

Finance & Support Services Committee
5th October 2019

Summary Report

Financial Report

The 2019 half year accounts report an overall surplus of £1,815. Closed church receipts covered the core operations deficits. The latest forecast for 2019 full year is as follows:

	£'000
Core Operations	(387)
Additional Operations	(95)
Protected Program Fund (PPF) and Closed Church Fund (CCF)	379
Net Movement of Funds in the Year	(103)

It was reported that expenditure levels are running at around £400k higher than income levels and reliance on closed church receipts to balance the books remain.

The property at Heaton Park Manchester remains unsold and No 4 Castle Gate remains without a tenant. Both are contributing significantly to these deficit levels. It was agreed to increase the 2019 forecast for repairs and maintenance to Cleaves Hall. There remain significant levels of historic depreciation. CF has no debt.

Recent church re-generation initiatives have created financial concerns for them, each are seeking CF financial support. The Church Support Grants Fund for awarding impact, starter and mini grants is being affected as they rely upon receiving closed church sale proceeds. There remain limited funds now available. FSSC agree that these should not be funded from CF Core Operations given the current deficit levels to these but should make clear to applying churches that grants can only be awarded according to available funds.

Finance Strategy and Funding Requirements

That the CF operations for 2021 remain at similar levels to 2020 that the Core Operations be again funded from the Protected Program Fund. CIPT to be funded from their own reserves.

CF is also undertaking a Governance review alongside holding Open Space Events.

It was recommended to Council that “due to current financial pressures there is a need for a holistic approach for Strategy, Church Support, Re-generation and finances”.

Other Matters

Church Affiliation Fees – It was agreed to write off £712.50 in unpaid affiliation fees and to remove two churches from membership where no communication has been received regarding non payment.

CF Area Grants (England & Wales) – It was noted that @ 30.6.19 there is £112k available for churches to apply for grants from. Concerns that these amounts should be being awarded to support churches and that despite many reminders some Area's are not doing this. A set of recommendations were agreed in order to try to better facilitate this process in helping get the money to the churches and this will be monitored again at the next meeting.

CF Committee/Board Terms of Reference – This review has begun; it has been agreed that a more detailed document is established to set down the required budgetary controls.

2021 Membership Fee's – Church Affiliation £155 per church + £8.25 per member.

Pilton Green – rates to be reviewed at the November ITTB. Some summer months considered dis-proportionate to August rates.

Congregationalist – concerns raised about the printing costs and this to be tabled at Council in November.

Yearbook 2020 – some increases to wedding and funeral rates were agreed.

Congregational Federation Ltd – CF to provide 1) a grant to write-off a re-generated churches debt 2) a loan of £30k to finance some closed churches debts, to be repaid from sale of proceeds.

ITTB – Investment training to be provided to members in November 2019.

Management Accounts Reporting Dates – this was raised at CIPTMB and CSC. FSSC agreed with current reporting dates, encouraging all to be conscious of these when setting meeting dates, that the need to regularly update forecasts is required and for a training day for all budget holders be held.

CWM – Queen's Foundation – CF representatives were needed to attend a conference about debt and ethical challenges.

Ethical Banking – To be discussed at the next FSSC meeting.

DONM: 18.4.20