



BUDGET PAPERS

1 October 2017 – 30 September 2018

City on a Hill Authorised Anglican Congregations

City on a Hill Movement Ltd.

City on a Hill Foundation

City on a Hill Creative

Many Rooms Ltd.

*Prepared by Ian Scarborough (Executive Pastor – Operations) & Casey Aguero (Finance Director)
in consultation with the City on a Hill Finance Committee*

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CITY ON A HILL TOTAL BUDGET

	FY 2018 Budget	FY 2017 Actual	Annual % Change
INCOME	3,176,381	2,749,628	16%
Giving	2,661,038	2,401,196	11%
Gospel Patrons & Grants	427,445	326,858	31%
Other Income	87,898	21,574	307%
OPERATING INCOME	3,176,381	2,749,628	16%
DIRECT EXPENSES	3,223,272	2,587,994	25%
Ministry Staffing	2,153,132	1,638,351	31%
Occupancy	517,645	437,071	18%
Operations	88,837	128,473	(31%)
Ministry Programs	335,112	351,666	(5%)
Partnerships	76,863	32,432	137%
Contingency Funds	51,684	-	
OPERATING PROFIT / LOSS	(46,892)	161,633	-129%
Kingdom Fund Expenses	115,000	-	-
NET PROFIT / LOSS	(161,892)	161,633	-200%
KINGDOM FUND BALANCES (CASH SAVINGS)	857,750		

Notes

- 1) Giving budget at churches is the base 'Tier 1' budget. The 'Tier 2' aspirational budget will be an additional 8.3% giving at each location.
- 2) Above ordinary giving growth expected at Geelong (merger with St Matthew's East Geelong and planned launch of 3rd service), growth at City on a Hill Brisbane (planned launch of 2nd service), and establishment of City on a Hill Melbourne East.
- 3) Increase in Gospel Patron and Grant budget to fund the Planters Academy and existing church plants.
- 4) Total investment in ministry across all City on a Hill and related entities is budgeted at \$3,338,272 (direct expenses + kingdom fund expenses and asset purchases).
- 5) 25% increase in direct expenses, with major contribution increased ministry staffing investment.
- 6) Increases in staffing associated with: full year of engagement for Melbourne hires made during the last financial year; growth in ministry teams at Melbourne West, Geelong, and Brisbane; planting of Melbourne East; expansion of Many Rooms; launch of the Planters Academy.
- 7) Reduced budget costs for Operations and Ministry Programs relates to a reallocation of Kingdom Fund expenses, depreciation and travel costs.
- 8) Significant increase in partnerships expense a commitment to Melbourne Anglican Assessment contributions from FY2018.
- 9) Forecast of a deficit utilising surplus from previous financial year(s) to fuel growth. Deficit is based on only achieving a Tier 1 budget result. A Tier 2 budget will return surplus for further ministry investment and growth.

