2011: £870k)

- vi) Complete, reliable and accurate details of the historical cost of the investment properties are not available and, accordingly, are not provided.

d William Leech Investments Ltd

The Methodist Church holds investments valued at £9m (2013: £8.7m) in William Leech Investments Ltd which represents 20% of the company's net assets as at 31 August 2014. The holding is based on the company's audited accounts to 31 March 2014, updated with management accounts to 31 August 2014. The Methodist Church has a representative on the board of the company, but cannot exert significant influence over it.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

13 Debtors	The Methodist Church in Great Britain		The Connexional Funds	
	2014	2013	2014	2013
	£000	£000	£000	£000
Prepayments and accrued interest	883	864	818	808
Loans to related Methodist entities and others	1,127	1,067	1,127	1,067
Other debtors	2,868	3,544	2,793	3,471
Total	4,878	5,475	4,738	5,346

14 Creditors: amounts due within one year	The Methodist Church in Great Britain		The Connexional Funds	
	2014	2013	2014	2013
	£000	£000	£000	£000
Accruals	585	840	352	783
Loans	914	814	700	600
Overdraft	-	1	-	1
Tax and social security	458	495	388	502
Grant commitments	8,042	8,311	7,695	7,979
Other creditors	2,050	2,734	1,539	2,935
Total	12,049	13,195	10,674	12,800

15 Creditors: amounts due after more than one year	The Methodist Church in Great Britain		The Connexional Funds	
	2014	2013	2014	2013
	£000	£000	£000	£000
Loans	4,115	5,030	3,685	4,386
Grant commitments	3,559	5,438	3,559	5,438
Total	7,674	10,468	7,244	9,824

Grant commitment creditors

Grant commitment creditors represent grants approved that are yet to be paid. Some grants agreed in principle via All We Can - Methodist relief and development, a separately registered subsidiary charity of The Methodist Church in Great Britain, are for grants to project delivery partners for two, three or five years. These subsequent grants represent planned future commitments, but are not recognised as a liability when they are approved, as payment is conditional upon certain performance and financial milestones. As at 31 August 2014, planned future commitments under formal multi-year funding cycle approvals amounted to £0.2m (2013: £0.8m).

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Creditors (continued)

Loans

Methodist International Centre

There are two bank loans ('term' and 'development') secured by a mortgage dated 19 October 2004 over the property known as Euston House, 81-103 Euston Street, London. The details of the loans are as follows:

Repayment terms: 5 years
Interest rate: 2.5% over LIBOR
Current quarterly repayment of capital and interest is £190k (2013:150k)

The 2004 term loan facility was restructured with a new loan arrangement and the Methodist Council entered an agreement with HSBC Bank PLC in March 2012 for a term loan amounting to £2.885m and land and property redevelopment facility of £2.800m. The facilities are to be repaid by 12 consecutive quarterly instalments commencing 31 May 2012 for the property development loan. The quarterly principal repayments will increase to £175k in 2015 and £200k in 2016.

The amount equivalent to the property development loan shall be repaid by 31 August 2016. As a condition of the loan agreement part of the total loan had to be placed under an interest swap hedging agreement with HSBC Bank PLC and this was entered into in October 2012.

The purpose of the agreement was to hedge 70% of the loan against significant movement in interest rates. The arrangement was set for 5 years to 31 August 2016. The interest rate swap is 0.92% on a 3 month BBA LIBOR. Interest is charged quarterly on the last calendar day of August, November, February and May.

Loan balances as at 31 August	2014	2013
	£000	£000
Development loan	2,270	2,560
Term loan	2,115	2,425
Total	4,385	4,985

The proportion of the loan to the value of the asset charged is 30% (2013: 36%)

Southlands Methodist Trust

At the balance sheet date there is a loan of £644k (2013: £858k) secured by a mortgage over freehold property known as Mount Clare House and the Temple, Minstead Gardens, Roehampton, London SW15; freehold land and buildings on the westside of Minstead Gardens, Roehampton, London SW15; freehold property known as land on the west side of Roehampton Lane adjoining Digby Stuart College, Roehampton, London SW15. The interest charged is 2% above base rate.

The current quarterly repayment of capital and interest is £53.5k (2013:53.5k). The proportion of the loan to the value of the asset charged is 21% (2013: 28%).

