

Finance & Support Services Committee Meeting – 5th October 2024

Held on Zoom.

Present

Susan Austin
Gerry Simonis
Roger Gingell
Margaret Morris
Michael Hockaday
Keith Bradley
Peter Butler
Tim Bateman
Ruth Green
Jim Lyon

Representing

Chair
CF in Scotland
CF in Wales
Eastern
East Midlands
North East
North West
North West Midlands
South West
Chair of Council

Participant Observers

Gary Baker
Yvonne Campbell
Clare Edwards

Financial Controller
General Secretary
Administrator / Minutes

Apologies

Oliver Kinchin
Marion Kerr
Joanne Oldridge
Thandar Tun
Sonia James
Elisabeth Sweeney-Smith
Mark Tucker
Philip Stainer

President
CF in Scotland
South West Midlands
South East
CF in Wales
President Elect
Operations Manager &
Company Secretary
Property Manager/Finance Officer

1. Welcome

(Paper A)

The welcome was given by the Chair, Susan Austin.

2. Opening Devotion

Devotions were led by Chair, Susan Austin, including a reading from Philippians Chapter 4: v. 6-9 followed by a short prayer.

3. Apologies

Apologies were noted and are recorded above.

Gerry Simonis advised the Committee that Marion Kerr is in extremely poor health and will not be able to return to FSSC. General Secretary to send a card to Marion on behalf of the Committee, it was acknowledged Marion has put in a lot of time and work.

4. Declarations of Interest

Peter Butler declared an interest; his church is a beneficiary of the Royton Trust and as North West Area Treasurer.

5. Minutes of Previous Meeting – 6th April 2024

(Paper B)

The minutes were agreed by the Committee and to be signed by the Chair as a correct record.

6. Matters Arising not elsewhere on the Agenda.

It was noted that the Terms of Reference have not been updated to reflect Sue Austins appointment as Chair. As Sue's term is coming to an end the Terms of Reference will be reviewed and updated at a later date.

7. Any other Business

The General Secretary advised the Committee that there has been a change to the expense policy. CF name and address must be on invoices when claiming for overnight accommodation on CF business rather than the individuals address (although the individuals name should also be included). A VAT receipt must also be obtained.

Chair Approved

The Financial Controller will put together some hints and tips of how to achieve this and the General Secretary will also write a written brief.

In the event someone has not been able to obtain an invoice in the CF name the application will still be processed, however the Committee to be aware of the change.

7. Investment Trust & Trading Board

Susan Austin

a. Minutes of meeting – 24 July 2024

(Paper C)

The following were noted from minutes of 24 July 2024

The minutes were accepted by the Committee.

8. Chair Report

Susan Austin

The Chair reported this will be her last meeting, she will not be standing for another term. Currently the position of Chair is vacant with no expressions of interest. Sue asked the Committee to think and pray and asked for any thoughts going forward.

It was noted that the Church Support Committee had interim Chairs from the Committee to take meetings.

Sue agreed to prepare the Chair's report for Year End as it is a reflection on the previous Year.

9. CF Jan – June Accounts 2024, Forecasts 2024 & Budgets 2025 (Paper D, D1,D2,D3, D4, D5)

Gary Baker

a) Finance Report

The 2024 Forecast has been updated and a 2025 Forecast created based from the 2025 Budgets. The KPI's will again be prepared to reflect the annual position at the end of 2024 for the next meeting.

Both years see slight reduction in deficits.

Finances remain in a fairly stable position. CF hold significant assets, property and market investments.

Higher interest rates are yielding better deposit interest returns at the moment which is helpful.

CF have no debts and no financial commitments to meet such as pension fund shortfalls.

CF currently have healthy cash reserves. The CF empty property in Cardigan is to be sold and the proceeds transferred from the General Purposes Property Fund and into the Protected Program Fund to provide future financing to protect and preserve CF operations in supporting the churches. A further CF property at Shrewsbury will be sold during 2025 for the same purpose.

Sadly, closed church income has been received in the period and further amounts are expected and these all go to the Protected Program Fund, again to finance and preserve the CF operations in providing vital support for the churches.

The Financial Controller has reported many times the importance in protecting and maintaining the asset base as it provides the main source of CF income. Controlling expenditure remains a vital component of that.

