

## **Trustees' Annual Report for the year ending 31<sup>st</sup> December 2017**

The Synod of German-speaking Lutheran, Reformed and United Congregations in Great Britain is an ecclesiastical community of congregations bound by their Articles of Faith in full preaching and Eucharistic fellowship. It unites German-speaking congregations of the Lutheran, Reformed and United denominations. The proclamation of the Gospel is based exclusively on the teaching of Jesus Christ as witnessed by the Holy Scripture in the Old and in the New Testament and re-stated by the Articles of Faith of the German Reformation.

### **1. OBJECTIVES AND ACTIVITIES**

The Synod is established to advance the protestant Christian religion, in particular amongst German speakers in Great Britain. In achieving this objective the Synod fosters solidarity between its member congregations and a common approach to questions of Christian faith and life. It attends to the ecclesiastical and social life of the congregations and concerns itself with the maintenance of Christian life. The Synod provides the congregations with ministers, advice, training and oversight so that they can provide public benefits in accordance with their charitable objectives and their agreements with the Synod.

#### **1.1 Ministry**

The Synod is responsible for providing and organising effective German-speaking Protestant ministry in Great Britain. It supports the member congregations by employing pastors and pastoral assistants for German worship and pastoral care. It provides German worship and pastoral care when needed, even where there is no organised congregation.

#### **1.2 Quality Management**

The Synod supports the member congregations by visitation and training. A visitation to a congregation sets in motion a process of reflection; whether their activities match their objectives and whether improvement is possible.

Volunteers are trained to lead worship, to offer worship for children, to lead the congregation and to manage its finances. This supports good governance and develops the skills of the current and future lay community, helping to ensure the long term continuity of the congregations.

#### **1.3 Administrative Support**

The Synod supports the member congregations by giving advice, examining their finances and legal documents and providing them with templates for their day-to-day work.

## **1.4 Financial Support**

The Synod supports the member congregations by giving grants. It gives basic grants towards the church work, supports children's groups, special projects and outings, pays partly for repairs to the manses occupied by the pastors and supports congregations in deficit.

## **1.5 Networking**

The Synod Assembly, held annually in Spring, and the Church Councillors Day, held in future in Autumn, provide an opportunity for trustees of the congregations throughout Great Britain to share their ideas for congregational work and to discuss matters of the Christian faith.

## **1.6 Representation**

The Synod represents German-speaking Protestants at the German Embassy, at the assembly of *Evangelische Kirche in Deutschland* (EKD) and in several ecumenical organisations. It delivers a presentation about the German-speaking church work in Great Britain at the *Deutsche Evangelische Kirchentag* in Germany.

# **2. ACHIEVEMENTS AND PERFORMANCE**

## **2.1 Ministry**

At the end of 2017 nine pastors were employed, who work with 18 congregations, with about 50 places of worship, divided into six pastoral regions: London-East, London-West; East Anglia; South and West-England and Wales; North-England and East-Midlands; Scotland and North-East-England. Three of the pastoral regions have a single pastor whilst three have married couples, both of whom share the role working part-time. In addition, one pastor was employed as a pastoral assistant in London-East.

The Synod paid for pastoral work in Leicester after the congregation and associated charity closed down.

## **2.2 Quality Management**

Members of the Synod Council visited the Pastoral Region Scotland and North East England in order to discuss their objectives and activities.

Training sessions for volunteers were organised for trustees, worship leaders and leaders of worship with children. The trainers supported the volunteers by giving advice.

The ministers met at two conferences; one of which was organised by the EKD.

Additionally, the Development Committee of the Synod met twice with an external moderator and reviewed the strategy of the Synod.

### **2.3 Administrative Support**

The budgetary control committee examined the finances of the congregations whilst the legal committee assisted with updating of constitutions. The Synod financed the membership of the treasurers at the Association of Church Accountants & Treasurers.