Other income - compensation from HSBC Bank PLC

During the year MIC and Southlands Methodist Trust were successful in two misselling complaints against HSBC Bank PLC and received £423k and £643k respectively in compensation. This is included in the Statement of Financial Activities under "Other Income".

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

16 a Unrestricted funds

The Methodist Church in Great Britain

	Balance as at 1 September 2013	Incoming resources	Outgoing resources	Transfers between funds	Gains on investments	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
Designated	29,722	6,277	(4,804)	-	2,374	33,569
General	15,960	14,669	(14,061)	-	147	16,715
Total	45,682	20,946	(18,865)	-	2,521	50,284

16 b Unrestricted funds

The Connexional Funds

	Balance as at 1 September 2013	Incoming resources	Outgoing resources	Transfers between funds	Gains on investments	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
Designated	29,722	6,277	(4,804)	-	2,374	33,569
General	15,960	14,669	(14,061)	-	147	16,715
Total	45,682	20,946	(18,865)	-	2,521	50,284

16 c Designated funds

The Methodist Church in Great Britain and The Connexional Funds

	Balance as at 1 September 2013	Incoming resources	Outgoing resources	Transfers between funds	Gains on investments	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
1 The Connexional Priority Fund	9,991	5,380	(3,213)	(2,197)	900	10,861
2 The Epworth Fund	6,462	214	(394)	-	399	6,681
3 The Connexional Travel Fund	244	11	(15)	-	11	251
4 The Training Assessment Fund	16	-	(16)	-	-	-
5 The Computers in Ministry Fund	40	233	(140)	-	-	133
6 The Pension Reserve Fund	12,969	439	(1,026)	2,197	1,064	15,643
Total	29,722	6,277	(4,804)	-	2,374	33,569

Transfers between funds include amounts transferred with the approval of the Methodist Council.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Designated funds (continued)

1 The Connexional Priority Fund (CPF)

The main source of income into this fund is primarily the levies charged on all capital proceeds from the disposal of Methodist land and buildings held for local, circuit or district purposes and any income arising therefrom is available for the purpose of (a) making grants to circuits and distribution to districts; (b) making an allocation by way of transfer between funds, to the Pension Reserve Fund in respect of the liabilities of the Methodist Ministers' Pension Scheme and the Pension and Assurance Scheme for Lay Employees of the Methodist Church and funding the work of the Discipleship and Ministries Learning Network).

2 The Epworth Fund

This fund was set up following the sale of Epworth House, City Road, London in 1987 as a designated fund. The income from the fund is used to support innovative initiatives within The Methodist Church.

3 The Connexional Travel Fund

This fund has two purposes: (a) to award grants to ministers on long term sick leave to compensate them for the absence of business reimbursements and (b) to make grants for island and long mainland journeys.

4 The Training Assessment Fund

This fund was set up in 2001 in order to cover the initial costs of training for both lay and ordained individuals.

5 The Computers in Ministry Fund

This fund was set up following a decision by Conference to create a fund from which ministers and deacons would be able to purchase a computer for their work. Ministers and deacons are eligible to claim every 4 years. In the first year, no levies were received from the districts and consequently the fund accumulated a minor deficit in the period leading up to 31 August 2012.

6 The Pension Reserve Fund

This fund was set up following a 2009 Conference decision to establish a Pension Reserve Fund outside of the Lay Staff and Ministers' Pension Schemes which would be available if required to be used to meet future funding deficits. Currently, £1m per annum is funding the Methodist Ministers' Pension Scheme deficit referred to in Note 10.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

17 a Restricted funds

The Methodist Church in Great Britain

	Balance as at 1 September 2013	Incoming resources	Outgoing resources	Transfers between funds	Recognised gains and (losses)	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
1 The Fund for the Support of Presbyters and Deacons	7,798	481	(483)	-	451	8,247
2 Mission in Britain Fund	4,040	1,168	(791)	-	238	4,655
3 Centenary Hall Trust	4,188	288	(196)	-	185	4,465
4 The Fund for Property	4,720	801	(1,240)	-	309	4,590
5 The Fund for Training	11,915	536	(3,052)	336	540	10,275
6 World Mission Fund	18,959	3,505	(4,043)	(167)	1,763	20,017
7 The London Mission Fund	11,339	522	(601)	-	856	12,116
8 Methodist International Centre	7,149	6,212	(4,370)	(500)	3,075	11,566
9 The Guy Chester Centre	6,160	1,275	(999)	(100)	1,088	7,424
10 Cliff College	5,027	1,972	(1,536)	-	15	5,478
11 Southlands Methodist Trust	4,397	1,061	(128)	-	59	5,389
12 Westminster College Oxford Trust	3,624	20	(29)	-	42	3,657
Total funds with balances > £2m	89,316	17,841	(17,468)	(431)	8,621	97,879
13 Other - 30 funds with balances < £2m	10,738	2,760	(3,128)	468	612	11,450
Overall total	100,054	20,601	(20,596)	37	9,233	109,329