CITY ON A HILL BUDGET – ALL LOCATIONS AND ENTITIES

	City on a Hill Melbourne Diocese AAC				City on a Hill Movement Ltd.						City on a Hill		
	Melbourne	Geelong	Melbourne West	Melbourne East	Brisbane	CPF	Central	Foundation	Creative Charity	Many Rooms	FY 2018 Budget	FY 2017 Actual	Annual % Change
INCOME	1,420,791	371,534	331,515	208,000	333,400	270,869	-	63,000	-	177,273	3,176,381	2,749,628	16%
Giving (Tier 1)	1,352,615	293,636	331,515	153,000	280,000	100,000	-	63,000	-	87,273	2,661,038	2,401,196	11%
Gospel Patrons & Grants	-	-	-	-	-	347,445	-	-	-	80,000	427,445	326,858	31%
CPF transfers to churches	68,176	-	-	55,000	53,400	(176,576)	-	-	-	-	-	-	-
Other Income	-	77,898	-	-	-	-	-	-	-	10,000	87,898	21,574	307%
OTHER INTERNAL TRANSFERS	(319,678)	(83,595)	(74,591)	(46,800)	(83,415)	(5,000)	633,079	(63,000)	8,000	35,000			
Central Funding	(319,678)	(83,595)	(74,591)	(46,800)	(83,415)	(5,000)	633,079			(20,000)			
Charity Transfers								(63,000)	8,000	55,000			
OPERATING INCOME	1,101,113	287,939	256,924	161,200	249,985	265,869	633,079	-	8,000	212,273	3,176,381	2,749,628	16%
DIRECT EXPENSES	1,110,734	284,418	249,537	161,893	275,415	278,779	627,707	-	8,000	226,788	3,223,272	2,587,994	25%
Ministry Staffing	734,513	217,698	165,433	108,516	164,748	207,244	415,811	-	-	139,169	2,153,132	1,638,351	31%
Occupancy	257,445	32,500	46,247	39,000	76,167	5,223	31,339	-	-	29,723	517,645	437,071	18%
Operations	-	-	-	-	-	-	83,837			5,000	88,837	128,473	(31%)
Ministry Programs	71,950	22,000	17,000	12,000	31,000	52,000	70,389		8,000	50,773	335,112	351,666	(5%)
Partnerships	35,815	9,341	18,288	765	1,000	11,654	-		-	-	76,863	32,432	137%
Contingency Funds	11,011	2,879	2,569	1,612	2,500	2,659	26,331	-	-	2,123	51,684		
OPERATING PROFIT / LOSS	(9,621)	3,520	7,386	(693)	(25,430)	(12,910)	5,372	-	-	(14,515)	(46,892)	161,633	-129%
Kingdom Fund Expenses	18,000	8,000	8,000	-	14,000	22,000	45,000	-	-	-	115,000	-	-
NET PROFIT / LOSS	(27,621)	(4,480)	(614)	(693)	(39,430)	(34,910)	(39,628)	-	-	(14,515)	(161,892)	161,633	-200%
KINGDOM FUNDS (CASH SAVINGS)	159,965	23,325	56,917	6,399	97,246	298,530	57,616	60,389	-	97,362	857,750		

CITY ON A HILL MELBOURNE

INCOME	1,420,791
Giving (Tier 1)	1,352,615
CPF transfers to churches	68,176
INTERNAL TRANSFERS	(319,678)
Central Funding	(319,678)
OPERATING INCOME	1,101,113
DIRECT EXPENSES	1,110,734
Ministry Staffing	734,513
Occupancy	257,445
Operations	-
Ministry Programs	71,950
Partnerships	35,815
Contingency Funds	11,011
OPERATING PROFIT / LOSS	(9,621)
Kingdom Fund Expenses	18,000
NET PROFIT / LOSS	(27,621)
KINGDOM FUND BALANCES (CASH SAVINGS)	159,965

Notes

- 1) Total Melbourne budget has been modelled on a 4.2% increase vs actual giving in FY2017.
- 2) A 5% Grant from the CPF is included to offset expected lost giving from sending Melbourne East.
- 3) Regular Central funding % has decreased from 27% to 22.5%.
- 4) Total current staff FTE: 8.75.
- 5) Occupancy includes Sunday service (Hoyts) and mid-week office rental (262 Queen St).
- 6) Increased investment in Ministry Programs from 60k in FY17.
- 7) Partnerships includes Acts 29 contributions, and expected Diocese Assessment.
- 8) Kingdom Fund use includes seed funding for the Spark Initiative, as well as capital purchases.

CITY ON A HILL GEELONG

INCOME	371,534
Giving	293,636
Other Income	77,898
INTERNAL TRANSFERS	(83,595)
Central Funding	(83,595)
OPERATING INCOME	287,939
DIRECT EXPENSES	284,418
Ministry Staffing	217,698
Occupancy	32,500
Operations	-
Ministry Programs	22,000
Partnerships	9,341
Contingency Funds	2,879
OPERATING PROFIT / LOSS	3,520
Kingdom Fund Expenses	8,000
NET PROFIT / LOSS	(4,480)
KINGDOM FUND BALANCES (CASH SAVINGS)	23,325

Notes

- 1) The Geelong budget is built on the assumption of continuing the status quo with respect to the relationship with St Matthews East Geelong. A budget variation will be prepared upon approval of the Cooperative agreement with St Matts.
- 2) Increase of Tier 1 Giving from expected Actual income in FY17 by 7%.
- 3) Locum Staffing is paid by St Matts for 2 days per week for Andrew Grills time.
- 4) Administrative support is 50% share of 1dpw admin worker with St Matts.
- 5) Regular Central funding % has decreased from 27% to 22.5%.
- 6) Total current staff FTE: 2.2
- 7) Occupancy includes rent payments to St Matts, outgoings and equipment.
- 8) Increased investment in Ministry Programs from 16k in FY17 on account of ministry and services growth
- 9) Partnerships includes Acts 29 contributions, and expected Diocese Assessment.
- 10) Kingdom Fund use includes seed funding for the Spark Initiative, as well as capital purchases.