### **2.4 Financial Support**

The Synod supported renovation work for the manse in Cambridge, provided basic support to 15 congregations and 6 children groups and gave grants towards the cost of regional retreats and Reformation events.

### **2.5 Networking**

The Synod Assembly reflected on how the theological ideas of the 16th century affect our lives in the 21st century.

### **2.6 Representation**

Representatives of Synod met with officials from the German Embassy, participated in the meeting of Churches Together in England, in the meeting of Churches Together in Britain and Ireland, in a Church Leaders' Meeting, in the meeting of the British Committee of the German Protestant Kirchentag, at the EKD Assembly in Germany and at ecumenical events of the Reformation anniversary. They also presented the work of the congregations at the Kirchentag in Berlin.

## **3. FINANCIAL REVIEW**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

### **3.1 Income and Expenditure**

One part of the annual fee, paid in advance by the congregations, has to be used to cover the costs for the ministry. The unspent part of these contributions is accumulated in the restricted "Salary Savings fund", which can only be used should the cost of the ministry exceed the contributions.

The grants to congregations were financed through a donation, grant by the Kaiser Wilhelm II Trust and through the restricted "Congregational Support Fund", which holds money given by the EKD to support the congregations in accordance with the regulations of the Synod Council.

The "Congregation Shortfall Fund" ("Grants retained in Germany") has to be used to cover shortfalls between the congregations' contributions and the costs of providing them with pastoral care. Grants for congregations in deficit were taken from this Fund.

All other expenses are financed through the reserves of the Synod itself. The deficit here amounted to £ 13,900.

Additionally an ongoing court case caused £ 21,900 legal fees.

On the other hand the income of the restricted funds exceeded the expenses. Therefore in total the Synod had a surplus of £ 12,700.

The Synod received no grants from central or local government for the delivery of services.

### **3.2 Reserves and Restricted Funds**

The reserves are now £755,560 (2016: £791,331). The Synod Council has decided to designate the main part of the reserves (£555,980) for creating income and to keep just £200,000 as reserves at the end of the year. This allows investing this money in a long term.

The Salary Savings fund now stands at £962 (2016: £110).

The Congregation Support Fund contains £146,066 (2016: £142,218), which enables the Synod to continue supporting manse repairs.

The Congregation Shortfall Fund increased to £.613,953 (2016: £570,177) and will cover shortfalls between the congregations' contributions and the costs of providing them with pastoral care from 2018 onwards.

### **3.3 Investment Policy and Performance**

An investment policy of 50% in fixed-interest deposits/cash, 25% in bonds and 25% in equities, ethically invested has increased the income from both unrestricted and restricted funds in 2017. The investment policy has now changed. In principal it allows to invest all funds but the reserves in a multi asset fund and to transfer 50% of the assets held in Germany to UK. All Investments are ethical.

### **3.4 Reserves Policy**

In 2017, the Synod Assembly decided to implement a membership contribution in order to cover the costs of the Synod's charitable work and governance. This contribution started at 10% of the deficit (= £ 3,300) in 2017, increasing to 20% of the deficit (= £3,400) in 2018 and to 100% by 2026. The remaining deficit will be covered by the reserves.

Additionally, the costs for ministry have to be covered by a membership contribution. In 2018 they are expected to increase to more than £300,000 because of the changing currency exchange rates. This would have to be covered by an increasing membership contribution. However the Synod Assembly decided in 2017 to charge the congregations no more than £300,000 in total. The remaining costs will be covered by the Congregation Shortfall Fund

### **3.5 Salaries**

#### **Policies adopted for the Payment of the Staff**

The remuneration of the pastors is set by the EKD in accordance with its worldwide procedures. The pastors who are also trustees therefore have no role in setting their own remuneration.

The salaries of the pastoral assistants are set by the Synod Council based on the German YMCA scales.

The salaries of the office staff are set by the Synod Council.

