

UK Financial Report for 2012

Jack Corley
March 8, 2013

2012 has been a difficult year in many ways (I don't remember an easy year as yet and have probably lost more hair and had a few sleepless nights as a result) but the main issue was with the LG Façade. An original budget of about £275,000 became £350,000 as more and more issues were found, such as window arches starting to collapse and all the balusters had to be replaced above the front porch. On top of this the builder went bust and we were left in limbo for many months as we tried to negotiate with the new company, as to what had been done, what hadn't and how much it was going to cost to finish the project.

In the end because of spiraling costs and the banks inefficiency to give us an increased bank loan we had to go to the regions to borrow money (many thanks) and on top of this ask the Estate for extra money to keep us afloat (to which we were very grateful) but even allowing for this we were still over £20,000 in the red in November.

On a positive side we put the land at the arable land out to tender and were able to double the rent, which will bring in an extra £50,000 per year for the next five years. This year we are putting the stables up for tender at South and Farm and should also be able to at least double the rent, which will bring in another £12,000+ per year. We are also putting up the rents of the Flats at Lancaster Gate. Whilst the building work was going on, we felt it was the wrong time to be doing this and froze them during this time (due to the noise and inconvenience) but have now started this process, to bring them in line with other properties in the area. We are also looking to add a young person to the Finance Committee to get a more demographic committee which represents our movement and to get some views from a different perspective – we are in the process of interviewing applicants (many thanks to all those that applied).

On another positive note we are in an incredibly lucky position now as all of our church assets, either contribute to HQ or don't cost anything – LG, the Estate and Cleeve House all contribute to the incomes. In the past CH was kind of treading water in the fact that, whilst it didn't contribute, it wasn't being repaired and maintained either (we had no money) – so in this sense it was going backwards. Now, not only do Carlo and Barbara make a contribution but they also help to maintain the building and continue to make investments & improvements to the place. Livingstone House is also another example where it used to cost the movement £20,000 a year to maintain but now Bernard and Masako maintain the place out of the incomes they make from it – so it now is not a deficit to HQ – this is a saving of over £20,000 a year but also they are making improvements at the same time. We are hoping to look at various ways to utilise this asset even more in the future. The Estate continues to upgrade the houses and will be looking at upgrading the farm yard and fences when the new tender for the stables come into effect at the end of this year.

As you can see from the following our total income planned was £298,262 but our actual income was £319,021 – an increase of over £20,000. This was due largely due the Estates extra donation to help with the façade. Our planned expenses were £303,701 but in actual terms it was £317,744 – an increase of over £14,000. The planned numbers were estimated at the beginning of 2012 and the actual numbers were actually fairly close to plan despite unforeseen developments occurring during the year.

Over half of this was special costs which cover visits by the True Family etc. Of course donations are asked to cover this but this time they were very low. The overall cash flow surplus for normal incomes and outgoings was +£7,172.

The LG façade restoration fund brought over from 2011 was boosted by £36,000 from LG flats income and other incomes but was still overdrawn by £7,133 at 31/12/12. The cash/bank level at 01/01/12 was £93,390 which dropped to -£20,176 in November (use of the overdraft facility) and ended up at £5,991 at 31/12/12. The whole façade project has cost about £340,000 so far, £183,000 alone in 2012. Income was £62,089 so the majority of the costs were covered by the bank loan.

I would also like to briefly touch on the subject of Tithing. I've been asked many times in the past where does my tithing go? The simple answer to this question is that nearly all of it stays on a local level (90%) which helps to pay for your pastor, your church, it's activities etc. 10% goes to HQ to help cover the costs of the various Departments, National Leader and various running costs (although most of these costs are generated from the LG Flats, the Estate and Wontner Road). 10% of the 10% goes to support the European Office. Based on this we can see the majority is kept within the local community and it's a bit like the old saying "Use it or lose it" – by this I mean that if you don't support your local butcher for example – eventually it will disappear because they can't make ends meet (meat). If you value your local pastor and your local community – please support them.