CITY ON A HILL MELBOURNE WEST

INCOME	331,515
Giving (Tier 1)	331,515
INTERNAL TRANSFERS	(74,591)
Central Funding	(74,591)
OPERATING INCOME	256,924
DIRECT EXPENSES	249,537
Ministry Staffing	165,433
Occupancy	46,247
Operations	-
Ministry Programs	17,000
Partnerships	18,288
Contingency Funds	2,569
OPERATING PROFIT / LOSS	7,386
Kingdom Fund Expenses	8,000
NET PROFIT / LOSS	(614)
KINGDOM FUND BALANCES (CASH SAVINGS)	56,917

Notes

- 1) Increase of Tier 1 Giving from expected Actual income in FY17 by 3%.
- 2) Regular Central funding % has decreased from 27% to 22.5%.
- 3) Staffing budgeted to increase FTE to 2.2.
- 4) Partnerships includes Acts 29 contributions, expected Diocese Assessment, and overseas mission support.
- 5) Kingdom Fund use includes seed funding for the Spark Initiative, as well as capital purchases.

CITY ON A HILL BRISBANE

INCOME	333,400
Giving	280,000
CPF transfers to churches	53,400
INTERNAL TRANSFERS	(83,415)
Central Funding	(83,415)
OPERATING INCOME	249,985
DIRECT EXPENSES	275,415
Ministry Staffing	164,748
Occupancy	76,167
Operations	-
Ministry Programs	31,000
Partnerships	1,000
Contingency Funds	2,500
OPERATING PROFIT / LOSS	(25,430)
Kingdom Fund Expenses	14,000
NET PROFIT / LOSS	(39,430)
KINGDOM FUND BALANCES (CASH SAVINGS)	97,246

Notes

- 1) Significant increase in giving budget by 68k to support growth. Underwritten by Kingdom Fund balance.
- 2) Reduction in total CPF support for the second year of launch, and third year of support, from \$83,100 in FY17 to \$53,400 in FY18.
- 3) Central funding % has decreased from 28% to 25.5%.
- 4) Staffing budgeted to increase FTE to 1.9.
- 5) Occupancy includes Sunday Services (Palace) and new mid-week office rent.
- 6) Partnerships includes Acts 29 contributions.
- 7) Kingdom Fund use includes seed funding for the Spark Initiative, as well as capital purchases for Services upgrades.

CITY ON A HILL MELBOURNE EAST

INCOME	208,000
Giving	153,000
CPF transfers to churches	55,000
OTHER INTERNAL TRANSFERS	(46,800)
Central Funding	(46,800)
OPERATING INCOME	161,200
DIRECT EXPENSES	161,893
Ministry Staffing	108,516
Occupancy	39,000
Operations	-
Ministry Programs	12,000
Partnerships	765
Contingency Funds	1,612
OPERATING PROFIT / LOSS	(693)
Kingdom Fund Expenses	-
NET PROFIT / LOSS	(693)
KINGDOM FUND BALANCES (CASH SAVINGS)	6,399

Notes

- 1) CPF contribution modelled on a conservative giving forecast. Budget variation may occur pending actual giving and CPF needs.
- 2) Central Funding 22.5% of income
- 3) Staffing 1.4 FTE
- 4) Occupancy includes Phoenix Community Centre weekly hire for Sunday Services and other venue hire
- 5) Partnerships includes Acts 29 contributions.
- 6) Launch costs funded by the Church Planting Fund not included in operating budget – \$20k this financial year

CITY ON A HILL CENTRAL
(including City on a Hill Foundation & City on a Hill Creative)