17 b Restricted funds

The Connexional Funds

	Balance as at 1 September 2013	Incoming resources	Outgoing resources	Transfers between funds	Recognised gains and (losses)	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
1 The Fund for the Support of Presbyters and Deacons	7,798	481	(483)	-	451	8,247
2 Mission in Britain Fund	4,040	1,168	(791)	-	238	4,655
3 Centenary Hall Trust	4,188	288	(196)	-	185	4,465
4 The Fund for Property	4,720	801	(1,240)	-	309	4,590
5 The Fund for Training	11,915	536	(3,052)	336	540	10,275
6 World Mission Fund	18,959	3,505	(4,043)	(167)	1,763	20,017
7 The London Mission Fund	11,339	522	(601)	-	856	12,116
8 Methodist International Centre	7,149	2,170	(328)	(500)	3,074	11,565
9 The Guy Chester Centre	6,160	1,275	(999)	(100)	1,088	7,424
Total funds with balances > £2m	76,268	10,746	(11,733)	(431)	8,504	83,354
10 Other - 26 funds with balances < £2m	8,872	714	(1,031)	463	579	9,597
Overall total	85,140	11,460	(12,764)	32	9,083	92,951

Transfers between funds include amounts transferred with the approval of the Methodist Council. The major transfers are described below:

Transfer of £500k and £100k from the Methodist International and the Guy Chester Centres respectively to the Fund for Training, to further the work of the Discipleship and Ministries Learning Network;

See Note 18 for the transfer of £167k from the World Mission Fund to the William Leech Charities' Fund.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Notes on the purposes of the main funds

1 Fund for the Support of Presbyters and Deacons

This fund exists to provide additional assistance to supernumeraries; individuals who have been permitted or directed to become supernumerary; ministers, deacons, probationers, widows or widowers and their dependent children who are in need; ministers and deacons who are in need as a result of illness or impairment, for the purpose of enabling them to continue in or resume the active work. The Fund for the Support of Presbyters and Deacons also makes grants to the Ministers' Housing Society.

2 Mission in Britain Fund

This fund exists to further the Church's mission by making grants to local churches and circuits and to bear witness to the global character of Christian Mission by supporting work with and among ethnically diverse communities in Britain and Ireland which have their origin in other countries.

3 Centenary Hall Trust

This trust exists to manage Church House at 25 Marylebone Road.

4 The Fund for Property

This fund exists to support various mission property development projects around the Connexion by making grants and loans for property purposes to trustees of Methodist Properties in the districts.

5 The Fund for Training

The fund has three main purposes: (a) to provide initial and further training for presbyters, deacons, lay employees and other lay persons; (b) the provision of maintenance grants for persons undergoing such training and their dependants; (c) the maintenance, management and staffing of the Discipleship and Ministries Learning Network, and the Methodist contribution to the cost of joint theological colleges.

6 The World Mission Fund

This fund has five main purposes: (a) to initiate, maintain and encourage Christian mission in other countries; (b) to encourage the establishment of churches overseas which will themselves undertake that mission within and beyond their own borders; (c) to engage in a continuing relationship of mutual help and enrichment with churches (including united churches) in the life of which Methodist missions have played a part; (d) to foster and take part in ecumenical relationships in the field of world mission, including the work of the World Council of Churches and the Churches' Commission on Mission; (e) in furtherance of these purposes, to engage in education, advocacy, recruitment and fundraising.

7 The London Mission Fund

The London Mission Fund derives from historic funds used to support ministry and property schemes in London. Since the reconfiguration of the London Districts in 2006, the Fund no longer makes individual grants, but rather allocates block grants to the qualifying districts which in turn dispense the fund for the support of ministry, mission and property projects as part of their own grant-making functions.