Below are some graphs explaining the income and expenses on National Level. I hope by now that you all have local finance committees, which should be reporting to you where your money goes on a local level.

Lancaster Gate Report

Cleeve House Report

Livingstone House Report

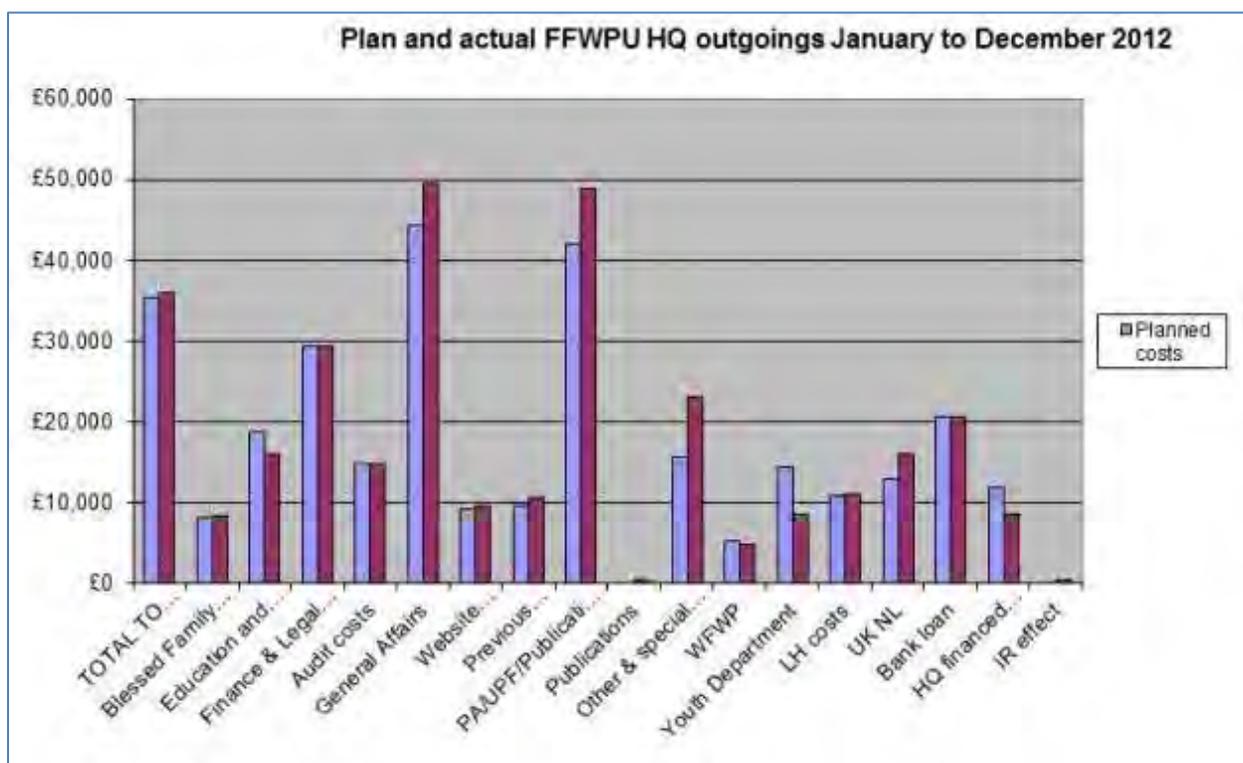
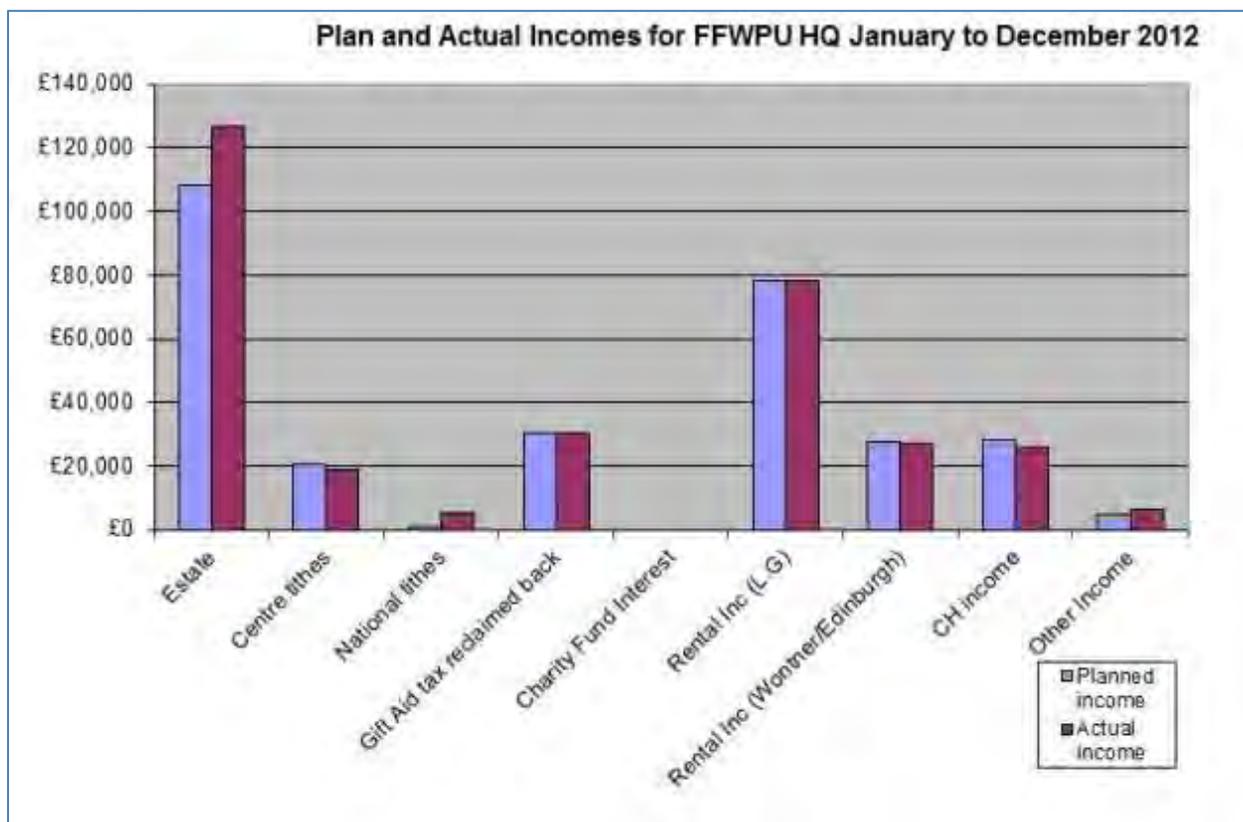
Stanton Estate Report – Part 1

