

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

GENERAL ASSEMBLY 2012

GENERAL ASSEMBLY 2012

The outline Order of Business in Appendix 1 details the arrangements for the 2012 General Assembly. The General Assembly will meet in the Salutation Hotel, Perth from Wednesday 6th to Friday 8th June. The annual meetings of the Women's Home and Overseas Committee and all Business Sessions and the Opening and Closing Services of the General Assembly will take place in the Salutation Hotel. The culmination of the General Assembly will be the Closing Service during which the Moderator will give his address. The Leaders' Forum will take place in Perth United Free Church.

GENERAL ASSEMBLY 2013

The Committee informed commissioners to the 2011 General Assembly that the preferred dates for the 2013 General Assembly were not available at the Salutation Hotel. Commissioners were offered alternative dates and indicated a single preference. The Committee recommends that the General Assembly 2013 be held in the Salutation Hotel, Perth from Wednesday 29th to Friday 31st May 2013.

STEDFAST

Mr Alastair Wright has taken up the position of Stedfast Secretary and has been working well with the Stedfast Editorial Team. The Stone Agency continues to design the magazine and the General Secretary provides valuable support and advice. The Team continues to commission and request material from within and beyond the church in its effort to provide a magazine that encourages, supports and advances the life and witness of the denomination.

The costs of design and production of Stedfast are likely to rise in the coming years. As circulation has fallen slightly the Committee felt it necessary to raise the price by a small amount. It is the view of the Committee that Stedfast may require a modest subsidy from the central funds of the Church in the near future.

PRAYER UNION

The Prayer Union continues to provide the Church with an excellent tool. The Prayer and Study Guide is widely used within the Church and the Committee thank the Prayer Union Committee and its Mrs Wemyss Billows for all the work it carries out in providing the content and design of the guide.

PROTECTING VULNERABLE GROUPS

The Committee has discussed the arrangements required for the introduction of the new PVG scheme. Over a 3 year period the intention is that all those currently working with vulnerable groups will be brought into this new PVG Scheme. This transition was due to start in February 2012 but the Scottish Government decided to postpone it because the systems of Disclosure Scotland were not ready to handle the volume of applications. They anticipate the transition arrangements beginning later this year. Within the United Free Church it is hoped that this will be done gradually, in the following order: -

1. Ministers/ Ministry Assistants/ Pastors
2. Those who have disclosures under the old scheme.
3. Those working with other vulnerable groups as required.

Anyone who takes up a position which involves working with children and young people or other vulnerable groups will continue to require to have a Disclosure check carried out at that point.

When the original scheme for the Care and Supervision and Young People was established the church appointed a National Coordinator and Presbytery Coordinators. Their role has been mainly advisory with a training aspect on occasion. The administration of the scheme has been undertaken by the church office. The Committee recommends that the advisory role be undertaken by the National Coordinator supported by an assistant and the role of Presbytery Coordinator be set aside.

The Committee would like to thank Mr. J. Skinner for his work as National Coordinator and Mr. N. Kyle, Miss J. Ramsey and Mrs S. Mackenzie for their work as Presbytery Coordinators. The committee recommends the appointment of Miss Elizabeth McNaughton as National Coordinator for the new PVG Scheme.

The Committee recommends that the lists of people registered under the PVG Scheme be routinely checked by those carrying out Quinquennial visitations.

COORDINATING FORUM

The Coordinating Forum continues to meet to share information on the work of presbyteries and the committees of the church. The present committee structure has been in place for a number of years and has encouraged committees to liaise and work together where appropriate. The Coordinating Forum has agreed to meet once a year. If required, additional meetings may be convened.

CHURCH SOLICITOR

The committee felt it necessary to give consideration to the position of Church Solicitor. After consultation and discussion the Committee recommends the appointment of Mr. A Holloway as Church Solicitor.

HANDBOOK

The 2012 Handbook has been produced. This year some additional information has been included in the Handbook:

- Remits of Assembly Committees
- Introductory information on Ministry
- Introduction to the remit of the Youth Worker
- Basic information on the Protecting of Vulnerable Groups scheme.

It is hoped that this information will be helpful to the work of the Church. Thanks are due to the office staff for their willingness to take on this additional work.

CONGREGATIONAL RECORDS

Concerns were expressed within the Committee in respect of the safe-keeping of historical records of congregations and the various courts of the church. In the past such records have been lodged with the National Archives in Edinburgh. Session Clerks were asked to indicate where their historic records are presently held. Information on church records has been received from 21 congregations and reminders have been sent to the others.

It is of great importance that records are held securely and not misplaced or lost. The committee recommends that past minute books and records be lodged with the National Archives but this should only be done with the permission of Presbytery. It is further recommended that given the confidential nature of some of the material, records less than 75 years old should be consulted with the permission of the Kirk Session.