8 The Methodist International Centre

The purpose of the Methodist International Centre is to further the work of the Discipleship and Ministries Learning Network (as set out in the report entitled "the Fruitful Field Project" presented to and accepted by the 2012 Conference and subject to the oversight of the Methodist Council) in accordance with the arrangements determined by the Methodist Council from time to time (or such other person or body or bodies as the Conference or the Methodist Council may determine to constitute that network).

9 The Guy Chester Centre

The Guy Chester Centre manages the buildings and grounds of the North Bank Estate. The Centre works within the ethos and values of the Methodist Church as set out in Our Calling. In the future, the centre is designated to become a key source of funding for the Discipleship and Ministries Learning Network.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Notes on the purposes of the main funds (continued)

10 Cliff College

The College was founded in 1883 to provide training for mission and evangelism to people from diverse backgrounds. The college now offers degrees validated by the University of Manchester in the areas of theology and mission as well as providing a wide variety of short courses and training events. Since 2012 the College has been designated as a centre within the Discipleship Ministries and Learning Network.

11 Southlands Methodist Trust

As part of the work carried out through the Discipleship and Ministries Learning Network, the Trust exists (a) to support in association with the College and University the development of Christian, and specifically Methodist, scholarship, research and innovation of local, national and global significance and to facilitate the public dissemination of such developments; (b) to enable the members of the Methodist Community and wider public in Britain and internationally to benefit from the academic and other expertise and experience within the College and University and the facilities available within them.

12 Westminster College Oxford Trust

This trust exists to ensure that the property and assets used by the former Westminster College Oxford, and belonging to the Methodist Church, are committed to the objectives and activities authorised by the Church. The principal objects of the Trust are the advancement of education, in particular teacher training and the advancement of further and higher education.

18 a Endowment funds

The Methodist Church in Great Britain

	Balance as at 1 September 2013	Incoming resources	Outgoing resources	Transfers between funds	Gains on investments	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
Permanent						
1 Rank Endowment Fund	4,636	-	(9)	-	311	4,938
2 William Leech Charities' Fund	8,664	-	-	167	218	9,049
3 Other - 11 funds with balances <£2m	1,706	-	(3)	(199)	114	1,618
Expendable						
4 All We Can	5	-	-	(5)	-	-
Total	15,011	-	(12)	(37)	643	15,605

18 b Endowment funds

The Connexional Funds

	Balance as at September 2013	Incoming resources	Outgoing resources	Transfers between funds	Gains on investments	Balance as at 31 August 2014
	£000	£000	£000	£000	£000	£000
Permanent						
1 Rank Endowment Fund	4,636	-	(9)	-	311	4,938
2 William Leech Charities' Fund	8,664	-	-	167	218	9,049
3 Other - 11 funds with balances <£ 2m	1,706	-	(3)	(199)	114	1,618
Total	15,006	-	(12)	(32)	643	15,605

Transfers between funds include amounts transferred with the approval of the Methodist Council and where appropriate, the Charity Commission.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

18 b Endowment funds

The Connexional Funds (continued)

The major transfers are described below:

£167k was transferred from the World Mission Fund into the William Leech Investments as an investment in accordance with the expressed wishes of the donor for the beneficiary charities, of which the Methodist Church in Great Britain is one, to reinvest a proportion of their annual donation in William Leech Investments Ltd.

£199k (W G Barrat - Income fund) was reclassified as a restricted fund following a detailed review of funds to reflect the appropriate nature of the fund.

The Methodist Church in Great Britain

	Unrestricted Funds	Restricted Funds	2014 Endowment Funds	2014 Total	2013 Total
19 a Analysis of net assets between funds	£000	£000	£000	£000	£000
Tangible fixed assets	8,902	12,136	-	21,038	24,429
Investments	40,353	103,688	15,633	159,674	141,535
Current Assets	4,581	11,801	43	16,425	20,706
Creditors due within one year	(3,130)	(8,848)	(71)	(12,049)	(13,195)
Creditors due after more than one year	(422)	(7,252)	-	(7,674)	(10,468)
Defined benefit pension scheme liability	-	(2,196)	-	(2,196)	(2,260)
Total	50,284	109,329	15,605	175,218	160,747

