



Financial discipleship: how the PCC can take a lead

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So, I'm a PCC member
but.....



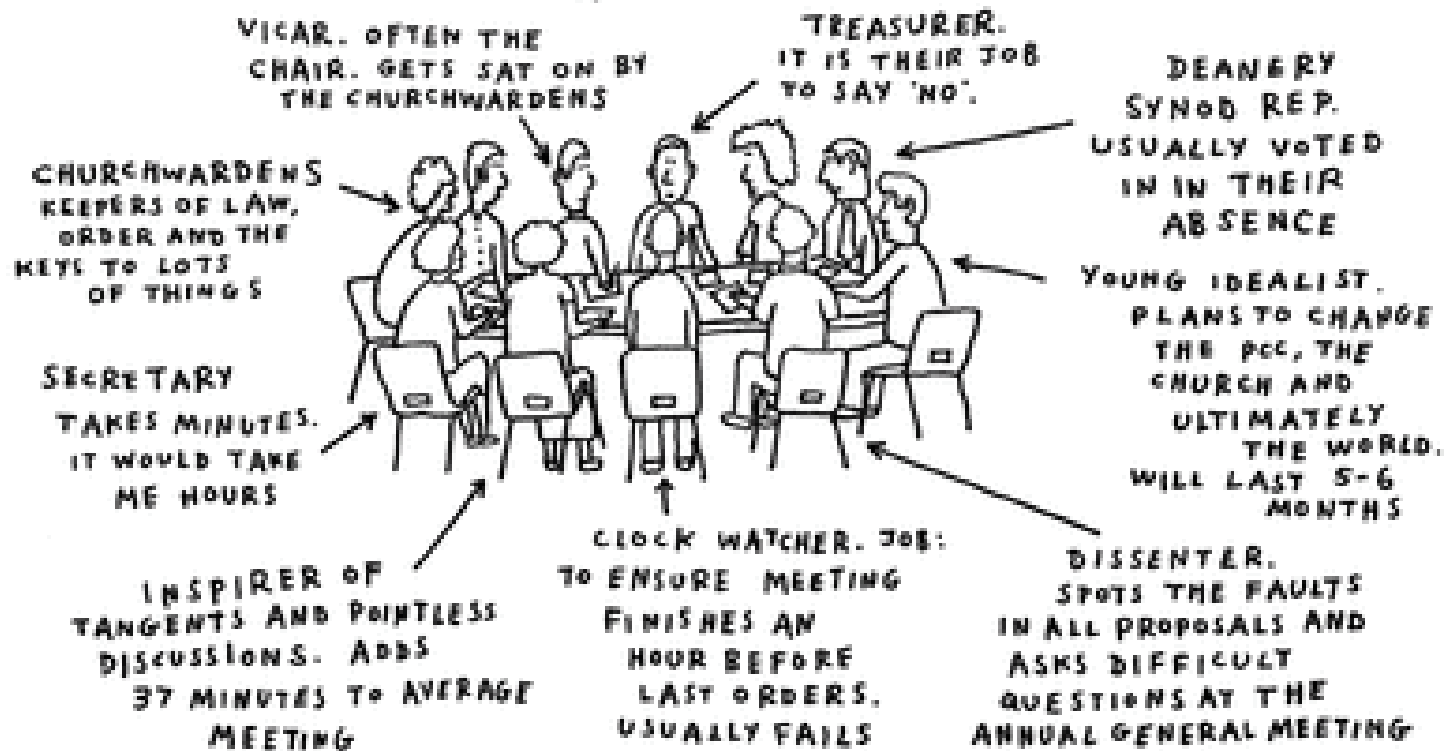
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we leave it all to the treasurer!



THE P.C.C.

THE PAROCHIAL CHURCH COUNCIL MEETS EVERY NOW AND THEN TO DISCUSS THINGS TO DO WITH THE CHURCH. THESE ARE THE PEOPLE WHO ARE PART OF IT





Finance for a PCC member

So what does this entail?

- You are not expected to be an expert!
- You should try to ask the “right questions” and have an idea of the current financial position
- Support your treasurer!



Finance for a PCC member

Annual timetable for 2019 (approximate):

- November 2018 – budget for 2019 presented to the PCC
- January 2019 – accounts year starts
- Between January and April –
December 2018 accounts approved
- April 2019 – 2018 accounts come to
APCM



Finance for a PCC member

Annual timetable for 2019 (approximate):

- PCC meetings – up to date statement of accounts
- November - Budget for 2020
- January 2020 – 2019 accounts for approval
- As so the cycle restarts



Finance for a PCC member

- Good practice
 - ❖ Finance on every PCCand preferably not as the last item!
 - ❖ Ask your treasurer to distribute the accounts about a week before to give you a chance to read them
 - ❖ Ask questions before the meeting – in case research needs to be done



Finance for a PCC member

Fund accounting

Parishes accounts must show details of all funds held. It must be possible to identify what belongs to each fund. It may help to think of funds as being “separate pots” within your accounts.