Stanton Estate Report – Part 2

If you have any questions about this please don't hesitate to email me

Heavenly Parent Bless

Simon Rosselli on behalf of the finance committee.



Lancaster Gate HQ 2012

Façade repairs

The major works carried out to the HQ building, were the front and rear façade repairs and repainting. No major work had been done to the façade for about 30 years and this work was long overdue.

It was not simply a case of repainting but initially substantial repair works to the chimneys and stonework to the cornices and portico and sash windows. Tenders were obtained from 3 specialist contractors and the selected contractor, Stonewest began work in May 2011. Unfortunately they went into liquidation in October 2011 by which time they were well on with the project. After lengthy legal negotiations, work was restarted with a new contractor in April 2012 but they were also very dilatory in their progress and work was finally completed in September 2012.

We do now have a building that looks not only beautiful but is structurally safe and sound. The final costs are being negotiated right now.

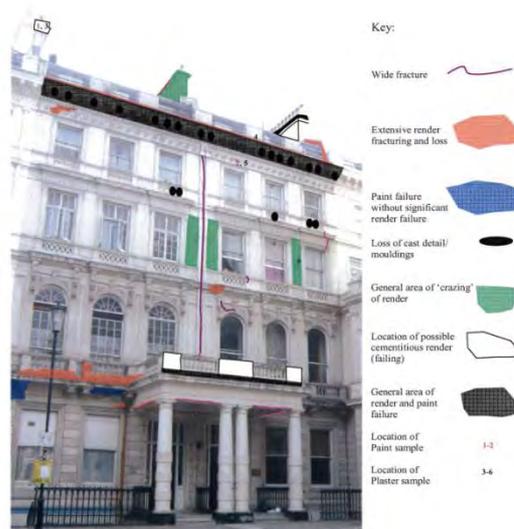
Before work started

Condition Survey of Façade

43-44 Lancaster Gate, London

Appendix A: Photographic Documentation

Figure 12 Overview of 43-44 Lancaster Gate Façade, indicating general areas of damage requiring repair, and detailing sample locations. Note that this diagram is intended to highlight the more severe areas of failure/damage and is not intended as a comprehensive plan of all areas requiring minor repair



Hirst Conservation, July 2010

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and After



Studio flats

Grant Miller is the manager of our studio flats in HQ. We have 31 flats and they are all rented out, including 2 new ones recently created in the basement. At present nearly 30 second generation are living here in 15 of the flats, which is reminiscent of the 1970's and 1980's when many of their parents were living here.

Work is constantly going on to maintain and improve the flats as they become vacant. The rents increase by 3-5% each year although during the façade works, no increases were asked due to the great inconvenience to the tenants.

	Gross monthly rental income £	Comments
December 2008	18,100	
August 2010	17,700	HQ recording studio - reduced rent
October 2012	19,500	

Cleeve House Activities 2012



Ed Stacey working on Bathroom 4. Yoga trainers' Workshop doing a service project.
A Wedding in May.



The Junior Harp Workshop





26 Weddings were held in Cleeve House in 2012, including a Second Generation wedding.

8 Workshops, including a European 7Day, a Blessing Workshop, a UPF event and a WFWP meeting. Other non-FFWPU events include:

17 Parties, -14 Conferences, 3 Retreats, 1Video shooting day, 3 Tea parties, 1Guided Tour.

Room 4 was re-built and Bathroom 10 redesigned. The guttering project was finished.

Plans for 2013: Improved hot water system for the West Wing, thermal insulating in Rooms 1, 10, 12.



West Country WFWP meeting with Mitty.



A Winter scene.

Livingstone House

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LIVINGSTONE HOUSE REPORT – DECEMBER 2012

GOALS FOR THIS YEAR – 2012

- 1) FIND SUPPORT COUPLE TO WORK IN LH (possibly Matthew and Emiko Cohn)
- 2) DEVELOP MARKETING THROUGH WEBSITES (English lang & other)
- 3) IMPROVE MULTI-MEDIA TO FUNCTION ROOMS (90% completed)
- 4) UPGRADE AND DEVELOP ACCOMMODATION (workshops/meetings)
- 5) INCREASE INCOME / REDUCE COSTS

RESIDENTS

BERNARD & MASAKO CHELLEW MATTHEW & EMIKO COHN ROBERT & MARIA FEENEY ... CHOUNDAE & DANUTA PARK....GABRIEL MAMOUDENJIN YANG NARI YANG
TOTAL RENT - £3000 pcm

UPGRADE / REPAIR

- 1) ENGLISH LANGUAGE FACILITYCONVERTING GARAGE INTO CLASS-ROOM FOR TEACHING STUDENTS / BUILDING NEW STORAGE FACILITY IN NORTH GARDEN TO CREATE MORE SPACE....awaiting planning permission.
- 2) ON-GOING RE[PAIRS TO WINDOWS AND EXTERNALS (subject to money)
- 3) ON-GOING UPGRADE OF LH INTERNALS (LCSA /BROM CH.....£5k)