QUINQUENNIAL VISITATION

During the year the following quinquennial visitations have been carried out:

East: Bannockburn: Murrayfield, Broxburn: St Nicholas, Portobello: Wilson Memorial

West: Glasgow: Langside & Shawlands, Glasgow: Partick, Milngavie, Stonehouse: Paterson, Wishaw.

North: Dounby, Ferryden, Montrose: Knox's, Tayport

MODERATORIAL VISITATION

Thanks are expressed to the Moderator, Mr George H McRobb for his visits to congregations during the past year and for the encouragement he has brought. The Moderator has willingly represented the church at a number of meetings and events

East: Alloa, Bannockburn: Murrayfield, Bo'ness: Craigmailen, Broxburn, Menstrie

West: Bargeddie, Chryston, Clydebank, Cumnock: St Andrew's, Stonehouse: Paterson, Wishaw

North: Aberdeen: Northfield, Balbeggie, Cunningsburgh, Dounby, Dundee, Sandwick

Congregations are reminded that, any requests for visits by the Moderator should be made through the Church Office.

CHURCH OFFICE

The Committee continues the regular monitoring and maintenance of the Church Office. It can report that there have been no major repairs required in the past year.

APPEAL COMMISSION

The Committee recommends that the following members be elected to serve on the Appeal Commission for the coming year. Rev A M Ford (Chairman), Rev G J A Barclay (Vice Chairman), Rev M C Keane, Rev G G Brown, Rev I A Boa, Mr W Cairns, Dr I Smith, Miss J Doran, Rev A D Scrimgeour, Rev C C Brown, Rev D Lyon, Mr A Scott, Miss L Mathieson, Rev G B Bruce, Rev A Ritchie, Miss J Ramsay, Mr G H McRobb, Mr I Shering,

PANEL ON DOCTRINE

The Committee recommends that the following members be elected to serve on the Panel on Doctrine for the coming year: Revs: I.F.R Lloyd (Convener), D. Cartledge, Dr. J. O. Evans, J. O. Fulton, A.D. Scrimgeour, Mr. A. Scott, and the Principal Clerks.

Following an approach from the Ecumenical Relations Committee, it is recommended that the Panel on Doctrine be asked to respond on behalf of the United Free Church to a paper from the World Council of Churches: 'One Baptism: Towards Mutual Recognition – A Study Paper.'

CHURCH AND MANSE BUILDING FUND

The Committee has been reviewing the requirement for congregations to submit a Church & Manse Building Fund Schedule before proceeding with repairs. The practice has varied from one Presbytery to another and it was agreed it would be better to have the same arrangement in each Presbytery.

A Schedule is always required where a grant is being applied for and the work should not normally proceed until such a schedule has been approved. As set out in the current regulations, the Schedule will be considered by the Presbytery and, if approved, transmitted to the Administration and Finance Committee who will consider the grant application.

Where no grant is being applied for, it is proposed that a schedule is only required where the cost of the work is in excess of £5,000. Such a Schedule will be dealt with by Presbytery, following the current regulations.

In all cases, there is a need for presbyteries to scrutinize each schedule and ensure the best use is being made of resources.

THANKS

The Committee would like to record its grateful thanks to all members and adherents of the United Free Church who assist the work and witness of the Church. Many people give faithfully of their time and resources in the service of God and this is greatly appreciated. The Committee would record its thanks to the General Secretary, Rev John Fulton, Mrs. Helena Jarvis and Rev. Peter Dick for their faithful work and support.

FINANCE

BASIS AND CONTENT OF THIS REPORT

The Report and Financial Statements for the year ended 31 December 2011 are at the back of Assembly Reports. Commissioners may obtain detailed Assembly Fund Accounts from the General Secretary.

This Report highlights the principal factors affecting changes in Funds in 2011; explains Budget and allocation of Target for 2012; the importance of these to the level of the Target recommended for 2013; and provides an assessment of the U.F. Church's financial position both denominationally and congregationally.

The General Trustees of the Denomination hold funds on behalf of some congregations, presbyteries and other bodies. The amount and movement in these Funds are given in Note 15 in the statutory accounts at the end of this volume of reports. Funds held on Trust' and are not included below. In 2011 a number of Congregations gave funds to invest on their behalf. Such funds now total £648,000.

MOVEMENT IN FUNDS 2011

Funds of Assembly Committees' owning property have two elements - 'revenue/liquid' funds, represented by cash/investments, and 'Property' funds. The former is realisable; the latter long term commitments. Property of congregations owned by the denomination is recorded at cost less depreciation; Newton Place (church office) at market value (re-valued 5 yearly) then depreciated; manses and retirement homes are shown at purchase price plus cost of improvements. The 'book cost' of Property does not reflect its market value.