Each Fund must have and show the purpose for which it can be used.



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Finance for a PCC member

Unrestricted Funds

This is money that the PCC can use in any way it chooses within its powers as a PCC.



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Designated Funds

This is unrestricted funds that the PCC has earmarked for a purpose. The full PCC may be able to change the intended use of such funds. Typical examples are:

- i) A Hall Fund
- ii) A Fabric Fund



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Restricted Funds

Any monies that you have been given or raised for a specific purpose are “Restricted Funds”. The law requires that these can only be used for that purpose. These funds must be shown separately in the accounts.



Finance for a PCC member

Endowment Funds

These are long term trusts for the parish. Typically these are items like Grave trusts, where a capital sum has been left to the parish with instructions that the income on this is to be used to maintain the donors grave. If you church has a Tithe Chancel fund from the 1936 Tithe Act, this is also an endowment.



Finance for a PCC member

The Diocese acts as Custodian Trustee

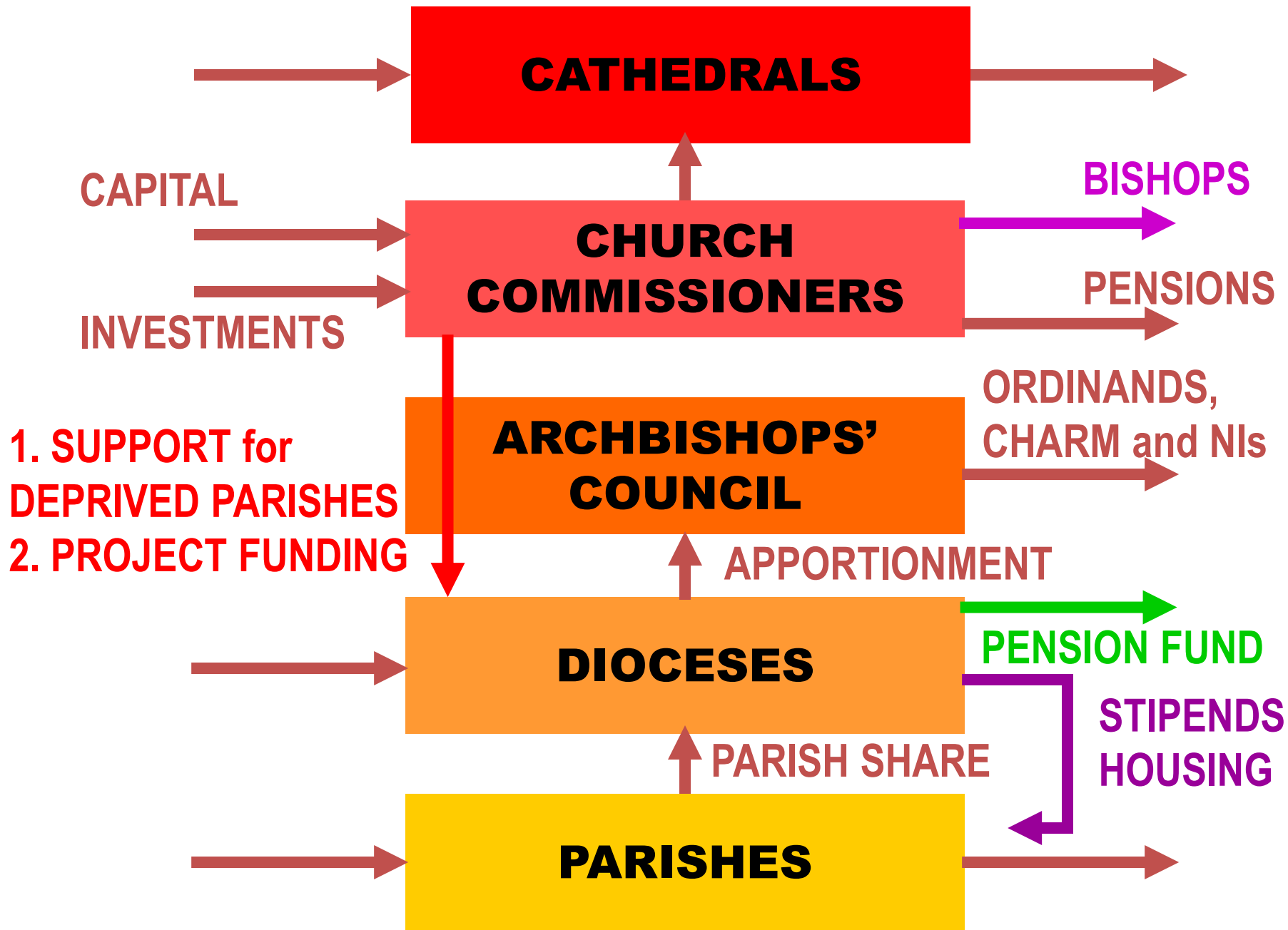
The custodian trustee holds the title to all the property of the trust but is not involved in the day to day management of the trust. The powers and duties of a custodian trustee are set out in section 4 of the Public Trustee Act 1906.



