

## CIRCLE FINANCES

A few references were made to circle finances at the recent Assembly in Leeds. The move came from the Cleveland Circle so I will use that circle as a model (membership 29). Financial data is taken from Anthony Baker's presentation to the Assembly and various Annual Reports.

- All funds returned to circles. This would give Cleveland £524 considerably more than the £350 as present but would devastate smaller circles e.g. Surrey Hills with 9 members and income of £162. Also what would the future of the Association be with no income? Who would return the money to circles? What provision would be made for Unattached Members with not even funds to produce a Journal?
- Journal and Website protected. This already would give Cleveland only £208 (Surrey Hills £64). If we take into account some funds for governance (room hire, travelling expenses, insurance, postage etc.) individual circles would receive even less.
- All this assumes that the number of circles is set in stone. Circles fold and new ones are formed. What would be the mechanism for forming a new circle?
- The figures in the above examples do not include Gift Aid, Cleveland's share of this would be £90 and Surrey Hills £28 but this assumes there is somebody to collect Gift Aid.
- Circles currently hold an average bank balance of £730 which is more than a year's expenditure. Obviously these figures hide considerable variations but Council has repeatedly said that a circle in need of further finance should make its case to Council.
- I suspect that the real aim of those in favour of reform in finances is the Association's healthy bank balance (about £125,000) though the previous item suggests that circle bank accounts would just increase accordingly. A pro rata distribution of this sum would yield almost £4500 to the Cleveland Circle.
- A quick look at the recent history of the Association's financial affairs shows that in 1996 the Association's assets were £22,500 (almost two year's expenditure). Regular grants were received from the Newman Centre Trust, mainly for conferences. When the NCT was wound up, the bulk of its assets (£70,000) was left to the Newman Association. Council agreed to a system of subsidising conferences and giving grants to academic institutions from the bank interest (in this period, a high rate of interest was available producing approximately £3000 pa). A similar situation arose when the Newman Association Trust was disbanded and all the NAT funds were left to the Association (I have been unable to check on the money involved)
- When Mary Brogan died she left a large sum to the Newman Association and the Association also benefited from the will of Muriel Houldin (approximately £66,000)

in total). Both these were left to the Association and were used in part to finance improvements to the website and to fund a Newman Fellowship to develop ecumenical activities in accordance with the presumed wishes of the donors. About the same time the Association received a number of smaller legacies and gifts which were used to fund the recent Assembly in Leeds.

- The only restricted bequests to the Newman in recent years were Alison Grady's to the Hertfordshire Circle and Jim Matthews's to the London Circle.
- The Newman Association is a charity and is subject to the Charity Commission's rules. It would be difficult to justify a situation where the Association hands over all the subscription income to circles and then proceeds to run normally off its capital reserves. The Charity Commission would, quite rightly, say that we should increase our subscriptions, which are already low.
- It seems to me that we have two alternatives:-
- The first is a nightmare step where all circles would attempt to register as separate charities. This would enable funds to be shared pro rata but what about the Unattached Members? Also this option would require about 150 trustees and we have difficulty recruiting sufficient members for Council! I use the word nightmare advisedly from my experience with Marriage Care which followed a similar path and then, a few years later, reversed it.
- The second is a status quo situation where we further explore our expenditure and avoid, as far as possible, making large grants to universities. We still however have about £30,000 remaining from Mary Brogan's legacy which needs disbursing.

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