The Connexional Funds

	Unrestricted Funds	Restricted Funds	2014 Endowment Funds	2014 Total	2013 Total
19 b Analysis of net assets between funds	£000	£000	£000	£000	£000
Tangible fixed assets	8,902	8,169	-	17,071	21,080
Investments	40,353	93,145	15,633	149,131	131,344
Current Assets	4,581	8,128	43	12,752	18,288
Creditors due within one year	(3,130)	(7,473)	(71)	(10,674)	(12,800)
Creditors due after more than one year	(422)	(6,822)	-	(7,244)	(9,824)
Defined benefit pension scheme liability	-	(2,196)	-	(2,196)	(2,260)
Total	50,284	92,951	15,605	158,840	145,828

20 Expenses reimbursed to the Trustees of the Methodist Church in Great Britain

	2014 £000	2013 £000
Travel and other expenses reimbursed	75	74
Number of members reimbursed	No.	No.
	75	84

21 Central Stipends administration

Stipends and allowances paid to presbyters, deacons and lay employees totalling £47m (2013: £54m) and reimbursements from circuits and other funds totaling the same amount are not included in the Statement of Financial Activities other than in respect of the administration costs relating to the stipends and allowances of those appointed to serve the Methodist Council (see Note 9).

The administration costs amounting to £86k (2013: £82k) and interest receivable amounting to £11k (2013: £33k) relating to the central payment of Stipends are included in the Statement of Financial Activities.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

22 Trustees' remuneration

The trustees listed below (18) were in the service of the Methodist Church in Great Britain (2013: 12). Their aggregate total emoluments including pension contributions for this work and not in their role as trustees amounted to £0.708m (2013: £0.487m). Their appointment as trustees is in accordance with Standing Order No 210 of the Methodist Church.

	2014	2013
	£000	£000
The Revd Dr Martyn Atkins	38	37
Deacon Sue Culver	36	-
The Revd Anne Brown	36	36
The Revd Dr Keith Davies	36	-
The Revd Dr David Gamble	35	34
The Revd Ruth Gee	36	36
The Revd Ward Jones	37	36
The Revd Loraine Mellor	36	36
The Revd Lionel Osborn	36	36
The Revd Peter Pillinger	36	36
The Revd Gareth Powell	38	37
The Revd Dr Mark Wakelin	35	37
The Revd Stephen Wigley	36	36
Mr Doug Swanney	96	90
The Revd S Wild	36	-
The Revd Michaela A Youngson	36	-
The Revd Gillian M Newton	32	-
The Revd Dr Roger L Walton	37	-
	708	487

The total aggregate pension contributions for these trustees for the year were £112k (2013 £76k).

23 Trustees and connected persons

Outlined below is a list of those bodies considered to be the main related parties, which together with The Methodist Church in Great Britain report separately each year to the Methodist Conference, the ultimate controlling body.

Details of the transactions occurring during the year and amounts owing by or to the related parties as at 31 August are stated for each one as appropriate. The charity has taken advantage of the exemption within FRS 8 not to disclose transactions with fellow group undertakings, which are eliminated on consolidation.

	2014			
	Income	Payments	Loans to	Amount
	from	to related	related	owed by
	related	party	party	related
	party			party
	£000	£000	£000	£000
Trustees for Methodist Church Purposes ^(a)	3	129	-	3
Methodist Ministers Housing Society ^(b)	62	-	710	710
Methodist Ministers Pension Scheme	105	-	-	-
Lesnes Abbey Circuit ^(c)	-	-	80	80
Witney & Farringdon Circuit ^(b)	-	-	337	337
The Queen's Foundation for Ecumenical & Theological Education ^(d)	-	1,275	-	-

^(a) The payment to Trustees for Methodist Church Purposes (TMCP) is for various administration charges, including legal services rendered during the year.

The Methodist Church in Great Britain

Notes to the consolidated accounts for the year ended 31 August 2014 (continued)

Trustees and connected persons (continued)

^(b) The loans to Methodist Ministers Housing Society and the Witney & Farringdon Circuit are repayable when the related manses are sold.

^(c) A loan advanced to the Lesnes Abbey Circuit in order to purchase the London Mission Fund's interest in a manse at 11 Eaglesfield Road, London. The loan is repayable in equal instalments over 9 years.

^(d) Payment of £1.3m to The Queen's Foundation was for tuition fees for student ministers for the 2013/14 academic year.