#### **Liabilities**

The main liability of the charity is the salaries of the pastors on fixed-term contracts, usually for six years. In addition, the charity is responsible for the salaries of two part-time staff working at the Synod's office as administrators and of the pastoral assistant for the London East Pastoral Region.

The costs of the pastors and the pastoral assistants are paid by the congregations. The Synod is responsible for paying the part-time administrators.

#### **Deposits**

The Synod holds £60,000 from each Pastoral Region as a deposit for the pastors' salaries, should a Pastoral Region fail to contribute its annual fee. These monies are currently invested in fixed term investment accounts, with the interest returned to the congregations.

### **3.6 Risk Management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate our exposure to these risks.

Employer's liability, public liability, personal injury, property and legal protection insurance policies are in place.

### **3.7 Seamen's Mission**

The Synod processes the salary payments for the staff of the German Seamen's Mission. At present they have one full-time and two part-time members of staff based in Great Britain.

### **3.8 Grants**

The Synod applied for funds from the Kaiser-Wilhelm-II-Trust. These grants enabled the Synod to support the congregations financially. The Synod thanks the Kaiser-Wilhelm-II-Trust for the ongoing support.

## **4. STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **4.1. Constitution**

The Charity is constituted under a Constitution adopted 12th May 1973, as amended 27th March 1981, 20th October 1984, 13th April 2002, 27th March 2004, 5th April 2014 and 18th April 2015.

The charity also operates under the name Council for German Church Work.

The charity is an unincorporated association.

### **4.2 Governing Body**

The governing body of the Synod is the Synod Assembly, consisting of one pastor from each Pastoral Region, one representative from each member congregation, at least three members from each Pastoral Region and up to seven extraordinary members. The Synod Assembly meets once a year.

The Synod Assembly decides the orders, strategy and policies for the work of the Synod and sets the budget.

### **4.3 Trustees**

The supervision of the day-to-day running of the Synod is the responsibility of the Synod's trustees ("Synod Council"). They are elected under the terms of the Constitution. Elections take place every three years at the Synod Assembly. Trustees may be re-elected. The trustees are bound by the decisions of the Synod Assembly and they report to the annual meeting of the Synod Assembly.

The trustees are members of the Synod Assembly and are therefore provided with copies of the Charity's governing document and the previous year's Annual Report and Accounts. They are familiar with the philosophy, history and objectives of the charity. The trustees are kept informed and up-to-date during Synod Council meetings as appropriate.

The trustees are inducted into their responsibilities and duties on the basis of Charity Commission publications. They have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. Ongoing trustee development takes place as required.

### **4.4 Treasurer and Administrator**

The Treasurer has delegated responsibility for internal controls, with the transactions performed by the Financial Administrator under the "four eyes" principle.

## **5. ADMINISTRATIVE INFORMATION**

### **5.1 Principal Address**

Council for German Church Work  
27 Tavistock Square  
London WC1H 9HH

Email: [office@ev-synode.org.uk](mailto:office@ev-synode.org.uk)

### **5.2 Trustees and Executive Officers**

#### Trustees:

Pastor Albrecht Köstlin-Büürma                      Senior (Chair)

Pastor Georg Amann

Pastor Diemut Cramer                                      Secretary

Mrs. Frauke Constable

Mrs. Hildegard O'Kane

Dr. Michaela Scheuermann-Freestone

#### Treasurer:

Mr. Christopher Isbell (until 1 April 2017, since then acting treasurer)

#### Independent Examiner:

Sandra Higgins Bsc FCA DchA

Member of the ICAEW

Peter Upton

Bridge House

2 Bridge Avenue

Maidenhead

SL6 1RR

### **5.3. Internet**

<http://www.ev-synode.org.uk>

## **DECLARATION**

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) The Trustees declare that they have approved the trustees' report above on 10<sup>th</sup> March 2018.

Signed on behalf of the charity's trustees

Pastor Albrecht Köstlin-Büürma, Senior      Pastor Diemut Cramer, Secretary