

United Reformed Church (Southern Synod) Trust Ltd

***Report of the Finance Committee on the accounts
for the year to 31 December 2023.***

Charity law requires that, along with its annual accounts, the Synod is required to produce an account of its activities during the year and to assess the extent to which they have achieved the purposes of the Synod. Up to now Synod Together has been content to receive a brief account of its finances and to leave any assessment to its committees.

The following account of the year 2023 is made chiefly from a financial viewpoint. The intention is to try to make members of Synod more aware of what is being done in their name and to form a basis from which assessments can be made in the future. All the sums quoted relate only to 2023.

SUMMARY

The letter "k" after a sum of money indicates £1,000. More detailed accounting information is set out below, Appendix A details the General Purposes Fund and Appendix B the Manse Fund

During the year, the total unrestricted funds of the Synod increased from **£29,825k** to **£29,998k**, of which £11,623k (2022: £10,701k) relates to the Synod Manse Fund and £326k (2022: £326k) relates to other designated funds. As will be seen from the summary accounts on the following pages, there was a decrease in the General Purposes Fund resulting from low property sales which was not offset by investment gains. However, there was an increase in the Manse Fund due to both property transactions and the rise in the stock market.

As always, copies of the detailed audited accounts for the year can be obtained from the Synod Office, on request.

PURPOSE OF SYNOD

The purpose of the Synod is to oversee and support the work of the United Reformed Church in the counties of Kent, East and West Sussex, most of Surrey and in South London.

INCOME

In financial terms the unrestricted resources available on a regular basis is investment income £667k (2022: £619k). In practice, variable but very significant sums are usually received from the proceeds of the sale of buildings £176k (2022: £9,225k).

Owing to the increase in the stock market in 2023 the general investments of the Synod increased in value by £822k (2022: Decrease £2,517k). The performance of the market is not one that can be predicted with any certainty.

In summary, Synod Together needs to be aware that its current financial situation has to be viewed in the context of the fact that a considerable proportion of its income comes from uncertain and unpredictable sources.

EXPENDITURE

£51k was spent on Mission. This includes the cost of employing the Mission Officer along with general grants to churches and ecumenical groupings. In 2023 a further £720k was awarded by the Synod Mission Panel (£672k) and wider Synod committees (£103k) in grants to central URC funds, local churches, and projects. The major areas for which grants were made were: £542k for supporting mission in local churches including improvements to IT and £161k for supporting youth work in local churches.

£168k was spent on training during the year. A major part of this was the employment costs associated with the work of the Training Development Officer, Safeguarding Officer and the Children's and Youth Development Officer. All their work has a direct impact on local churches. Also, included under this heading are certain costs involved in the continued training of ministers and the cost of assessing and supervising ministerial students.

£142k was spent on property costs including the cost of employing the Property staff. It also includes the cost of selling buildings (£9k). £1,266k was awarded by the Building Grants and Loans Panel (£842k) and wider synod committees (£424k) to support local churches in fitting their buildings for mission. This Panel figure includes the amount allocated to Annual Church Grant scheme.

£177k was spent on resourcing the Synod Office. More than half of that was spent on salaries and associated costs for the staff who conduct the work of the Synod and its relationship to Synod Areas & United Areas, local churches, and others. They also support the Moderator and Synod Officers and administer the financial work. Staffing and salary levels are kept under regular review. Other costs include the rent of the offices, IT costs and office running costs.

£144k was spent on Governance costs. This includes the costs of Synod Together, committee costs and the legal and audit fees. The major cost in 2023 was for investment management fees.

£50k was given to inter-synod resource sharing. This contribution allows some of the poorer Synods to do more work than their own resources would permit, but still not as much as is done by Southern and some others.

In 2021 £5,000k was committed as our contribution to the deficit on the Ministers' Pension Fund. £2,000k was paid in 2021 and a further £1,500k in 2022. The remaining £1,500k will be paid by the end of 2024.

MANSES

It is difficult to assess the success of the Manse Fund against its purpose of providing housing and a work base for ministers. However, there are continuing questions over what is an appropriate standard of housing provision, the siting of manses in multiple pastorates, and the extent to which the personal needs of a ministerial family should affect the choice or change of a manse. Although there is a very significant balance in the Manse Fund at the year end, it must be borne in mind that there is an identified need to purchase further manses. All these questions have a financial consequence. A summary of the Manse fund is set out at Appendix B.

AND FINALLY

Following the success of the current scheme, during 2024 the Trust agreed that a further £1,500,000 a year should be made available from the beginning of 2025 to support Mission and Building Projects in the Synod's Churches. Full details of the scheme are set out on the Synod's website.

The above is an outline account of the work of the Synod in 2023. In parallel with getting on with this work, we are still considering how best to judge the achievements of Synod activity.

John Denison
Synod Treasurer
September 2024

GENERAL PURPOSES FUND - 2023

The General Purposes Fund had a balance of **£18,049k** at the end of 2023. This was £749k less than the balance at the beginning of the year.

During 2023 the Synod received £1,268k.	£
The income from our investments and bank interest amounted to	666,751
Rents Received	7,500
Legacies	29,508
Monies from Closed Churches	756
Grants not required	383,743
Other Income	3,275
Income on the sale of properties	176,370
	£1,267,903

During 2023 the Synod spent **£2,840k.**

Mission - including the cost of the Mission Officer and Mission grants	827,052
Training- including training of ministers and lay preachers, youth and children's work and the cost of the Development Officer for Education and Learning, Safeguarding Officer, and the Children's & Youth Development Officer	168,454
Other Property Costs-including expenses on purchase and sale, building grants, essential repairs, and relevant salary costs	1,408,172
Indirect costs of running the Synod office	177,430
Governance Costs including Synod and Committee costs and legal fees	144,120
Our contribution to Inter-Synod resource sharing	50,000
Discounting Adjustment to long-term creditor	64,281
	£2,839,509
The result of this activity was net outgoing resources of	(1,571,606)
Taken from this was the increase in the value of investments	822,236
The resultant decrease in the value of the Fund was	£ (749,370)

MANSE FUND - 2023

The Synod Manse Fund had a balance of **£11,623k** at the end of 2023. This was £922k more than the balance at the beginning of the year.

Grants for repairs and refurbishments added up to	£ 530,059
Property and other costs amounted to	79,529
Governance costs	64,916
Purchase of new manses	752,500
	£1,427,004
The proceeds of selling houses amounted to	1,615,000
Investment income and bank interest totalled.	342,103
Rents received were.	96,593
Other Income	3,246
	£2,053,696
The result of this activity was net incoming resources of	626,692
To this was added the increase in the value of investments of	295,164
The resultant increase in the value of the Fund was	£ 921,856