

SUMMARY OF THE FUTURE FINANCES OF THE NATIONWIDE YFCNZ MISSION ORDER TO YFC MEMBERS. OCTOBER 2006.

With the radical changes we have made over the past three years we need to look at how we structure ourselves financially and have appropriate financial accountability. Firstly the principles.

- A. YFCNZ is primarily a faith based movement. In finances this means we look to the Lord for His provision of resources for His work.
- B. Those responsible for a project support and running costs are primarily responsible for raising the funds.
- C. We value generosity and seek to share what we have with other parts of the mission and the wider work of God in the world.
- D. The finances we have are there to enable us to reach young people. If we have money in the bank and young people that cannot access our mission there is something wrong.
- E. Most of the significant resources have been raised by previous leadership and we need to respect the wishes of the donors.

In practice we need to face the reality that many in YFC,

- F. Have not had to raise funds to date;
- G. May be in areas where it is more difficult to raise funds;
- H. Overall it is harder to raise funds from the Christian community and there are more demands on those funds;
- I. Have been in a system where "what's ours is ours" and the move to a nationwide movement in finances will be difficult.

We have also stopped most projects that made an operating surplus. I.e. CTC, Government sponsored projects, NZQA/TEC training etc. (Excellent stuff!!!)

- The one potentially secure source of funding is from our buildings. We are looking at putting these in a Property Trust or similar that will give a return to YFCNZ each year while protecting and growing the capital invested.

We also have;

- The proceeds from the sale of the Taranaki building
- The Wellington sales of previous ministry homes,
- The proceeds from the sale of Helena St,
- The proceeds from the sale of the Waikato building

For this paper I will refer to the total interest on the above as Dispersible Income (DI)

The question is "What we do with this resource that is fair, true to the values of YFC, keeps to the principles above and ensures that we do not slowly whittle it away?"

For the national budget we have also been getting about \$25,000pa from centres as a quota and the same amount from centres to give away as our mission giving.

Decisions.

1. Each mission base that is planning to run events it cannot cover from the event or its own realistic fundraising can apply to the DI with a budget. The MLT/Board will approve or disapprove. These budgets will be reported on to the board quarterly as a minimum.
2. Any base planning to use its reserves (not included in the DI) will present a budget to the MLT/Board for approval before spending or allocating any of the reserves...which is not guaranteed.
3. If neither 1 nor 2 above is applicable then no budget needs to be presented to the Board/MLT as it is basically money out if the money is in. Bryan will watch their accounts and let the MLT know if there are any red flags.
4. The spending protocols to be followed. (pasted below)
5. We stop the centre quota.

The DI interest to be distributed on the flowing basis;

- 6 The national shortfall to be taken out based on an MLT/Board approved budget.
7. The DI as approved in point 1 above will be taken out.
8. The rest of the DI is at the discretion of the MLT/Board but will be reported on to all members at the Gathering as a form of accountability.
9. Remembering principles C and E, above, we pool the rest of the DI and then, as a mission community via the MLT/Board, work out who should get what. All the proceeds should be available to everyone and we begin to develop in all of us the understanding that as we raise general and unspecified income in our local mission bases, it increases the pool that all of us have access to (via the MLT/Board and as a result of their decision as to where our DI is applied).
10. Not all the DI needs to be distributed.
11. Mission giving is separate to the DI. This should come from members deciding how we will give, how much and to what. A further paper will be produced on this.

This paper was accepted at the Board meeting 29th October 2006

YOUTH FOR CHRIST NEW ZEALAND EXPENDITURE PROTOCOLS
24TH JULY 2005

1. Annual Budget to be prepared by the Local Leadership Team/MLT and approved by the MLT/National Board.
2. National Board to receive budget reports (usually quarterly) with actual against budgeted figures.
3. MLT responsible for maintenance and reporting of budget.
4. Any increase to expenditure from the budget of more than 10% (with a maximum of \$5000.00) to be approved by Board chair and reported to the next Board meeting.
5. Any payment of more than \$1000.00 to be approved and signed off by the MLT. The exceptions are wages, any ongoing regular expenses such as rates, rent, power, and regular projects such as CTC, NIT/SIT etc that are included in the budget.
6. Any payment of more than \$5000.00 to be signed off by the MLT and approved by the Board chair. The exceptions are wages, any ongoing regular expenses such as rates, rent, power, and regular projects such as CTC, NIT/SIT etc that are included in the budget.