	2013			
	Income from related party	Payments to related party	Loans to related party	Amount owed by related party
	£000	£000	£000	£000
Trustees for Methodist Church Purposes	3	30	-	5
Methodist Ministers Housing Society ^(a)	58	-	640	640
Methodist Ministers Pension Scheme	31	-	-	-
Lesnes Abbey Circuit ^(b)	-	-	90	90
Witney & Farringdon Circuit	-	-	337	337
The Queen's Foundation for Ecumenical & Theological Education ^(c)	-	563	-	16

^(a) The loans to Methodist Ministers Housing Society and the Witney & Farringdon Circuit are repayable when the related manses are sold.

^(b) A loan advanced to the circuit in order to purchase the London Mission Fund's interest in a manse at 11 Eaglesfield Road, London. The loan is repayable in equal instalments over 9 years.

^(c) The loan to The Queen's Foundation for Ecumenical and Theological Education was repaid in full during 2013.

In addition to this, there are related party transactions included in the management of the Church's investment portfolio by the Central Finance Board (CFB). Further, numerous transactions and balances occur between the Methodist Council, the districts, circuits and churches.

In theory the Methodist Council could have dealings with any part of the wider Methodist Church. The main activities being:

- The annual assessment on local circuits (which are collected via the districts) to pay for the work of the Connexional Team and other Conference activities (e.g. District chairs and committee expenses);
- The awarding and distribution of grants to other Methodist entities;
- Investment charges (TMCP & CFB)
- The operation of the Gift Aid Bureau Service to claim gift aid on the behalf of local churches and circuits;
- The operation of Central Stipends Bureau for the payment of ministerial and local staff stipends and salaries;
- The maintenance of the accounting records for various Methodist entities.

The Methodist Church in Great Britain
Trustees and committee memberships

The membership for 2013/14 and for 2014/15 are listed below.

The Methodist Council

2013/14 New Members from 1 September 2013 are marked with an asterisk (*)

The Revd Caroline R Ainger*	The Revd Graeme J Halls	Mrs Anita Nicholson*
The Revd Dr Martyn D Atkins	Dr Nigel Hardwick	The Revd Lionel E Osborn
The Revd J A Jade Bath	The Revd Paul Hill	The Revd Timothy M Perkins
Ms Rebecca Belshaw*	The Revd Graham Horsley	The Revd Gareth J Powell
Mrs Joy Blake*	The Revd Kenneth G Howcroft*	Mrs Heather Shipman*
The Revd Rachel J Borgars*	Professor Peter D Howdle	The Revd D Paul C Smith
The Revd Christopher P Briggs	The Revd Robert J Hufton	Mr Christopher Stephens
Ms Megan Bunce	Mr Graham Illingworth	The Revd Dr Joseph B Suray
The Revd Richard J Byass*	Mrs Jean Jackson	Mr Douglas Swanney
The Revd Olufemi R W Cole-Njie	The Revd A Ward Jones	Dr Alan Sykes
Ms Gillian M Dascombe*	Mr Michael P King	Dr Valerie Turner*
Mr Gerry Davis	Mr Sandy Laurie	The Revd Dr Roger L Walton*
The Revd Rachel D Deigh	Mr Tim Layhe	The Revd Dr Mark H Wakelin
The Revd Graham M Edwards*	Professor David R Matthews*	Mr Eric Watchman*
Dr Martyn Evans	The Revd Loraine N Mellor	Mr Ian White
The Revd David Gamble (Chair)	Dr Daleep S Mukarji	The Revd Dr Stephen D Wigley
The Revd Ruth M Gee	Deacon Ian Murray	Mr R Arfon Williams
Mr Andrew G Gibbs	The Revd Edwin T Myers	
The Revd David M Goodall*	The Revd Gillian M Newton	