DEVELOPMENTS

WE HAVE FOCUSED THIS YEAR ON UPGRADING OUR CELL-BLOCK AREA TO ACCOMODATE STUDENTS (AND ENGLISH STUDENTS ESPECIALLY) WHICH WOULD BE SEPARATE FROM THE MAIN CHURCH BUILDING.
WE HAVE INSTALLED 2-OFF EN-SUITES AND REDECORATED THROUGHOUT.

FINANCES

HONESTLY SPEAKING THIS YEAR HAS BEEN MORE DIFFICULT FINANCIALLY BUT SOMEHOW WE COULD KEEP ON-LINE WITH MOST OF OUR TARGETS.
WE NEED A GOOD BUSINESS MODEL TO CONTINUE GOING FORWARD AND TO THIS END WE NEED TO RECRUIT A SUITABLE COUPLE.

INCOME – 2012 - £90k / EXPENDITURE - 85k / (MONEY - £5k)

THANK YOUBERNARD AND MASAKO CHELLEW

It was a busy year due to several of the tenants moving and with many renovations and repair works being carried out during the unoccupied periods.

The main aim of the business is to financially support the movement but the renovation and repair of the 22 properties has been taking place as an important investment for the future. Most of the houses are over 300 years old, yet regular renovation work has left more than half of them in excellent condition. There will be 4 or 5 properties that will require renovation projects to be carried out further over the next few years. These precious properties and land were donated by the Masters and we want to further our investment into these properties until all of them are in a suitable condition.

We have had a very wet year and have already had to carry out some unexpected structural damp proof works which has prevented damage further down the line. The expected unpredictable weather over the next few years means that preparation now will see the properties last for many more years and continue to be a valuable source of revenue to the UK church.

Main renovations carried out

- Two new kitchens fitted, new natural wooden, and tiled floors, to three properties
- A new septic tank installed, a new patio fitted and two new boilers installed
- Two chimney liners were fitted, a few new windows replaced and seven new external doors fitted.
- Structural damp proof work carried out for two properties.
- Electrical safety tests and upgrades carried out to several properties.

Brief financial report

Total income: £ 236,109

Total donation to HQ: £137,000

Total invest back to the estate: £47,000

Holy Oak Memorial Woodland:

With all the help received from local church members and families we could send off our four precious brothers and sisters in a warm and a peaceful atmosphere onto their next mission.

Special thanks to the West Country Church, Carlo and Barbara Zaccarelli and members who offered their kind help for the Won Jeon ceremonies and helped look after the place.

All in all the memorial days have been a great success, with moving ceremonies which were organised by the Memorial Woodland committee, in the presence of Jack Corley.

There was a memorial stone with the names of 35 dedicated members who had already ascended, that was placed at Holy Oak Won Jeon on the Memorial Day. We plan to have an annual Memorial Day in the summer.

Keiko de Giles



1/2 year report for Stanton Estate Land July-December 2012.



Growth on Blunsdon Road trimmed



A drain has been put in front of stables on South Farm where water was flooding the stables.



New sub water meter installed



Clearing track and placing shingles for use of burial ground



Picture of some of the repairs and up keep on estate land. The land is occupied by tenants who are responsible for most of the up keep.

As reported in 1st half report, we had a tender process for the renewal of the arable land tenancy. We are now doing the same for the other part of the farm which has been used as an equestrian centre. It is hoped that the new tenant will add to the success of the estate.

On some of the land we are looking to establish a solar farm for the production of electricity. The chair of the parish council has said it would support this project. It is hoped such a project will bring in over 4* the rent we receive now and 9* what we received last year for that area, thus helping to support our British and European movement.