	Central	Foundation	Creative Charity
INCOME	-	63,000	-
Giving	-	63,000	-
OTHER INTERNAL TRANSFERS	633,079	(63,000)	8,000
Central Funding	633,079		
Charity Transfers		(63,000)	8,000
OPERATING INCOME	633,079	-	8,000
DIRECT EXPENSES	627,707	-	8,000
Ministry Staffing	415,811	-	-
Occupancy	31,339	-	-
Operations	83,837		
Ministry Programs	70,389		8,000
Contingency Funds	26,331	-	-
OPERATING PROFIT / LOSS	5,372	-	-
Kingdom Fund Expenses	45,000	-	-
NET PROFIT / LOSS	(39,628)	-	-
KINGDOM FUND BALANCES (CASH SAVINGS)	57,616	60,389	-

Notes

- 1) Standard central funding from all churches reduced from 27% to 22.5%.
- 2) City on a Hill Foundation transfers includes budgeted distributions to Many Rooms Ltd. and City on a Hill Creative.
- 3) Creative Charity is the newly registered City on a Hill Creative - a registered charity with deductible gift recipient status. Will fund some of our centralised creative ministries.
- 4) No FTE additions to current Central staffing.
- 5) Occupancy costs are shared use of 262 Queen St.
- 6) Centralised Operations includes finance and accounting, insurance and compliance, legal services, IT and software licensing.
- 7) Central ministry programs includes communications, central events, and leadership development.
- 8) Kingdom Fund expenses includes \$40k for the 10th Anniversary weekend, and asset purchase / replacement.

CHURCH PLANTING FUND

	CPF
INCOME	270,869
Giving	100,000
Gospel Patrons & Grants	347,445
CPF transfers to churches	(176,576)
OTHER INTERNAL TRANSFERS	(5,000)
Central Funding	(5,000)
OPERATING INCOME	265,869
DIRECT EXPENSES	278,779
Ministry Staffing	207,244
Occupancy	5,223
Ministry Programs	52,000
Partnerships	11,654
Contingency Funds	2,659
OPERATING PROFIT / LOSS	(12,910)
Kingdom Fund Expenses	22,000
NET PROFIT / LOSS	(34,910)
KINGDOM FUND BALANCES (CASH SAVINGS)	298,530

Notes

- 1) \$100k target for internal annual 10 cities gift campaign
- 2) Gospel Patrons / Grants includes \$175k in pledged / secured support, \$165k additional unsecured funds to raise
- 3) CPF to churches made up of distributions to City on a Hill Brisbane and Melbourne East.
- 4) Central transfer of \$5k for operations costs of the Planters Academy church planting initiatives (insurances, legal, finance).
- 5) Staffing expenses include two residency programs for the Planters Academy, and partial funding for movement leadership and support staff in the church planting support team.
- 6) Ministry expenses include church planter leadership development, 10 cities travel, and communications for the Planters Academy.
- 7) Partnerships include external investment in global church planting.
- 8) 'Kingdom Fund' initiatives includes capital purchases outside of operating budget for the set up and launch of Melbourne East plant.

MANY ROOMS

INCOME	177,273
Giving	87,273
Grants	80,000
Other Income	10,000
OTHER INTERNAL TRANSFERS	35,000
Central Funding	(20,000)
Charity Transfers	55,000
OPERATING INCOME	212,273
DIRECT EXPENSES	226,788
Ministry Staffing	139,169
Occupancy	29,723
Operations	5,000
Ministry Programs	50,773
Contingency Funds	2,123
OPERATING PROFIT / LOSS	(14,515)
KINGDOM FUND BALANCES (CASH SAVINGS)	97,362

Notes

- 1) 'Giving' includes all donations, specific purpose or general.
- 2) Grants include existing grants from the City of Melbourne (\$60k) and \$20k in unsecured grants.
- 3) \$10k general fundraising target
- 4) Charity transfers is a \$55k distribution from the City on a Hill Foundation
- 5) Central funding is for all operational and administration expenses.
- 6) Ministry staffing includes 2.0 FTE (one full time Director, and two part-time kitchen staff)
- 7) Occupancy for existing Room and venue hire.
- 8) Operations is one off legal fees associated with transition from Many Rooms Inc. to Many Rooms Ltd.
- 9) Ministry programs includes all costs for running existing ministry programs and seed funding for new rooms.