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Understanding parish share





Church costs

- Buildings – heating, lighting, insurance
- Clergy – stipend, pension, expenses
- Repairs and maintenance
- Renewals and resources
- Worship and mission
- New clergy selection and training
- Clergy housing and maintenance
- Diocesan support
- National Church – Synodical structure



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- **National Church – Synodical structure**



Because of parish share

- We can keep a Christian presence in every community
 - No matter how remote
 - No matter how poor

You have a church and you have paid ministry
- The cost is high
- But we work hard to make sure that each church is challenged equally



Financial discipleship: how the PCC can take a lead

So, how does a Mission and Ministry Unit impact on us?



The new scheme

At Diocesan level

- Does not rely on extremely complicated formulae
- Is seeking to raise the same amount of money but in a different way
- Is part share requested and part Mutual Support Fund (open for offers and asks)



The new scheme

At MMU level

- Leaves the MMU to decide how much grant it will request
- Leaves the MMU to allocate the net share to parishes – can use local knowledge



The two parts

- The part that is requested
- The part that is offer and ask



The part that is requested

- The cost of ministry
 - Based on the actual agreed ministry establishment
- Plus a contribution towards other costs
 - Based on relative size as compared with other Mission and Ministry Units and *Benefices

*Benefices only until transitioned fully into the new scheme

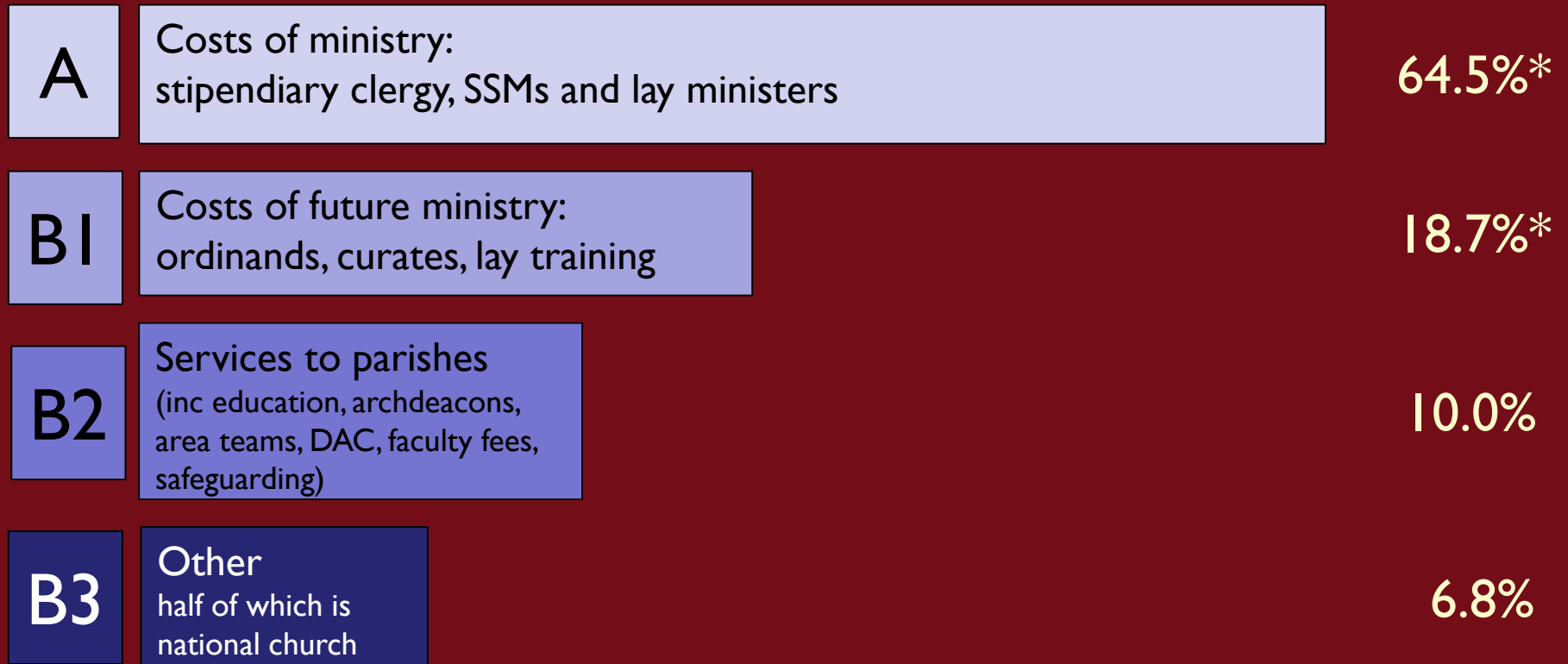


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As simple as ABC?



