

## FY23 Budget for UnitingWorld

Sureka Goringe

30 June 2022

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### Summary

As requested by the Assembly Standing Committee (ASC), the UnitingWorld Board has approved the FY23 budget with and without the Assembly grant.

Prior to approval, the draft budgets were made available to the Assembly Finance Audit and Risk Committee (AFARC). AFARC did not raise any issues or concerns with UnitingWorld.

### The Use of the Assembly Grant

The Assembly grant, as a unique source of funds that is NOT tied to the delivery of projects, has been always used to fund UnitingWorld's role as the custodian of relationships between the UCA and partner churches, as advisor and champion of the UCA's work with the diaspora communities of these partner churches, and to provide the theological underpinning of UnitingWorld's work.

These activities are the core of our identity as a UCA agency and is the fundamental scaffold that underpins all the development and humanitarian program work that we do.

The \$200k received in recent years is greatly reduced from ~\$1M grant that UnitingWorld used to receive less than a decade ago. The loss of this funding has already significantly impaired the depth and strength of the partnerships work that we do; including the loss of the volunteer placement program and the exposure visit program.

Therefore, the UnitingWorld Board has decided that if the ASC withdraws even this last vestige of funding for UCA/Partner relationships work, UnitingWorld will draw down on its own reserves to fund it, rather than allow the heart of UnitingWorld's distinctive identity to be lost.

- In recent years, the \$200k from Assembly enabled us to employ people like Rev Dr Sef Carroll and Rev Dr Ji Zhang.
- In 2020, we lost Sef's replacement Rev Marino, but did not replace him due to COVID-19 budget constraints. We tried to cover the work between the senior management.
- However, in the post-COVID world, we need this role back urgently; it is key to
  - Supporting the UCA in its engagement with the global church, including strategic connections for the UCA with partners beyond projects
  - Supporting the UCA in its multi-cultural ministry (diaspora engagement)
  - Providing theological leadership for UnitingWorld programming and the UCA
  - Releasing the National Director to undertake new initiatives that will grow the reach and resources of UnitingWorld

The grant will fund:

- A full time Partnerships Manager role within UnitingWorld
- Travel costs for the Partnership Manager, the National Director and Partner church leaders to support relationship building, theological dialog and shared learning.

In the absence of the grant, the UnitingWorld Board has agreed to draw down on reserves to fund this work for up to five years.

The attached pages show the UnitingWorld budget Scenario 1 with the Assembly grant, and Scenario 2 without it. There is no change to planned expenditure between the two scenarios.

UnitingWorld Budget

SCENARIO 1

Budget FY23			
	General Fund	Other Fund	Total
<b>INCOME</b>			
Donations	1,043,800	1,565,700	2,609,500
Legacies	96,000	144,000	240,000
Endowment funds			
DFAT Grants	189,397	2,014,252	2,203,649
Grants	3,000	57,000	60,000
Assembly Allocations	200,000		200,000
Interest & dividends	207,012	49,247	256,259
Rental income	75,176		75,176
Emergency Income	33,400	300,600	334,000
Distribution in come from FY21			
Net proceeds from sale of manse			
<b>TOTAL OPERATING REVENUE</b>	<b>1,847,785</b>	<b>4,130,799</b>	<b>5,978,584</b>
<b>EXPENSES</b>			
Program cost		4,341,589	4,341,589
Salaries		1,262,589	1,262,589
Other		3,079,000	3,079,000
Fundraising cost	911,054		911,054
Salaries	571,921		571,921
Other	339,133		339,133
Administration cost	846,127		846,127
Salaries	221,033		221,033
Other	625,094		625,094
Property related cost		30,000	30,000
Community engagement cost		296,618	296,618
Provision for Assembly Redress Payments			
<b>TOTAL OPERATING EXPENSES</b>	<b>1,757,181</b>	<b>4,668,207</b>	<b>6,425,388</b>
	27%	73%	
<b>OPERATING SURPLUS / DEFICIT</b>	<b>90,603</b>	<b>(537,407)</b>	<b>(446,804)</b>
<b>Retained Earnings from prior year</b>	<b>409,198</b>	<b>222,103</b>	<b>631,301</b>
<b>Surplus/Deficit across prior and current year</b>	<b>499,801</b>	<b>(315,305)</b>	<b>184,497</b>

Projected reserves	Designated+		
	General fund	Program funds	
Est Reserves at 30 June prior year	6,927,467	4,376,282	11,303,749
Est Reserves at 30 June current year	7,018,070	3,838,875	10,856,945
Movement -%	1.31%	-12.28%	-3.95%
Remaining reserves (in months)	48	10	20

UnitingWorld Budget

SCENARIO 2

Budget FY23			
	General Fund	Other Fund	Total
<b>INCOME</b>			
Donations	1,043,800	1,565,700	2,609,500
Legacies	96,000	144,000	240,000
Endowment funds			
DFAT Grants	189,397	2,014,252	2,203,649
Grants	3,000	57,000	60,000
Assembly Allocations			
Interest & dividends	207,012	49,247	256,259
Rental income	75,176		75,176
Emergency Income	33,400	300,600	334,000
Distribution in come from FY21			
Net proceeds from sale of manse			
<b>TOTAL OPERATING REVENUE</b>	<b>1,647,785</b>	<b>4,130,799</b>	<b>5,778,584</b>
<b>EXPENSES</b>			
Program cost		4,341,589	4,341,589
Salaries		1,262,589	1,262,589
Other		3,079,000	3,079,000
Fundraising cost	911,054		911,054
Salaries	571,921		571,921
Other	339,133		339,133
Administration cost	846,127		846,127
Salaries	221,033		221,033
Other	625,094		625,094
Property related cost		30,000	30,000
Community engagement cost		296,618	296,618
Provision for Assembly Redress Payments			
<b>TOTAL OPERATING EXPENSES</b>	<b>1,757,181</b>	<b>4,668,207</b>	<b>6,425,388</b>
	27%	73%	
<b>OPERATING SURPLUS / DEFICIT</b>	<b>(109,397)</b>	<b>(537,407)</b>	<b>(646,804)</b>
<b>Retained Earnings from prior year</b>	<b>409,198</b>	<b>222,103</b>	<b>631,301</b>
<b>Surplus/Deficit across prior and current year</b>	<b>299,801</b>	<b>(315,305)</b>	<b>(15,503)</b>

Projected reserves	Designated+ Program funds		
	General fund		
Est Reserves at 30 June prior year	6,927,467	4,376,282	11,303,749
Est Reserves at 30 June current year	6,818,070	3,838,875	10,656,945
Movement -%	-1.58%	-12.28%	-5.72%
Remaining reserves (in months)	47	10	20