

# Paper G1

Finance committee  
Draft accounts 2015

United Church 2016  
Church 2016  
Reformed Church 2016  
Church 2016



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## Finance committee

### Draft accounts 2015

#### Basic Information

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<b>Action required</b>	Information
<b>Draft resolution(s)</b>	None

#### Summary of Content

<b>Subject and aim(s)</b>	To show financial outturn relative to budget in 2015
<b>Main points</b>	<ul style="list-style-type: none"> <li>• Main income lines were all above budget</li> <li>• Expenditure was on budget</li> <li>• An expected small deficit turned into a small surplus</li> </ul>
<b>Previous relevant documents</b>	Budget papers G1 for Mission Council in November 2014 and November 2015.
<b>Consultation has taken place with...</b>	

#### Summary of Impact

<b>Financial</b>	
<b>External (e.g. ecumenical)</b>	

# Draft accounts 2015

## Coverage

1. In Assembly years, when Mission Council meets in March, it is too soon to provide audited accounts to Mission Council. Instead an unaudited summary of the outturn against budget for the central Church areas of income and expenditure is provided: this is attached for 2015. The relevant budget was approved by Mission Council in November 2014.
2. The full audited accounts will be available for General Assembly.

## Income

3. Income from local churches to the Ministry and Mission Fund (M&M) was above budget in 2015 but still represents a fall of 0.8% on the level of giving in 2014.
4. The period for which Mission Council requested synods to supplement the Ministers Pension Fund has now come to an end. Synods actually contributed £86k more than was requested in 2015. This is not only helpful in financial terms but also valuable evidence in persuading external parties who find Church finances puzzling that all parts of the Church are firmly committed to supporting ministers in retirement.
5. With investment income also significantly above budget, total income in 2015 was £313k over budget.

## Expenditure

6. Expenditure on stipends was under budget due to a slightly lower average number of ministers in service than expected. With retirement dates now very flexible, this number is even more difficult to predict than in the past. Stipends and related payments nevertheless still represented 75% of total actual expenditure.
7. By contrast, the number of ministerial students was higher than originally anticipated and so the costs of initial training for ministry (EM1) were above budget. General Assembly has made clear that it does not want this budget line capped.
8. Overall expenditure was in line with budget at £20.8m.

## Overall Position

9. With income above budget and expenditure in line with budget, an expected small deficit was turned into a surplus of £159k. This is added to the Church's general reserves.

## THE UNITED REFORMED CHURCH

## Draft Income and Expenditure account to December 2015

Department/ Project	2014		2015		2016
	Actual	Actual	Budget	Variance	Budget
	£	£	£	£	£
<b>Income</b>					
<b>Ministry and Mission contributions</b>	(19,642,770)	(19,483,157)	(19,360,000)	(123,157)	(19,340,000)
<b>Pensions - additional funding</b>	(302,476)	(386,447)	(300,000)	(86,447)	0
<b>Investment and other income</b>					
Dividends	(750,557)	(846,074)	(725,000)	(121,074)	(827,000)
Donations	(6,162)	(785)	(1,000)	216	0
Specific legacies	(1,829)	(459)	0	(459)	0
Grants/Income - Memorial Hall Trust/Fund	(242,983)	(253,977)	(235,000)	(18,977)	(250,000)
Net other interest	(20,886)	(19,121)	(50,000)	30,879	(40,000)
Other income, including property rentals	(6,893)	(14,438)	(20,000)	5,562	(20,000)
	(1,029,310)	(1,134,854)	(1,031,000)	(103,854)	(1,137,000)
<b>Total income</b>	<b>(20,974,555)</b>	<b>(21,004,458)</b>	<b>(20,691,000)</b>	<b>(313,458)</b>	<b>(20,477,000)</b>
<b>Expenditure</b>					
<b>A Discipleship Dept.</b>					
<b>A1 Ministry</b>					
Local and special ministries and CRCWs	14,987,072	14,804,768	15,060,500	(255,732)	14,688,200
Synod Moderators - stipends and expenses	653,125	718,356	651,400	66,956	663,500
Ministries department	266,792	302,189	264,800	37,389	277,800
Pastoral & welfare	3,287	816	2,000	(1,184)	2,000
	15,910,275	15,826,129	15,978,700	(152,571)	15,631,500
<b>A2 Education &amp; Learning</b>					
Initial training for ministry	677,561	720,025	635,000	85,025	641,500
Continuing training for ministry	104,874	108,577	105,000	3,577	107,500
Resource Centres support	443,620	574,953	555,000	19,953	571,000
	1,226,055	1,403,555	1,295,000	108,555	1,320,000
Windermere RCL - net support	146,998	123,192	114,500	8,692	133,900
Training for Learning & Serving - net support	110,811	102,660	102,000	660	92,900
Lay preachers support	7,094	12,077	10,000	2,077	10,000
Education & Learning department	179,277	166,514	176,300	(9,786)	148,300
	1,670,236	1,807,997	1,697,800	110,197	1,705,100
<b>A3 Children's and Youth Work</b>					
Staff costs	192,041	195,702	202,600	(6,898)	206,600
Management, resources and programmes	68,534	63,944	99,890	(35,946)	86,130
	260,575	259,646	302,490	(42,844)	292,730
<b>A4 Safeguarding</b>					
Safeguarding policy and practice	57,542	68,563	47,600	20,963	78,800
<b>B Mission Dept.</b>					
Mission dept staff and core costs	431,735	436,095	432,850	3,245	457,800
Mission programmes and memberships	213,982	245,438	266,550	(21,112)	261,500
	645,717	681,533	699,400	(17,867)	719,300
National Ecumenical Officers	33,460	33,046	35,000	(1,954)	35,000
	679,177	714,579	734,400	(19,821)	754,300
<b>C Administration &amp; Resources Dept.</b>					
Central Secretariat	273,657	323,329	305,300	18,029	309,800
Church House costs	337,232	334,712	340,600	(5,888)	336,000
Human Resources	75,810	66,755	85,400	(18,645)	78,800
IT Services	145,348	156,663	152,600	4,063	165,100
Finance	481,064	555,798	505,500	50,298	523,900
Communications & Editorial	352,649	383,922	366,900	17,022	404,800
	1,665,760	1,821,178	1,756,300	64,878	1,818,400
<b>D Governance</b>					
General Assembly	77,889	130,952	100,000	30,952	100,000
Mission Council	56,341	46,879	44,000	2,879	44,000
Professional fees	84,984	88,015	103,000	(14,985)	103,000
Other	70,720	81,422	65,000	16,422	59,000
	289,934	347,267	312,000	35,267	306,000
<b>Total expenditure</b>	<b>20,533,499</b>	<b>20,845,361</b>	<b>20,829,290</b>	<b>16,071</b>	<b>20,586,830</b>
<b>NET (SURPLUS)/DEFICIT</b>	<b>(441,057)</b>	<b>(159,097)</b>	<b>138,290</b>	<b>(297,387)</b>	<b>109,830</b>

Note: variances are adverse/(favourable)