

Methodist Church

Isle of Man District

District 15

Financial Statements

For the year ended 31 August 2017

DRAFT

**Methodist Church
Isle of Man District
Year ended 31 August 2017**

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**Methodist Church
Isle of Man District
Year ended 31 August 2017**

Trustees' Report

Background

The Isle of Man District of the Methodist Church in Great Britain (District 15) came into existence upon the merger of the Wesleyan Methodists and the Primitive Methodists in September 1932.

The District is classified as being a separate charity in its own right under the Charities Registration Act 1989 in the Isle of Man and is exempt for registration under regulation 2(3) of the Religious Charities Regulations, 1999 in the Isle of Man. The effect of this exemption is that no information needs to be submitted to the General Registry in the Isle of Man.

The Methodist Church is governed by its Constitution, Practice and Discipline (CPD), and is organised in four tiers; individual Churches whose governance is exercised by Church Councils, Circuits (geographical groups of Churches) whose governance is exercised by Circuit meetings, Districts (geographical groups of Circuits) whose governance is exercised by Synods (with Policy Committees exercising interim delegated authority), and a Connexion, directed by the Conference.

The Composition of the Isle of Man Synod is the same as that of the Isle of Man Circuit Meeting, while the composition of the District Policy Committee is the same as that of the Circuit Leadership Team. The composition of the Isle of Man Synod is published each year, and is supplied to the Secretary of the Methodist Conference.

Office Holders

The following held office during and following the financial year:

Chair of District	Revd Richard Hall	
Synod Secretary	John Binns	
Treasurer	Colin D. Clark	retired 8 September 2018
	Eddie Teare	appointed 8 September 2018

Results

The results for the year ended 31 August 2017 show a surplus of £13,836 (2016; deficit of £410) which has been added to respective funds of the District.

Independent Examiner

Howard Pilley.

Treasurer
Eddie Teare
Dated

Chair of District
Revd Richard Hall
Dated:

**Methodist Church
Isle of Man District
Year ended 31 August 2017**

Trustees' Responsibility Statement

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

Law applicable to charities in the Isle of Man requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the charity and of its incoming resources and application of resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the proper accounting records which disclose at any time, with reasonable accuracy, the financial position of the charity and enable them to ensure that the accounts comply with the Isle of Man Charities Registration Act, 1989. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that they have complied with the above requirements.

Treasurer
Eddie Teare
Dated

Chair of District
Revd Richard Hall
Dated:

Independent Examiner's Report to the Trustees of the Methodist Church Isle of Man District

I report to the Trustees on the accounts of the Isle of Man District Methodist Church for the year ended 31 August 2017, which are set out on pages 4 to 7.

Respective Responsibilities of Trustees and Examiner

The Trustees are responsible for the preparation of the accounts for the Charity. The Trustees consider that an audit is not required for this year under section 5 of the Charities Registration Act 1989 ("The Act") and that an independent examination is appropriate.

It is my responsibility to:

- Examine the accounts; and
- State whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out taking into consideration general guidance given by the General Registry. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, I have reasonable cause to believe that:

(1) in all material respects the requirements:

- to keep accounting records in accordance with regulations made under section 11(1)(a) of the Act;
- to prepare accounts in accordance with regulations made under section 11(1)(b) of the Act:

have been met; and

(2) there are no material matters to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Howard Pilley

Dated:

**Methodist Church
Isle of Man District
Year ended 31 August 2017**

Statement of Financial Activities

	Notes	District Expense Fund £	Chair's Discretionary Fund £	District Advance Fund £	Total 2017 £	Total 2016 £
Incoming Resources	1					
Assessments from Circuit		-	1,100	-	1,100	1,100
Contribution from Circuit Advance Fund		-	-	23,872	23,872	9,864
Grants and donations		-	-	-	-	200
Total Incoming Resources		-	1,100	23,872	24,972	11,164
Resources Expended	1 & 2					
Telephone and travel		1,846	-	-	1,846	2,616
General administration costs		2,490	435	-	2,925	1,683
Rental and office expenses		70	-	-	70	70
Grants and donations		-	-	6,295	6,295	7,205
Total Resources Expended		4,406	435	6,295	11,136	11,574
Net surplus/(deficit) for the year		(4,406)	665	17,577	13,836	(410)
Surplus brought forward		7,379	843	15,678	23,900	24,310
Total surplus/(deficit) Carried Forward		2,973	1,508	33,255	37,736	23,900

The notes on pages 6 to 7 form part of these financial statements.

