

Finance Update

November 2024

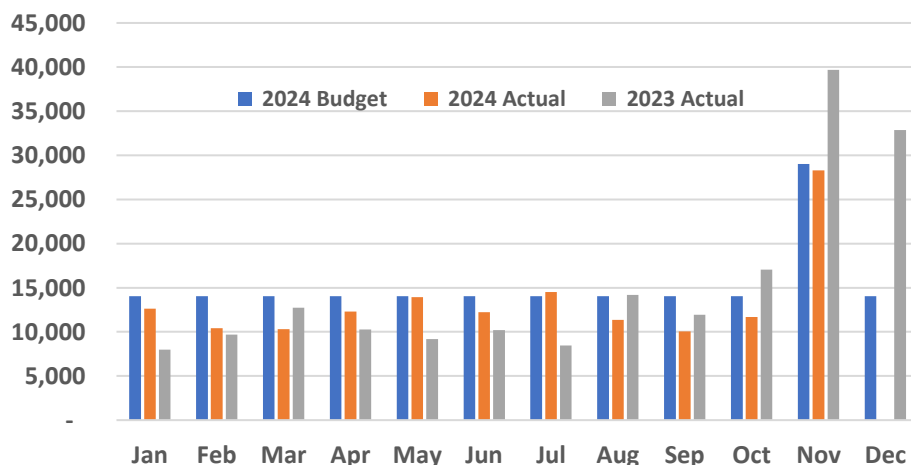
One year ago, the Church of Scotland, Geneva was emerging from the edge of a financial abyss. The projected deficit at the end of the summer had been in the region of 10% of the net worth of the congregation. Within the operating constraints of the Canton of Geneva, effective bankruptcy could be foreseen within another five to six years.

As we know, the special appeal made in October 2023 led to a huge and generous response from across the congregation. Combined with a strong performance by the St Andrew's Fair in November of the same year, the end result was a surplus of CHF 37,635, an outstanding result. In effect, this reset the financial clock to the level of 2019. Of at least equal, if not greater, importance was the launch by the kirk session of the Future Focus initiative, designed to revitalize the life of the Church. Since financial health usually follows congregational health, this was the correct way to proceed from both perspectives.

So by the end of 2024, what has been the result? This is actually a tough question to answer, for a couple of reasons. First, the levels of both income (not including the special appeal) and expenditure in 2024 have increased to a degree since 2023. Second, they have stayed reasonably close. This means that estimated projections have varied between a minor surplus and a minor deficit over the course of the year. Compared with 2023, that is not a bad result. Breaking even is a considerably better result than recording a significant deficit. In terms of comparison, we cannot use the special appeal as a baseline since, as its own name implies, it was a one-off and not comparable phenomenon.

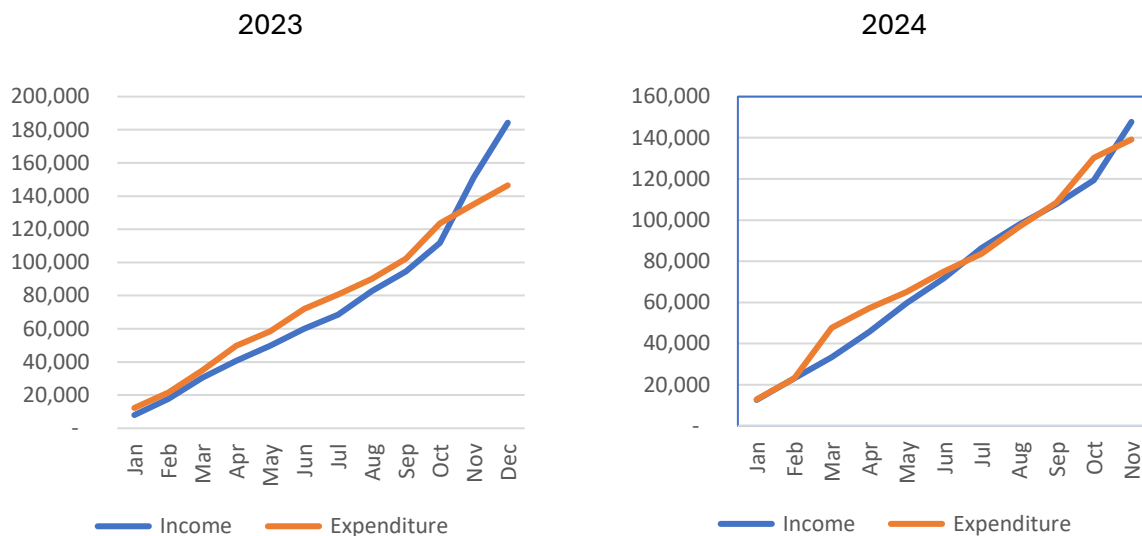
Overall, this would mean that 2024 has been a better year in terms of income and this can be seen from a comparison of the monthly giving levels:

Monthly Income to November 2024



The orange bars represent the monthly level of income across 2024, the grey that of 2023. We can see there that with the exception of March, there were consistently higher levels per month until a drop in August and September. October onwards is not comparable because of the special appeal in 2023. The 2024 dip in August and September was, however, offset by a noticeable increase during November. This would lead to the possible conclusion that the combined impact of the special appeal in 2023 and the launch of Future Focus in 2024 have resulted in higher levels of monthly giving on average. The link between the two cannot be demonstrated conclusively, but the increased attention paid to the financial situation from late 2023 seems to have gained some traction. It is also worth noting that a good performance by the Fair has kept the overall income level at least where it needs to be.

This has, however, been offset by increased costs during 2024, arising from a combination of higher employment costs, Auditors charge increases, and new levels of assessment for Church of Scotland dues. The total trend is still positive, although only in the short-term. It isn't that easy to read but the comparison between the cumulative trends in 2023 and 2024 to date is telling.



There is a key difference between 2023 and 2024 up to October, taking into account the difference between the income (blue) and expenditure (orange). During 2023, expenditure was always more than income, prior to the special appeal. In 2024, the two are more or less intertwined. What this shows is that in 2024, the congregation has been more or less maintaining itself, something which it was notably failing to do in 2023 before the launch of the special appeal.

This itself is a positive message. We're not there yet. If expenditure as a whole is increasing over time, it won't stop doing so in 2025 and the congregation will need to keep ramping up its income to stay afloat. Breaking even is only good enough. It's not great. This is because it leaves no room for manoeuvre if income suddenly takes a hit or costs rise. Nor does it leave any discretionary income to build up reserves or invest further in congregational life. Nonetheless, there is a distinct message of hope for the future. Things are better than they were a year ago, and we need to build on that.

Isaiah 44: 21-22 presents an interesting message of hope from God to God's people: "The Lord says, 'Israel, remember this; remember that you are my servant. I created you to be my servant, and I will never forget you. I have swept your sins away like a cloud. Come back to me; I am the one who saves you.'"

The message of hope is clear; but it is not simply the idea that God's people can sit and wait to be saved. The hope is a call for them to engage with God proactively, not to wait to be saved. Our congregation has taken proactive steps with the special appeal, with Future Focus and with other initiatives going on beyond. Our finances are not the be-all and end-all of the congregation but they serve as a useful measure of its life. If so, then what we see just now indicates that our actions are making good our hopes. The key, moving forward, is to sustain and build those actions.

Ewart MacKenzie, Treasurer

Please note that the above report does not take into account Mission income and expenditure. These remain distinct from those of the rest of our finances and are considered equal to each other from one year to the next so that their mathematical impact on the measurement of the congregation's finances is zero.