Total Funds	2010	2009	Increase (decrease)
	£	£	£
Revenue funds	1,746,980	1,632,026	114,954
Property funds	1,692,427	1,701,941	(9,514)
	<u>3,439,407</u>	<u>3,333,967</u>	<u>105,440</u>
Funds at close of year	<u>3,439,407</u>	<u>3,333,967</u>	<u>105,440</u>

Movement in Revenue Funds:

Incoming resources of £1,191,432 and resources expended of £1,098,728 give an increase of £92,704. Funds received, £172,542, on the dissolution of Dysart and Dunfermline congregations, masks the underlying deficit between ordinary income and expenditure of £79,838. Gains and losses on the sale and/or revaluation of investments total £12,736 giving increase in revenue resources of £105,440 (2010 - £149,369).

Movement in Property Funds:

There are no changes in property in 2011. Fall in value of £9,514 is depreciation on certain properties.

TARGET AND ASSEMBLY COMMITTEE FUNDS

The schedule on page 55 gives in columns 1 - 8 a summary of the movement in all funds (excluding property) in total and for each Committee in 2011.

'Minimum' target set for 2011 was £50 per member; with membership of 3394 income expected was £169,700; Income received was £170,142. However a few congregations are late in remitting target so at end 2011 there is a shortfall, £7,413 = 4.4%.which is being followed up. Some congregations exceeded 'minimum' target, £9,865.

The deficit between income (including target) and Committee's (excluding Overseas and General Trustees) core costs in 2011 is £65,000. Two Committees bear most of this deficit - General Purposes (GP), £29,000; Ministry, £30,000. In 2011 General Trustees gave grants of £20,000 to each Committee to cover 2010 deficit. A similar grant may be necessary for 2011.

These figures exclude 'Dissolution Funds' allocated according to Congregations' wishes to, General Purposes £9,772; Special Aid £7,329; Church & Manse Building Fund £15,000; Ministry £22,329; Youth £22,329; Overseas £7,329; and General Trustees £83,569, Funds

BUDGET AND TARGET ALLOCATION 2012

The schedule on page 55 gives Budgets and Target Allocations for 2012. The 'Minimum' Target set for 2012 is £53 per member which with reported membership of 3185 gives income of £169k. Budget income is £176,999 on assumption minimum will be exceeded. Budgets and Target Allocations for 2012 have been discussed with Committees and are recommended to be General Purposes £105,361; Ministry £ 52,675; Youth £6,321; Church & Society £6,321, Ecumenical Relations £6,321. No allocation is proposed for Christian Education and Overseas where Funds are considered adequate for the time being. It is noted that the Target to meet Committees' core costs in 2012 is £65 per member.

TARGET FOR 2013

Denominational membership still declines. Administration and Finance Committee recommend that minimum target for 2013 be £55 per member **and** exhort congregations to aim to contribute up to £65 per member (as for 2012) to meet core costs.

DENOMINATION AND CONGREGATION FINANCIAL RESOURCES

Denomination Resources are discussed above and given in detail in the attached Schedules, Reports and Financial Statements. Congregation Funds and Resources and the movement therein during 2011 are shown on pages 56 - 58. These figures are taken from the Annual Schedules and Financial Statements provided by Congregations.

The financial resources of the Denomination and of Congregations are substantial in the context of the number of congregations and the present membership but the 'division' of resources and financial experience varies considerably and in some cases is serious.

Practical issues financially are:-

- Fewer congregations are able to support full time or part-time ministry and meet increasing working costs including increased target!
- Some congregations depend on reserves to support ministry whereas others are working on tight budgets and even tighter cash flows.
- These and other issues are challenges to be faced:-
 - To supply, maintain and support ministry across a wide spread denomination
 - To support congregations with few resources and a passion for mission.
 - To assist congregations who struggle or are unable to maintain property

The Ministry and Administration & Finance Committees are addressing the issue of funding ministry to ensure human resources are adequately remunerated and the cost of

delivering it is fairly applied throughout the denomination. Congregations are reminded that grants are available to support, maintain and provide ministry where local financial resources are insufficient.

This is a Finance Report but it is essential to note that those Congregations which were dissolved in 2011 and in recent years, and one Congregation in the process of dissolution, are not doing so on finance grounds but mainly for lack of human or ministry resources! In the financial perspective the result is a significant increase in Denominational resources. This is no cause for relief or complacency but a challenge to Committees and Congregations and how these financial resources are properly stewarded and applied for God's glory, advancement of His kingdom and the mission of the Church of Jesus Christ to preach His gospel and win people for His glory.

CHARITY LEGISLATION AND 'OSCR' (Office of the Scottish Charity Regulator)

There has been no significant change in Charity Legislation but OSCR are determined to ensure Charities adhere to charity accounting standards or risk their charitable status. When changes are introduced Church Office will inform Congregations.