2014/15 New Members from 1 September 2014 are marked with two asterisks ()**

The Revd Caroline R Ainger	The Revd Ruth M Gee	The Revd Gareth J Powell
The Revd Dr Martyn D Atkins	Mr Andrew G Gibbs	Mrs Heather Shipman
Dr Jill B Barber**	The Revd David M Goodall	The Revd D Paul C Smith
The Revd J A Jade Bath	The Revd Graeme J Halls	Mr Christopher Stephens
Ms Rebecca Belshaw	Dr Nigel Hardwick	The Revd Dr Joseph B Suray
Mrs Joy Blake	The Revd Paul Hill	Mr Douglas Swanney
The Revd Rachel J Borgars	The Revd Jacqueline A Horton**	Dr Alan Sykes
The Revd Christopher P Briggs	The Revd Kenneth G Howcroft	The Revd Kerry W Tankard**
Deacon Andrew Carter**	Professor Peter D Howdle	Dr Valerie Turner
The Revd Olufemi R W Cole-Njie	Mrs Jean Jackson	The Revd Dr Roger L Walton
The Revd Nigel Cowgill**	Mr Sandy Laurie	Mr Eric Watchman
Ms Gillian M Dascombe	Mr Tim Layhe	Mr Ian White
The Revd Rachel D Deigh	Professor David R Matthews	The Revd Dr Stephen D Wigley
Mr Jack Delbridge**	The Revd Loraine N Mellor	The Revd Steven J Wild**
The Revd Graham M Edwards	Dr Daleep S Mukarji	Mr R Arfon Williams
Dr Martyn Evans	The Revd Edwin T Myers	The Revd Michaela A Youngson**
Mr Andrew Fairlamb**	Mrs Anita Nicholson	
The Revd Catherine Gale**	The Revd Lionel E Osborn	
The Revd David Gamble (Chair)	Mrs Idy Osibodu**	

A full list of the trustees, being the members of the Methodist Conference is available on request from the registered office and on the Charity Commission website.

The Methodist Church in Great Britain
Trustees and committee memberships (continued)

The Strategy and Resources Committee (SRC)

The membership for the current year are listed below:

Voting members

Mr Edward Awty (Connexional Treasurer)
The Revd Anne E Brown
Mr Adrian Burton
The Revd Eden J Fletcher
Mr Andrew G Gibbs (Connexional Treasurer)
The Revd David M Goodall
Dr Ian Harrison (resigned 31 August 2014)

Mr Robert J Harrison (from 1 September 2013)
Professor Peter D Howdle (Chair)
The Revd Stuart Jordan
The Revd Susan Keegan Von Allmen (from 1 September 2013)
Dr Daleep S Mukarji
Mrs Heather Shipman
Ms Helen Woodall (from 1 September 2014)

Non-voting members

The Revd Dr Martyn D Atkins
The Revd Gareth Hill [to 31 August 2014]
Ms Jude Levermore [from 1 September 2013]

The Revd Gareth J Powell
Mr Douglas Swanney
Mr Nick Moore

The induction of new SRC members normally includes: conversations with the chair of SRC and the senior staff of the Connexional Team; a mentoring relationship with an experienced member of the SRC; and invitations to share in the induction sessions for Council members.

The Finance Sub-Committee (FSC) of the Strategy and Resources Committee (SRC)

The membership of the committee is:

Voting members

Mr Edward Awty
Mr Iain Farquhar
Miss Margaret Faulkner
Mr Andrew G Gibbs (Chair)
Mr Malcolm Pearson
The Revd Stephen J Radford [from 30 January 2014]

Non-voting members

Mr Nick Moore
Mrs Maureen Sebanakitta

The Audit Committee

The membership of the committee is:

Voting members

Mr Rodney Betts
Mr John Chastney (Chair)
Mr Peter A Mills
Mr Andrew Whitley

Non-voting members

Mr Edward Awty
Mr Andrew G Gibbs
Mr Nick Moore
Mrs Maureen Sebanakitta

The Methodist Church in Great Britain
Reference and administrative details

Names and addresses

The address of the "Office of the Conference" for the purposes of the Methodist Church Act 1976 and any other legislation is:

The Methodist Church
Methodist Church House
25 Marylebone Road
London NW1 5JR
Tel: 020 7486 5502
Web: www.methodist.org.uk

Executive Officers

The Revd Dr Martyn Atkins
The Revd Gareth Powell
Mr Douglas Swanney

Custodian Trustees

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

Methodist Missionary Trust Association
Methodist Church House
25 Marylebone Road
London NW1 5JR

Investment Managers

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

Bankers

HSBC PLC
Westminster Branch
4-8 Victoria Street
London SW1H 0JN

Solicitors

Pothecary Witham Weld
70 St George's Square
London SW1V 3RD

Independent Auditor

Baker Tilly UK Audit LLP
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol BS1 6AD