**Methodist Church
Isle of Man District
Year ended 31 August 2017**

Balance Sheet

	Notes	District Expense Fund £	Chair's Discretionary Fund £	District Advance Fund £	Total 2017 £	Total 2016 £
Current Assets						
Debtors and prepayments	3	629	-	-	629	1,373
Cash at bank and in hand	4	21,661	1,508	39,550	62,719	45,023
Total current assets		22,290	1,508	39,550	63,348	46,396
Creditors and Accruals due in under one year						
External		300	-	2,000	2,300	-
Owed between district and circuit		19,417	-	3,895	23,312	22,496
Owed within district		(400)	-	400	-	-
Total creditors and accruals	5	19,317	-	6,295	25,612	22,496
Net assets/(liabilities)		2,973	1,508	33,255	37,736	23,900
Represented by Funds of the District						
General Fund (unrestricted)		2,973			2,973	7,379
Chair's discretionary fund (unrestricted)			1,508		1,508	843
District Advance Fund (restricted)				33,255	33,255	15,678
Total district funds		2,973	1,508	33,255	37,736	23,900

The notes on pages 6 to 7 form part of these financial statements.

The financial statements were approved by the Trustees and authorised for issue and signed on their behalf

Treasurer
Eddie Teare
Dated

Chair of District
Revd Richard Hall
Dated:

**Methodist Church
Isle of Man District
Year ended 31 August 2017
Notes to the Financial Statements**

1 Accounting Policies

Basis of accounting

These financial statements have been prepared under the historical cost convention, in accordance with the General Principles of the Statement of Recommended Practice "Accounting for Charities" (except where noted) and include Methodist Church Accounting Guidance and the regulations framed under the Isle of Man Charities Act 1989. The principal accounting policies adopted in the preparation of these financial statements are set out below:

Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when the District becomes entitled to the resources, the trustees are virtually certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

Resources Expended

Expenditure is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable.

Income recognition

In instances where the District acts as agent, such as the payment of expenses of delegates from the District to the Methodist Conference, and the payment of ministers' business or personal travel to the Mainland UK, these transactions are not reflected in the SOFA.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources.

Debtors and Prepayments

Debtors and prepayments are the amounts owing to the District as at year end.

Creditors

Creditors are in respect of amounts owed by the District at year end.

Accounting for separate funds

The funds held in the District Expense Fund are to cover the expenses of the Isle of Man District and there are no restrictions imposed on the use of this fund. The Chair's Discretionary fund are amounts available to the Chair for expenditure at his discretion and to decide upon worthy recipients of the funds.

The funds included within the District Advance Fund are restricted. The income derives from amounts received from all circuits in a given District and contributions from the Connexional Priority Fund. The decisions on those levies are imposed on each Circuit by being confirmed by the Conference annually. The Districts are guided by Conference as to what those funds can be used for and hence are therefore regarded as restricted.

**Methodist Church
Isle of Man District
Year ended 31 August 2017**

Notes to Financial Statements Continued...

2 RESOURCES EXPENDED

Resources expended include payments to trustees on account of travel and other incidental costs in carrying out their responsibilities for the district according to the Constitutional Practice and Discipline of the Methodist Church.

3 DEBTORS AND PREPAYMENTS

	2017	2016
	£	£
Amounts owed from Connexion	629	1,373
	<u>629</u>	<u>1,373</u>

The District believes that a further sum is due from Connexion in relation to their share of Connexional Property Fund Distribution. However, since this matter has not yet been resolved, the income and resultant debtor have not yet been brought to account.

4 CASH AND BANK BALANCES

	2017	2016
	£	£
Bank balances at year end	<u>62,719</u>	<u>45,023</u>

The bank balance in district advance fund amounting to £39,550 (2016: £19,178) is held in a bank account in the name of The Trustees for Manx Methodist Church Purposes.

5 CREDITORS AND ACCRUALS

	2017	2016
	£	£
Deferred income	-	-
Creditors - Isle of Man Circuit	23,312	22,496
Creditors - third parties	<u>2,300</u>	<u>-</u>
	<u>25,612</u>	<u>22,496</u>