The advice given is that Presbytery Finance Committees and Church Office be informed of any case of 'non-compliant' Reports which are returned by OSCR so that corrections are made and help can be offered to avoid a similar situation arising in future.

GOVERNANCE AND OSCR

A key requirement of Charity Legislation and on OSCR is to ensure proper Governance is exercised by all the Charity Trustees named in the Congregation's Report each and all of whom are responsible for its activities and specifically the annual Report and Financial Statements. The Charity Trustees are the members of the Kirk Session and the members of the temporal court. Where the Congregation has a Deacons' Court or Congregational Board the membership of these courts include all Charity Trustees but where there is a Committee of Management this is not the case. It is essential therefore that a procedure is introduced which ensures all Charity Trustees are involved in the approval of the Congregation Report and Financial Statements.

CONGREGATIONAL TREASURERS

We acknowledge the additional work and commitment which has been required from all treasurers in recent years to fulfil and the requirements of Charity Law and of OSCR and thank treasurers and responsible committees for their patience and perseverance. If problems occur in meeting these requirements Treasurers are advised to contact Church Office.

AUDIT OF CHURCH ACCOUNTS

Alexander Sloan, Chartered Accountants, who are the Auditors appointed by General Assembly have carried out their audit. It is recommended that this firm be reappointed for the 2012 audit.

STATISTICS

Presbyteries: The number of Presbyteries remains at 3.

Congregations: The number of Congregations at the end of 2011 was 60, a decrease of 2, following the dissolutions of Dunfermline and of Dysart.

Name of Presbytery	Number of Congregations
1. East	13
2. West	29
3. North	18

Roll of Ministers, etc.

Ministers:

	2010	2011
a) Retired	26	26
b) In Pastorate.....	20	18
c) Others	5	5
Total	51	49
Part-time Ministers & Pastors.....	14	13
Students.....	1	4
Widows of Ministers.....	13	12
Widows of Pastors.....	2	2

Persons and Agencies: In the table appended to this Report the analysed details of schedules received from Congregations will be found with the corresponding figures for previous years.

Communicants: The number of Communicants on the Roll at 31 December 2011 was 3,177 compared with 3,394 at the end of 2010.

Admissions were as follows: -

	2010	2011
By Profession	23	17
By Certificate	38	35
By Resolution	12	9

Removals were as follows: -

By Death	134	119
By Certificate	61	92
Without Certificate	84	67

Office-Bearers: The number of Elders was 469 of whom 220 were women. There were 332 Deacons, Managers or Board Members who are not Elders, of whom 241 were women.

Baptisms: There were 25 Baptisms of children.

Sunday Schools:

	2010	2011
Schools	35	36
Classes	56	61
Teachers	127	121
Children	333	325

Bible Classes/ Youth Fellowships:

Groups	22	29
Membership	124	125

Youth Organisations:

Number	51	49
Membership	772	770

Adult Organisations:

Number	169	159
Membership	2,124	2,075

Roll of persons not yet Communicants: The Committee recommend to the Kirk Session the practice of keeping a careful record of all persons not yet communicants who are in any way connected with the Church either by attendance or by affiliation with any organisation of the Church.

In the name of the Committee,
ARCHIBALD M FORD
JAMES G MARSHALL
JOHN O. FULTON

Convener
Vice-Convener
Secretary

Appendix 1

**GENERAL ASSEMBLY 2012
OUTLINE PROGRAMME
SALUTATION HOTEL, PERTH**

WEDNESDAY 6th June

- 11.00 & 2.15 Committee on Women's Home and Overseas.
2.30 p.m. Leaders' Forum (in Perth UF Church)
7.00 Opening of General Assembly

THURSDAY 7th

- 09.45 Opening Devotions
Memorial Tributes
Reception of Delegates from other Churches
Report of Assembly Business Committee
Report by Committee on Women's Home and Overseas
Presentation by Christian Education & Evangelism Committee
Report of Panel on Doctrine
Presentation by Ecumenical Relations Committee
Presentation by Ministry Committee

*Breaks will be: Lunch 12.30 – 1.45, Tea 4.30 – 6.00 (Meal at 5 p.m.) with tea/ coffee from 11 – 11.15 and 3.00 – 3.15 p.m.
The Annual meeting of the Friends of the Students Association will be at the close of the afternoon session.*

FRIDAY 8th

- 09.45 Opening Devotions
Representative of Scottish Bible Society
Presentation by Church & Society Committee
Presentation by Administration & Finance Committee
Presentation by Overseas Committee
Presentation by Youth Committee

Report by General Trustees
Committee on Records and Minute Books
Any business left over from previous diets/ closing items

Breaks will be: Lunch 12.30 – 1.45, Tea 4.30 – 7.00 (Meal at 5 p.m.) and tea/ coffee from 11 – 11.15 and 3.00 – 3.15

- 7.00 **Closing Service**
Including Moderator's Address