

Paper G1

Finance Committee
Financial Outcome 2014

United Church 2015
Church 2015
Reformed Church 2015
Church 2015

Paper G1



Finance Committee

Financial Outcome 2014

Basic Information

Contact name and email address	John Ellis, Treasurer john.ellis@urc.org.uk or 01732 353914
Action required	For information.
Draft resolution(s)	None.

Summary of Content

Subject and aim(s)	To report on the financial outcome relative to budget for 2014.
Main points	<ul style="list-style-type: none"> • M&M income was above budget but below the previous year • General Assembly costs were held below budget • Overall expenditure was below budget • There was a useful surplus of £441k
Previous relevant documents	Budget Papers G1 and G2 at November 2013 Mission Council.
Consultation has taken place with...	

Summary of Impact

Financial	Reserves start 2015 higher than previously expected.
External (e.g. ecumenical)	No direct impact.

Financial Outcome 2014

Introduction

1. It is hoped that the URC Trust's formal and audited Report and Financial Statements for 2014 will be available for perusal on the URC website by the time Mission Council meets. Hard copies will be available on request.
2. The attached table summarises the outturn against budget for the items covered by the budget approved in November 2013 by Mission Council.

Income

3. Giving to the Ministry and Mission Fund (M&M) was above budget and it would be good if Mission Council members used every opportunity to pass on the thanks of the whole Church to each congregation that has risen to the M&M challenge.
4. Nonetheless the overall giving to the M&M Fund is 1% below that in the previous year, continuing the steady trend of the recent past. The resolution passed at the 2014 General Assembly encouraging every local church to offer 1% above its M&M target is an attempt to reverse this trend but it is too early for its impact to be assessed via the figures.
5. Overall income was £157k above budget.

Expenditure

6. The average number of stipendiary ministers in 2014 proved slightly below expectations, resulting in spending on direct support for ministers falling £194k below budget.
7. When reviewing the whole budget in 2012, Mission Council proposed that the budget for the Assembly itself should be reduced from £300k to £200k. Although not all the consequential changes were popular, the 2014 meeting of Assembly in Cardiff did come within the new budget at a cost of £178k.
8. With a number of other savings spread through the budget and effective budget discipline, the total expenditure was £279k below budget.

Overall Position

9. With income above budget and expenditure below, the year showed a useful surplus of £441k. This means that the general free reserves of the denomination are higher at the start of 2015 than had previously been planned. This is helpful, given the decision of Mission Council to accept a deficit budget for 2015.
10. The Finance Committee does not expect all the factors that affected the 2014 financial outcome will necessarily recur, but it is aware that there is no mission merit in accumulating reserves beyond what the Church needs and will keep the reserves position under review.

THE UNITED REFORMED CHURCH

Income and Expenditure Summary 2014

Department	2013 Actual £	2014 Budget £	2014 Actual £	2015 Budget £
Income				
Ministry and Mission contributions	(19,839,200)	(19,550,000)	(19,642,770)	(19,360,000)
Pensions - additional funding	(659,229)	(300,000)	(302,476)	(300,000)
Investment and other income				
Dividends	(657,903)	(678,000)	(750,557)	(725,000)
Donations	(3,237)	0	(6,162)	(1,000)
Specific legacies	(694)	0	(1,829)	0
Grants/Income - Memorial Hall Trust/Fund	(220,280)	(230,000)	(242,983)	(235,000)
Net interest	(35,780)	(50,000)	(20,886)	(50,000)
Property rentals and other income, net of costs	5,727	(10,000)	(6,893)	(20,000)
	(912,166)	(968,000)	(1,029,310)	(1,031,000)
Total income	(21,410,595)	(20,818,000)	(20,974,555)	(20,691,000)
Expenditure				
A Discipleship				
A1 Ministry				
Local and special ministries and CRCW's	15,770,494	15,181,000	14,987,072	15,060,500
Synod Moderators - stipends and expenses	693,766	640,000	653,125	651,400
Ministries department	266,523	260,900	266,792	264,800
Pastoral & welfare	5,699	2,000	3,287	2,000
	16,736,482	16,083,900	15,910,275	15,978,700
A2 Education & Learning				
Initial training for ministry	683,088	657,500	677,561	635,000
Continuing training for ministry	132,137	104,000	104,874	105,000
Resource Centres support	454,909	466,000	443,620	555,000
	1,270,135	1,227,500	1,226,055	1,295,000
Windermere RCL - net support	139,531	112,240	146,998	114,500
Training for Learning & Serving - net support	117,135	99,500	110,811	102,000
Lay preachers support	8,007	10,000	7,094	10,000
Education & Learning department	159,306	172,900	179,277	176,300
	1,694,113	1,622,140	1,670,236	1,697,800
A3 Children's and Youth Work				
Staff costs	207,130	201,600	192,041	202,600
Management, resources and programmes	67,702	100,650	68,534	99,890
	274,832	302,250	260,575	302,490

Department	2013	2014		2014	2015
	Actual £	Budget £	Actual £	Budget £	Budget £
A4					
Safeguarding	38,773	52,200	57,542		47,600
Safeguarding policy and practice					
B					
Mission					
Mission dept staff and core costs	370,996	416,500	431,735		417,900
Mission programmes and memberships	221,255	271,500	204,553		266,500
	592,251	688,000	636,287		684,400
National Ecumenical Officers	33,107	35,000	33,460		35,000
	625,358	723,000	669,748		719,400
C					
Administration & Resources					
Central Secretariat	366,524	421,800	422,122		461,300
URC House costs	254,210	286,500	274,007		285,000
IT Services	148,355	154,100	145,348		152,600
Finance	487,163	516,400	481,064		505,500
Communications & Editorial	373,982	344,800	352,649		366,900
	1,630,234	1,723,600	1,675,189		1,771,300
D					
Governance					
General Assembly	100,000	100,000	77,889		100,000
Mission Council	64,516	46,000	56,341		44,000
Professional fees	100,070	99,000	84,984		103,000
Other	60,044	60,000	70,720		65,000
	324,630	305,000	289,934		312,000
Total expenditure					
	21,324,422	20,812,090	20,533,499		20,829,290
NET (SURPLUS)/DEFICIT					
	(86,173)	(5,910)	(441,057)		138,290

Note: variances are adverse/(favourable)
G1a Management accounts 2014 for MC.XLSX - Summary