Chair Approved

Recommendation

The Finance Committee accept and recommend.

b & c) Paper D1: CF Accounts Jan to June 2024; Forecasts 2023 & Forecasts 2024.

d) Paper D2: CF Balance Sheet at 30th June 2024.

Decision: Agreed Unanimously.

Action: Chair of FSSC to bring recommendation to Council.

Timescale: November 2024

e) Unpaid Affiliation Fees

(Paper D3)

The Financial Controller updated the Committee that Llanhilleth, Knightswood, Sanquhar, Fritchel and Penge have paid their affiliation fees since Paper D3 was compiled.

New Maria, Swansea All Nations, Whitland, Airdrie, Esk and Harting are still outstanding.

The General Secretary added that New Maria had a flood last year, have not been meeting and cannot afford to pay this year. The Financial Controller advised they could possibly apply for an Area grant. Roger Gingell to contact the church as Area Treasurer.

Roger asked if churches could pay affiliation fees in installments. The Financial Controller responded that it would be considered if the payment was made by direct debit.

The Financial Controller also highlighted that the East Midlands and North West Midlands Area have unpaid ACAT fees.

Jim Lyon left the meeting.

f) Schedule of Charges - 2026

(Paper D4)

The Financial Controller reported on Paper D4 and highlighted the significant increase in the charge to take a dog to Pilton Green.

A discussion took place and it was noted that it could discourage people from booking and it was unclear what the rationale was behind the charge doubling.

Recommendation:

To change the dog charge to £90 for 2025 and £100 for 2026.

Next year to look at fewer banding of the holiday rates, 4 if possible.

Decision: Agreed Unanimously.

Action: Chair of FSSC to bring recommendation to Council.

Timescale: November 2024

Recommendation:

Church Affiliation Fee: for 2026, to be increased to **£175.00** per church from £170.00 and to **£9.50** per member from £9.25 per member.

Personal/Associate Membership Fee: for 2026, to be increased to **£46.00** from £45.00.

Chair Approved

Recommendation

**For 2026, to increase the Affiliation Fees to £175.00 (church) and £9.50 (member).
To increase the Personal/Associate Membership Fee to £46.00.**

Decision: Agreed Unanimously.

Action: Chair of FSSC to bring recommendation to Council.

Timescale: November 2024

Paper D4 was accepted.

g) Capital Expenditure

(Paper D5)

Recommendation:

To approve the £25,000 to replace the General Secretary's company car.

Proposed: Sue Austin

Seconded: Roger Gingell

Decision: Agreed Unanimously.

10. Finance Strategy and Operating Deficits

(Paper E)

The Financial Controller reported on Paper E and advised we are currently in 3-year strategy period of 2024-26 and that the next FSSC meeting will look at budgets for 2026 the final year. This time next year the Committee will need to form a view if they are confident to recommend a further 3 years to Council. As things stand the Financial Controller sees no problem with this, CF have no debts and are cash rich. He emphasized the need to keep a balance and protect the asset base.

Keith Bradley left the meeting

11. CF Area Grants (England & Wales)

(Paper F)

The Financial Controller highlighted there is money available to help churches. CF Wales advised grant forms have recently been distributed and South West advised there are two churches who need a huge amount of work done so may benefit from an area grant.

Paper F was for information and accepted by the Committee.

12. Yearbook 2025

(Paper G)

Paper G was for information and accepted by the Committee.

13a. Southam

Southam Trustees wrote to CF with an offer for The Graham Adams Centre which was received by the Investment Trust and Trading Board and a detailed discussion ensued regarding the options proposed by Southam Church and Community Project Ltd and the requirements of the Congregational Federation.

It is important to note that the property is an Investment Property, so any disposal will have to consider the Charity Commission guidelines.

ITTB agreed that the options proposed by Southam Church and Community Project Ltd does not

Chair Approved

concur with the Congregational Federation's valuation and referred the matter to this meeting and on to November 24 Council Meeting.

Southam Trustees have since contacted CF to advise their offer was incorrect and the original purchase price was £180,000

Recommendation:

To clarify the change of the offer amount from Southam Church and Community Project Ltd and obtain an up-to-date valuation of the Graham Adams Centre with the aim to get a fair value for the property in line with Charity Commission good practice.

Decision: Agreed Unanimously.

Action: Chair of FSSC To take the above findings to the next Council meeting for consideration.

