

## V. REPORT

### OF THE FINANCE & SUSTENTATION COMMITTEE

#### 1. Introduction

As we survey the past year, we have much cause for humble thanksgiving to the one who supplies the needs of his church *according to his riches in glory by Christ Jesus* (Philippians 4:19). Throughout the extraordinary pressures of a pandemic, we have been enabled as a Committee to meet our financial responsibilities. The Committee are conscious that many Congregations have faced many difficulties, but we should not lose sight of the fact that the Lord has once again proved faithful: *Bring ye all the tithes into the storehouse, that there may be meat in mine house, and prove me now herewith, saith the LORD of hosts, if I will not open you the windows of heaven, and pour you out a blessing, that there shall not be room enough to receive it* (Malachi 3:10).

#### 2. Income

Total income for 2021 was £821,185, a decrease of £1,014 (0%) compared to 2020. Congregational Remittances (including Gift Aid) totalled £688,913. Despite the budget for 2020 projecting a deficit of £97,572, we are thankful to the Lord that the deficit reported for the year was only £12,961 (compared with a surplus of £25,048 in 2020).

This deficit arises because of a ‘paper transaction’ – a provision of £36,969 against existing student loans which are unlikely to be recovered. It should be noted that these loans are not being written off, but rather a provision is being made in recognition that the threshold for repayment is substantially higher than the current stipend level. It is proper to recognise in the balance sheet that, as things currently stand, it is unlikely that these loans will be repaid.

The substantial variation from the projected deficits in both 2020 and 2021 was because of substantial savings realised due to COVID-19 in respect of the General Assembly, Youth Camps, and both national and international travel. In 2021 there was also the reward of the legal costs of £23,628 associated with the Kiltearn case. Also the budget originally covered 22 stipends for the year, whereas there were only 21 for much of the year, following the sudden passing of Rev. John MacLeod.

There were no legacies received in 2020 or 2021. The Committee would draw the attention of the Church to the leaflet, *Remembering the Church in your Will*, which should be available in each Congregation.

Total Gift Aid tax reclaimed and credited centrally was £141,075, a decrease of £2,194 compared to 2020. It should be noted that this represents 20% of all Congregational Remittances; an additional £21,960 was reclaimed in the year via Gift Aid but was returned to local Congregations. It is important to maximise the claim made under Gift Aid, and the Committee would encourage the Church to promote this within each Congregation. The Committee are grateful to Congregational Treasurers for recording and submitting the necessary information to enable claims to be made under the Gift Aid Scheme, and the Gift Aid Small Donations Scheme.

Total Central Building Fund income was £58,949 (2020: £63,782); this figure comprises mortgage and loan repayment and deposit income of £54,542 (2020: £59,732), and net Central Building Fund remittances of £4,407 (2020: £4,050) (an increase of 8.8% from 2020). During the year four (2020: seven) Congregations benefited from grants, totalling £56,500 (2020: £29,721), that were paid out of the Central Building Fund. The current balance in the Central Building Fund is £11,852 (2020: £7,405).