The part that is requested



*Current and future ministry represents 83.2% of total expenditure



The part that is offer and ask

- The Mutual Support Fund
- Will help
 - with the inability of some PCCs to meet ministry costs through deprivation
 - those not financially able to meet their ministry and other costs unaided – this is the majority
- Funded
 - in part from the Church Commissioners and diocesan investment income: £5m in 2017
 - And in part by offers from churches
- This is money to be used



2018 Share Summary for [REDACTED] PiMM			
Ministry Resources		2018	2017
Type	2018 rates £	Number	Number
Stipendiary(ies)	48,927	3.00	3.00
House For Duty	10,705	1.00	1.00
Self Supporting Minister	536	2.00	2.00
Licensed Lay Minister/Reader	302	4.00	3.00
A Direct Costs of Ministry		159,766	155,910
		+	
B1 Future Ministry Training & Curates		53,730	51,469
B2 Services to Mission and Ministry Units		34,685	32,844
Charge for additional 0.25 CMD Post in the Barking Area		515	615
B3 Other Expenditure		24,053	22,951
		=	
C Total for MMU		272,748	263,789
		±	
D1 Low Income Communities Grant (LinC)	3%	-12,413	-12,027
		=	
[REDACTED] PiMM Share (Gross)		260,335	251,762
D2 Mutual Support fund - Granted			-11,700
E [REDACTED] PiMM Share assessment before credits			240,061
Fee Credit		-2,564	-2,862
MMU Assesment (NET) 2018			237,199

Notes

A further 1% discount can be achieved for meeting the share in full with regular monthly payments. This will be applied when parishes confirm to the diocese the new monthly figure, using the form included.

78.28%



What next for a Mission and Ministry Unit





How does the Mutual Support Fund work?

- Mission and Ministry Unit prepares an application
- A simple (one page?) document
- Submitted to the AMPC and on to the Mutual Support Fund (MSF) panel
- The MSF panel considers and awards grants



How do we allocate share in the Mission and Ministry Unit?

Share will be handled through Mission and Ministry Units

- Ministry and other cost information provided
- The MMU collectively decides how much to offer to or ask from the Mutual Support Fund
- The PCCs that make up the MMU will agree how each will contribute



In practice...for 2019

- The 2018 figures provide a guide for a realistic offer into or ask from the MSF
- Allocating share within a MMU
 - Some might want to continue to use benefice share calculations
 - Some might want to pool fee credits
 - Some might want to use a formula
 - Some might want to decide this over a meal, prayer group, or other collective event



Looking further ahead

- Producing a rolling 3-year budget
- So parishes have greater certainty
- And Mission & Ministry Units have a feel for a realistic ask or offer



Common questions

- This looks really daunting!
- *My team and I will work through with your MMU leadership*
- What happens if the MMU can't pay?
- *Share is allocated to a PCC and any short-payment does not impact on any other PCC in the MMU*



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Giving good leadership to the church on our stewardship



Why should we give?

- Because we're disciples of Christ and so we seek to be like him
- Because we're accountable for the way we use God's gifts and God wants to see some benefit from the way we use them
- Because we want to resource God's mission to the world rather than just 'balance the books'



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The parable of the talents





The parable of the talents

- Everything we have already belongs to God
- We're accountable for what's been entrusted to us on a daily basis
- God says to us, "what are you doing with what I've put into your hands?"

God says, "I expect to find some benefit for myself in what I've entrusted to you."



Christian giving

The first question to ask is not
"What do I need to give?"

but

***"How can my giving reflect
something of God's love
for me?"***



The Christian will give:

NOT

- ☹️ *Reluctantly* because pressure is being applied
- ☹️ *Spasmodically* when it feels right
- ☹️ *Emotionally* because generous feelings have been momentarily stirred
- ☹️ *Selfishly* to get the feel-good factor



The Christian will give:

BUT

- 😊 *In love* because I am a child of God
- 😊 *In gratitude* for all God's goodness to me and above all for his gift of free redemption
- 😊 *In duty* because I am God's steward
- 😊 *With discipline* after careful thought and prayer



An American bumper sticker



On another car

Tithe if you love Jesus!
Anyone can honk