

11th November 2023

Memo to Congregation Meeting

Comments from Treasurer and Finance Committee.

I apologise for my absence, but we had a prior commitment this week to the Victorian country and whilst overseas was not aware of the change to the 19th of November.

I am grateful to Warren Greenwood who will deputise and present our recommended budget for 2024 as well as provide P & L updates and Balance Sheet.

Budget 2024.

This is a challenging Budget with a new Ministerial team and for the first time in over 12 months we have a full team and the associated costs.

The Budget process has again, in my view, worked well with us generating details as to expenditure for all groups for 2023, forwarding this to each group for review and amendment and then Finance accumulating into a final working document. Joanne has been an integral part of this process.

We have been able to accommodate most activities and funding requests from all groups as a starting point.

There are several certainties including our Rental income which is overviewed by Properties (Warren) and Joanne, our office Manager. For information purposes we are close to maximum Rental income at approximately \$80,000 as Budgeted

A small number of groups have adjusted their budgets, and we have accumulated such a positive result. We have met each of these requests.

We have also assumed that we can commit \$52,000 to Presbytery re Mission and Service. This is an important issue and is appreciated by Jeff Gardener, Presbytery Treasurer.

The uncertain areas again relate more to Income and Receipts, and we have been conservative.

Our Direct giving has held up well and we are budgeting \$155,000 from this source and in reviewing our 2023 actual figures this looks achievable. That will likely be a stretch to meet similar levels to this current year.

Envelope and Open plate remain uncertain, and we have opted for \$68,000 and 57,000. These are rubbery but important elements.

We have budgeted for the Annual Fete to deliver a similar strong result of \$22,000 and congratulate all involved for the successful 2023 result.

We have included \$3,000 from the annual Walkathon, which has been a Neil project, we hope and assume that this continues.

Some challenges re the Welfare Budget receipts, but we have run with similar levels to 2023.

In summary, we are well placed and despite some issues and concerns, we hope that with a new team we will also see new projects generating additional revenue.

Summary.

This is a complex little or small business drawing revenue from a variety of sources, some of which are under pressure from our programs and activities.

We have again highlighted that our revenue remains under pressure from our demographics and some reduction in our numbers.

The Budget emphasizes the control of expenditure on defined programmes and projects and enables our determined staffing needs. We can do everything your committees and Church Council require.

Importantly, following an excellent result from 2023 where we will significantly restore our Balance Sheet, we are well placed to fund our programmes and staffing structure without significantly requiring use of our Retained and Accumulated earnings within the Balance Sheet.

The finance committee recommends the adoption of this Budget with a proposed Surplus of \$6,950.

Audit 2022 – Finalised August 2023.

Your Finance Committee has worked closely with our Auditor over the last 2 -3 years to overcome issues associated with our longer-term use of the Deferred Management Reserve.

Last year Ken and John Yates had lengthy discussions and that issue has now been finalized and there were no comments or issues in relation to this account in 2022 Financial Accounts.

The Accounts were reviewed and signed off with no issues or comments from our Auditor. We have also for the first time included the Endowment fund within our Accounts and the process and treatment were finalised and completed in this audit.

A strong set of financial Accounts for Year ended 31 December 2022.

Update of Current Year finances for the period – 1 January 2023-31 October 2023.

It is important to thank the Church Council for allowing our Finance Committee to define and manage our financial performance. This year to date as of 31 October 2023 has provided an excellent opportunity to restore our Accounts and Balance Sheet.

This has been achieved. There remain several items to process over November and December but for the first 10 months to 31 October we have delivered a Surplus of \$96,019.

Part relates to the situation where we were down on Staff, but we did engage Supply Ministry resources via Hoon You. However, we believe we have had a saving of approximately \$50,000 in this area.

We have taken the Fete proceeds net of cost into our October revenue figures and we will distribute those funds with approximately \$15,000 going to outside beneficiaries and \$5,000 to COP for 2024 over the next 2-3 weeks.

We will have 2 months of full Staffing Costs and this and our process of defining Accruals for transfer to 2024 is likely to deliver after other adjustments deficits for both November and December.

There is an opportunity to top up the Deferred Maintenance reserve by another \$10,000 or \$15,000.

Balance Sheet Summary as of 31 October 2023.

Assets

Cash at Bank and Investments 377,731

Debtors and GST Liabilities and Prepayments (13,651)

Total Assets 364,262.

Liabilities (934)

Net Assets 365,195

Equity.

Reserves and Funds 210,255

Retained Earnings 154,940

Total Equity 365,195

This is a strong Balance Sheet, and we are well positioned for 2024.

Thanks again to the Finance Committee and our Church Council.

Ken M Coutts

GWUC Treasurer