Timescale: November 2024

13b. Loan Request - Eyemouth

(Paper I)

At the FSSC meeting held in April 2024, a late request had been presented to the meeting for a potential loan from CF to meet significant and historic energy costs. The meeting agreed that a due diligence exercise be undertaken with the church. Information sent in contained some errors identified within the annual examined accounts. Other requested information had not been forthcoming. On recent enquiries it was confirmed that the church has decided to withdraw their request.

14. Loan Request – Markham

(Paper J)

The Financial Controller reported that a letter had been received from Markham Congregational Church asking for a loan. CF do not have a mechanism or pot of money for a loan; however, the Church may be able to access area grant funds.

As it stands currently the loan request has been removed and they are pursuing an area grant. Wales Area Treasurer advised their request would swallow the whole CF Wales fund and that in the interest of fairness the fund has been capped at £500 per church.

A discussion took place and points made included:-

- The church is £8,000 in debt but currently has savings, they could use this to pay off some of the debt
- How do we work alongside them to support them?
- For future consideration should a question such as "Have your accounts been audited?" be added as part of the Safeguarding Certificate?
- If there is a commitment to pay an amount per month back to SSE Energy and evidence to support this, could we match fund the amount for a couple of years?

Wales Area Treasurer to give a rounded view of the above at the next Wales Area Executive Meeting where they will be discussing Markham's grant request.

15. Loan Request – CFL

(Paper K)

The Congregational Federation Limited has a Closed Church, Longney, which closed in 2018 with £109 in the bank at date of closure, and with the passage of time has borrowed £13,000 from the other CFL Closed Church Funds. The property is available for sale, but the disposal is not straightforward.

Chair Approved

Recommendation:

That Congregational Federation provide an Interest Free loan of £30,000 to The Congregational Federation Limited to cover the shortfalls in its cash position because of recent church closures. This will be repayable upon sale/distribution of Longney Congregational Church.

Proposed: Sue Austin

Seconded: Peter Butler

Decision: Agreed Unanimously.

Action: Chair of FSSC to bring recommendation to Council.

Timescale: 15th November 2024

Gerry Simonis left the meeting.

16. CFL Accounts

Gary Baker (Paper M, M1, M2, M3)

a. The 2024 Half Year Accounts, Paper M, were received for submission and approval by the CFL Directors on 16th November 2024.

b. New College London Foundation

CF have administered the charity for around nine years, previously this was undertaken by the URC. CFL have two appointed representatives on the board has also does the URC. There is currently around £39k of assets mainly held on deposit at CCLA. Interest is paid 1/4ly into their HSBC current account where a £5 pcm charge is levied. There has been no other activity for a number of years. With Mark retiring, the mandate needs updating and it is suggested that Yvonne Campbell be added. It is a good opportunity to reflect and review the purposes of the charity and whether it can in fact be wound up and the fund balances to be distributed equally between the CF and the URC. The annual accounts state the funds are not restricted and the charity commission state the objectives is for : "The training of men and women for the Christian ministry in the UK and Congregational churches." This would imply that any distribution comes into CF as for the benefit of CIPT. A meeting of the charity is to be held later in October to discuss and hopefully approve the winding up of the charity.

Recommendation:

1. To replace Mark Tucker and appoint Yvonne Campbell as a CFL representative of the New College London Foundation. Action: Financial Controller and Operations Manager to take to the Congregational Federation Ltd meeting in November 2024.

2. To wind up the charity and fully distribute any remaining funds.

Decision: Agreed Unanimously.

Action: Financial Controller and Operations Manager to take to the Congregational Federation Ltd meeting.

Timescale: 16th November 2024

The 2024 New College Accounts Statutory Accounts, Paper M1, were received for submission and approval by the CFL Directors on 16th November 2024.

c. CFL – Closed Church Distributions

The Finance & Support Services Committee to note the transfers made to the Congregational Federation during 2024, **Paper M2**, for approval by the CFL Directors on 16th November 2024.

Chair Approved

| | |
|---------------------------------|------------------|
| | 2024 |
| | £ |
| | |
| Final Distribution – Colchester | 10,450.34 |
| Total | 10.450.34 |

d. CFL – Properties and Investments

Paper M3 was for information and accepted by the Committee.

17. Date and time of Next Meeting **2025** 12th April 10.30am (Zoom)
4th October 10.30am (Nottingham)
Area Treasurer Day 3 October 11am

18. Closing Devotions – the meeting closed in prayer.

Signed:

Dated: