

# MINISTRY AREA TOOLKIT

## FINANCE



Esgobaeth Abertawe ac Aberhonddu  
**The Diocese of Swansea and Brecon**

Cyd-gyfarfod, cyd-dyfu, cyd-genhadu  
Gathering, growing, going



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## Financial Roles and Responsibilities

The Trustees of the Ministry Area Council (MAC) have overall responsibility and control for all finances within its constituent churches.

In order to control the finances, they need to receive regular financial information. The trustees can delegate powers in respect of finances to a Finance sub-committee and Church Committees, which should include setting spending limits. Such limits should be documented in your Ministry Area Working Agreement. It should be remembered that whilst powers can be delegated, the responsibility remains with the Trustees (MAC). The Trustees will approve examined accounts and present them to the Annual Vestry Meeting.

### Membership of the Finance Sub-Committee

The membership of the Sub-Committee should be appointed by the MAC, ideally it will include all Church Treasurers, and other volunteers with financial/church finance skills.

### Finance Sub-Committee Terms of Reference

The Terms of Reference for the Committee should be approved by the MAC. It is recommended that financial policies and practices are developed by the Finance Sub-committee for recommendation to the MAC. The MAC, as the Trustee body should carefully consider these recommendations and approve (or modify) as appropriate. A sample Terms of Reference is included as **Appendix I**.

### Roles

Each Ministry Area will have:

- a Ministry Area Council who are the body of Trustees
- a Ministry Area Treasurer, who is a Trustee
- a Finance sub-committee with delegated powers, agreed by the MAC

Each Ministry Area may also have:

- Church Committees for either individual churches or groups of churches, with delegated powers, agreed by the MAC
- Church Treasurers for either individual churches or groups of churches, each of whom should be invited to be members of the Finance sub-committee

### Financial Considerations for the MAC (potentially delegated to the Finance Sub-Committee):

- Ensuring the Ministry Area finances underpin the Ministry Area Strategy
- Review and approval of individual church budgets (if appropriate)
- Set the MA budget/Propose an annual budget to the MAC for approval
- Manage financial aspects of the MA activities to ensure short and long-term financial viability and advise the MAC accordingly
- Ensure adequate financial controls and authorisation procedures are in place to safeguard the assets of the Ministry Area.
- Ensure individual church financial records are accurate and up-to date.
- Support the MA Treasurer in producing and monitoring regular financial reports on income and expenditure, actuals vs budgets, and projected cashflow to make timely recommendations to the MAC.
- Developing and implementing plans for generous giving campaigns
- Monitoring and encouraging Direct Giving
- Agreeing the principals of apportioning Ministry Share across the MA
- Monitoring Ministry Share payments for the MA
- Providing representation to the Diocesan Ministry Share Working Group
- Monitoring and support to ensure all Gift Aid is being claimed.
- Monitoring and support to ensure that all Gift Aid and GASDS (Gift Aid Small Donations Scheme) is being claimed
- Ensuring Gift Direct is enabled for all Churches and monitoring its availability and engagement
- Review of investments across the MA
- Setting spending limits for committees (where appropriate)
- Monitoring the financial health of all churches in the MA, ensuring that fund raising and cost cutting opportunities are maximised.
- Evaluating potential income opportunities (including the use of new initiatives and technologies available).
- Management and monitoring of any Petty Cash provisions
- Setting financial policies, e.g. Reserves policy, legacy policy, expenditure policy and monitoring accordingly.

### Role of the Ministry Area Treasurer

- Attend Ministry Area Council Meetings
- Attend (and possibly chair) Finance Sub-Committee Meetings
- Ensure MA financial records are accurate and up-to-date.

- Provide financial reports for the MAC and Finance Sub-Committee, on a regular and timely basis.
- Arrange for the payment of Ministry Share to the Diocesan Office (either through individual Church Treasurers, or through one payment from an MA account.
- Consolidation of financial information of the MA (through My Fund Accounting software).
- Arrange the annual independent examination\*\* on behalf of the MAC and co-ordinate this with the examiners and Church Treasurers where necessary.
- Submit accounts information to the MAC, Representative Body of the Church in Wales (RB) and to the Charity Commission as appropriate.
- Report any concerns about the financial health of the churches to the Finance sub-committee.
- Provide budget and spend information to MAC sub-committees.
- Contact point for all Church Treasurers
- Contact point with Diocesan staff, including representing or providing representation to the Ministry Share Working Group.

#### Financial Data Entry / Bookkeeping

The MAC / finance sub-committee may choose to appoint a Ministry Area Bookkeeper to assist in maintaining the financial records of the Ministry Area. This could be either a paid or voluntary role. Dependant on availability, and in discussion with the MA Administration Supervisor, this role could be carried out by the MA Administrator. The role will assist the Ministry Area Treasurer by having one person responsible for data-entry into My Fund Accounting ensuring a consistency in the codes used. This role would have an overview of the finances as they are recorded and could aid in spotting trends of increasing expenditure or falling income.

Having bookkeeping or data entry assistance will mean that Church Treasurers will not need to be familiar with the My Fund Accounting Software.

*\*\* an independent examiner as described in the Charities Act is “an independent person who is reasonably believed by the charity trustees to have the requisite ability and practical experience to carry out a competent examination of the accounts”. Once a charity’s gross income exceeds £250,000 the examiner must be a person who is a member of one of a list of regulated bodies listed in the Charities Act and should be allowed by the rules of that body to undertake the role of independent examiner (detailed list can be found on the ACAT website).*

### Role of the Church Treasurer

- Attend meetings of and play an active role in the work of the MA Finance Sub-Committee.
- Operate within the MA Working Agreement and the financial policies and procedures agreed by the MAC (Trustee body).
- Keep timely financial records for all bank accounts and financial assets relating to their church.
- Ensure data entries into My Fund Accounting are processed on a regular and timely basis
- Provide financial information to the finance sub-committee and MA Treasurer
- Make payments (subject to agreed budgets and spending limits)
- Bank monies
- Work with the MA Treasurer and members of the Finance Sub-Committee to ensure that Ministry Share is paid in a timely manner
- Provide supporting information for GADAS claims.
- Provide supporting documentation for Independent Examination\*\*
- Attend and provide financial updates to Church Committee meetings (if there is such a meeting)

The scope of this role is dependent on how the MAC chooses to operate. In some MA's finances may be combined into a joint set of bank accounts/single bank account, which will reduce the overall workload and banking costs. Other MA's may choose to continue to run several accounts. In all circumstances it should be stressed the ultimate responsibility lies with the MAC/Trustee board and the church treasurer is therefore responsible to that body (through the MA Treasurer).

### Ministry Area Gift Aid

The Ministry Area may choose to appoint a Ministry Area Gift Aid Secretary, or this may be undertaken by the MA Treasurer, or a nominated member of the Finance Sub-Committee. The specific duties in relation to Gift Aid for the MA are:

Initially:

- Register the MA with HMRC (once Charities Commission Registration is complete).
- Set up a Government Gateway for the Ministry Area.

Ongoing:

- Collaboration with any/all Church Gift Aid Secretaries to:
  - Agree an anticipated schedule of claims for each individual church.

- Agree a password for data transmission.
- Receive completed schedules from Church Gift Aid Secretaries and collate into one claim
- Submit collated claim via the Government Gateway
- Report to the Finance sub-committee on claims presented, unrepresented and awarded
- Offer support and encouragement to Church Gift Aid Secretaries to ensure claims are maximised

### Church Gift Aid

The role of Gift Aid secretary may be separate or part of the role of a Church Treasurer or sub-warden. The specific duties of a Church Gift Aid Secretary are:

Initially:

- Assist the MA Gift Aid Secretary in the setting up of one MA registration and government gateway account for the MA.

Ongoing:

- Explanation of the various options to new church members to enable tax efficient giving.
- Ensuring Gift Aid Envelopes are available for regular givers and visitors (as required)
- Ensuring electronic giving is enabled (wherever possible)
- Ensuring Gift Aid Leaflets are available in church
- Record keeping of all donations received
- Providing supporting information to the MA Gift Aid Secretary to enable maximum Gift Aid claims
- Ensuring cash donations are kept securely and (in conjunction with the Church Treasurer) are banked in a timely manner.
- Ensuring all records and data transfer is kept secure and complies with the data protection policy for the MA.
- Ensuring all data transfer is passworded and complies with data protection policy for the MA.

### Accounting and Reporting

Accounts will be produced annually to 31<sup>st</sup> December, in line with the whole Church in Wales.



## Church in Wales Accounting Rules

All Ministry Area Councils are required to prepare an annual report and accounts which must:

- Comply with the Church in Wales Constitution and the Accounting regulations set out within the Constitution and Charity Law.
- Be retained along with all of the accounting records for 6 years'.
- Be available for inspection by the Archdeacons.
- Be available to the public on request.

## Charity Commission Rules Accounting Requirements

Gross Income	Accounting Reporting Basis
Below £250,000	Can opt for Receipts & Payments accounting + assets and liabilities statement
Over £250,000	Accruals Accounts: statement of financial activities + balance sheet

Income / Gross Assets of MA	Scrutiny
MA income less than £25,000	None
MA income £25,001 to £1 million	Independent Examination *
MA income £1 million or more	Audit
Gross Assets over £3.26 million and income over £250,000	Audit

\* where income is above £250,000 the Independent Examiner must be qualified.

### Notes:

- 1) Income is defined as the total income recorded in all unrestricted, designated and restricted funds but not endowment (capital) funds.
- 2) Small Charitable Companies (income below £6.5 million and gross assets below £3.6 million) are subject to the above scrutiny provisions. Charitable Companies above the small company thresholds must abide by the provisions of the Companies Act.

## Regulatory Background

### Charities Commission

Under the Charities Act 2006 the Church in Wales enjoyed “excepted” status and parishes did not need to register. Under the Charities Act 2011 all charities included parishes and Ministry Areas with income over £100,000 had to register with the Charity Commission. From 31<sup>st</sup> March 2021 all charities (other than Church in Wales parishes and Ministry Areas <sup>\*\*\*</sup>) with income over £5,000 had to register with the Charity Commission. With the restructuring to Ministry Areas the single legal entity is the Ministry Area and the charity is therefore the Ministry Area. Former parishes and benefices no longer exist. Most of our new Ministry Areas will meet the threshold for registration. The Diocesan office will provide support to the MAC for the registration process.

<sup>\*\*\*</sup> This provision is a short-term extension, and Ministry Areas are increasingly finding that they no longer meet the expectations of outside organisations anticipating Charity Commission Registration compliance e.g. banking institutions; grant making bodies. For this reason, all Church in Wales Ministry Areas should now register with the Charities Commission, regardless of income levels.

### Registration with HMRC

Once Charity Commission registration has been obtained the Ministry Area should register with HMRC <sup>\*\*\*\*</sup>. Once received, the HMRC should be notified of the change, and the new registration number and cessation of the old one. The new number should then be used on all correspondence with the HMRC and the old parish/benefice registration numbers discarded.

<sup>\*\*\*\*</sup> In some circumstances existing parish/benefice Charity Commission registrations will be retained, and the remainder of the MA amalgamated into that existing registration. In such cases the HMRC number will also be retained.

## My Fund Accounting Software

My Fund Accounting is the updated version of the Finance Co-ordinator, by Data Developments. It is a software accounting software package for use by Treasurers.

The programme produces accounts that conform to SORP 015 and FRS 102 standards, and has been designed in conjunction with the Representative Body of the Church in Wales (RB) and the Charities Commission. As such it will be updated to reflect any future changes in institutional or legal requirements, without the need for intervention by MA Treasurers.

### Benefits of My Fund Accounting

My Fund Accounting was designed by a Church Treasurer for Church Treasurers to use. The Church in Wales version of the software uses the same account headings that treasurers are currently familiar with and, at the end of the financial year, produces the annual finance return to send to the RB.

My Fund Accounting can be accessed anywhere with an internet connection and from almost any device. The software should save time for treasurers and make reporting requirements much easier. For example, the software can produce an Annual Report template which includes all the financial data required by the Charity Commission along with headings to help guide the writing of the report. Any changes to requirements by Charity Commission or the RB will automatically be updated by Data Developments.

The software is being implemented throughout the Church in Wales and Swansea and Brecon Diocese is fully funding its purchase for all Ministry Areas (and their churches) to ensure that all MA's are able to benefit without cost.

### Bank Accounts

The ministry Area Council (MAC) is the trustee body of the charity. It is for the MAC to determine how it wishes to control the use of bank accounts. It is important to remember that the MAC cannot delegate the responsibility for the charity's finances. It can, however, choose to delegate operational powers, but it will need to set clear details of what is delegated and ensure that any delegated powers are helping to deliver the charity's stated outcomes. The MAC may also decide to withdraw any delegated powers.

### Name of Bank Account

The MAC/Trustees are responsible for their charity's bank accounts and should ensure appropriate controls are in place to ensure that they are operating as intended and are consistent with internal financial records.

By far the simplest and most manageable model is to have one bank account, in the name of the MA. However, it is recognised that this can only take place once a Ministry Area has built strong and trusting working relationships. Even then, this model may not fit the operational needs of some Ministry Areas. The MAC will need to agree how it wishes to operate in this regard. The Finance Sub-Committee may be asked to assist in the review, recommendation and re-visiting of this provision.

A new bank account will need to be set up to accommodate transactions that can only be made by Ministry Area, e.g. HRMC receipts, Insurance payments, group expenditure. Any retained bank accounts (as directed by the MAC) will need to be linked to the name and the charity of the MA. The procedure for this may differ from bank to bank. Once potential naming structure is:

XXX Ministry Area, XXX Church

All bank accounts should be included in the My Fund Accounting software to enable analyses by the Trustees.

It must be remembered that all funds remain the legal responsibility of the MAC, and, as such, operational controls and safeguards need to be put in place.

### Signatories

Charities are required to have a minimum of two signatories on each bank account as part of a dual authorisation process.

We would suggest having at least 4 signatories on any MA account as best practice as this will reduce the risk of payments being delayed due to the unavailability of a signatory.

For individual church bank accounts we suggest that the four signatories should include at least two MA Trustees (ideally the MA Treasurer and the church representative on the MAC). In this way, day-to-day business can still be carried, but the MAC Trustees have the confidence that, if needed, they are able to access account information and have an overview of their financial commitments.

## Reserves

### Assets and Liabilities

As charity trustees, all members of the Ministry Area council are responsible for the assets and liabilities of the charity that is the Ministry Area. One of the first tasks for the MAC will be ascertain what assets and liabilities exist within the MA.

The **assets** of the Ministry Area re likely to be:

1. **Property** (e.g. church halls, houses, land etc.) recorded as a fixed asset.
2. **Investments held as shares** (e.g. Funds held with external fund managers, Common Investment Fund via the RB or Diocesan Trust).
3. **Investment held as cash** (e.g. deposit accounts, bonds) recorded as current assets.

NOTE: with very few exceptions church buildings and vicarages are owned by the Representative Body of the Church in Wales (RB). These were not parish/benefice assets and are therefore not assets of the Ministry Area Council. In some cases this also applies to Church Halls. Properties and Investments held as shares, will usually be held in Trust either by the RB or the Diocesan Trust on behalf of the parish (now MA). These should be recorded as MA assets.

Assets fall into three categories:

- a) **Restricted** – the asset can only be used for the purpose laid down by the donor (this includes funds or gifts that have been given by donors for use by a particular church).
- b) **General (unrestricted)** – the asset can be used for any work of the charity.
- c) **Designated** – the asset has been set aside for a particular purpose by the MAC, with the designation being recorded in the minutes. Assets can also be subsequently undesignated by the MAC.

As well as assets, liabilities are also the responsibility of the MAC, and so MAC members need to be aware of any outstanding debts.

### Gifts and Legacies

All charities are required to deal with gifts (made during the donor's lifetime) and legacies (specified in a Will after the donor's death) according to the wishes of the donor. Donors are encouraged not to be overly specific about how they wish the money to be used, but to rely on the trustees to know how best to use such gifts. It is important to remember that the Charity Trustees, i.e. the members of the MAC, are legally responsible for all the assets and liabilities of the charity. This means that the MAC must review all restricted funds to ensure that they continue to be used for their specified purposes.

It is recommended that all MAC adopt a legacy policy to encourage legacies and make sure that they are managed correctly. An example and template are provided as **Appendix II**.

### Reserves Policy

Each Ministry Area may keep money aside as a reserve to protect the charity against drops in income or to allow it to take advantage of new opportunities. A charity's

reserves can be spent on any of its aims. A charity can also choose not to hold reserves. The MAC must write a reserves policy to explain to others why they are setting money aside rather than spending it on the charity's aims. Your reserves policy should set out:

- How much your charity needs to hold in reserve and why.
- How and when your charity's reserves can be spent.
- How often the reserves policy will be reviewed.

You can set aside enough money to meet a potential need, such as an unexpected drop in income. If you set aside money for a specific purpose, such as building works, make it clear that this is separate from the charity's general reserves. Four sample policies are provided as **Appendix III**.

## Ministry Share

Ministry Share is calculated on the actual cost of ministry to the Ministry Area. The MAC is responsible for deciding how the cost of Ministry Share will be apportioned/paid. Ideally this is a piece of work for the Finance Sub-Committee to discuss and make recommendations to the MAC. The MA should decide how they wish to pay Ministry Share, e.g. payments into and out of one MA Account, or individual churches paying to the Diocese directly. The committee should monitor payments throughout the year and alert the MA Treasurer and MAC to any inconsistencies in payments.

Each MA will be invited to provide a representative to the Diocesan Ministry Share Working Group. This is a forum to regularly monitor and discuss share payments and any issues that MA's may be facing.

The Ministry Area is responsible for ensuring that Ministry Share is paid in a timely manner and by year end, however, it is hoped that any concerns will be addressed through the Ministry Share Working Group throughout the year.

The Ministry Share Working Group is also responsible for awarding Ministry Share Assistance Grants for MA's which are unable to pay share by the year end. Their recommendations are passed to the Diocesan Board of Finance for consideration.

## Budgets

The MAC is responsible for authorising the MA's annual budget. This could be compiled jointly through the Finance Sub-Committee, separately through Church

Committees or a combination of the two. The MAC Trustees may delegate the preparation work but the overall responsibility and final approval remains with the Trustees.

### Additional Expenditure Limits

The MAC Trustees have overall financial responsibility for the charity. The overview of budgets will enable this, but it is recognised that there are often unforeseen and unbudgeted expenses that occur from time to time. In order to maintain a financial propriety it is recommended that authorisation be obtained from the MAC for any additional expenditure over £5,000 (subject to available funds).

### Contracts and Services

All new contracts for employments, works and services should be authorised and signed by a Trustee of the MAC. Items approved within the MA budget can be considered as authorised by the MAC. Individual church representatives to the MAC are also Trustees of the MAC and are therefore authorised signatories for contracts and services. The signatory should, however, check that the item is within the agreed spend limit authorised in the MA budget.

### MA Working Agreement

Review of policies and procedures within the MA will need to be undertaken so that common working practices can be adopted throughout the MA, e.g. in relation to expenses of office, management of gift aid claims, employment contracts etc. Relevant reviews may be referred to the Finance sub-committee to explore and make recommendation to the MAC. These will then be formed into a MA Working Agreement so that all Trustees and Churches are aware of the expectations and agreed procedures within the MA. A template Working Agreement will be provided to the MAC for their consideration. The Finance sub-committee should be aware of the content of the Working Agreement, in order to reference it in their work.

### Thinking about the future.....

In addition to monitoring the financial health and operations of the MA, The Finance Sub-Committee may consider more strategic, long-term financial matters on behalf of, and for recommendation to, the MAC, e.g.

- Are there items that may be consolidated to ease the administrative burden e.g. liquidation of small assets, consolidation of investments, consolidation of standard expenses through one MA bank account?



- Are there items that could be consolidated to achieve greater savings e.g. consumables expenditure?
- Are long-term investments held in such a way that the risk vs return trade-off is acceptable to the MAC??
- What level of expenditure is covered by income from planned giving and day-to-day generosity? Is this sufficient?
- Should more people be encouraged to give in a planned way?
- Are there new ways of generating income, e.g. Sum Up donation points?
- Are the current processes managed in line with regulatory requirements and best practices?
- Are suitable financial controls in place to safeguard against fraud?

## Additional Resources

**Membership and Finance:** <https://www.churchinwales.org.uk/en/clergy-and-members/membership-and-finance/>

Church in Wales specific information about parish/MA accounting

**Online Gift Direct:** <https://www.churchinwales.org.uk/en/clergy-and-members/gift-direct/>

An online giving portal that can be set to receive regular donations either to a specified church or to the Ministry Area.

### **Becoming a Generous People:**

<https://www.churchinwales.org.uk/en/faith/generosity/>

Church in Wales resources to explore the link between faith and finance to encourage a culture of generosity.

**Parish Resources:** <https://www.parishresources.org.uk/>

A Church of England resource that supports all aspects of stewardship, finance and administration. Although developed by the Church of England, many of the resources are transferable to the Church in Wales setting and we have been permitted to use it.

**ACAT** (association of church accountants & treasurers): <https://www.acat.uk.com/>

Advice training and information on accounting, financial and legal issues in support of Church Treasurers and Trustees across the UK. All Church Treasurers and MA Treasurers can benefit from our group Diocesan membership. For membership password please contact [diocese.swanbrec@cinw.org.uk](mailto:diocese.swanbrec@cinw.org.uk)

**My Fund Accounting:** <https://www.datadevelopments.co.uk/MyFundAccounting>

Website for the new financial software that will be installed in each MA.

Information about the product and training is provided.



### **My Fund Accounting, Training for Treasurers:**

<https://llandaff.churchinwales.org.uk/en/ministry-area-support/ministry-areas/training-treasurers/>

A series of training webinars produced in collaboration between Bangor and Llandaff Diocese. This provides a walk-through of how the software works for Ministry Area accounts

### **Charities Commission, CC8 Internal financial controls for charities.**

<https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8>

How to manage your charity's financial activity and use internal financial controls to reduce the risk of loss.

### **Contacts**

If you have any questions about the contents of this document or other Ministry Area Resources, please contact either of the below:

Diocesan Secretary, Louise Pearson, [louisepearson@cinw.org.uk](mailto:louisepearson@cinw.org.uk) 01874 623 716

Archdeacon with Responsibility for Ministry Areas, The Ven Peter Brooks, [peterbrooks@cinw.org.uk](mailto:peterbrooks@cinw.org.uk) 01792 232 928

### **Modifications Log**

<b>Date</b>	<b>Version</b>	<b>Modifications</b>
19 Jun 23	1.0	

## APPENDICIES

## Example Finance Sub-Committee Terms of Reference

**The Ministry Area of [insert name]**  
**Terms of Reference for Finance Sub-Committee**

**Membership of the Finance Sub-Committee**

Role	Representing	Title	First Name	Last Name
MA Treasurer	MA			
Church Treasurer	St Mary's			
Church Treasurer	St Teilo's			
Co-opted	MA			

*The above roles and representations are provided as a guide only, please modify this list as appropriate.*

**A. Constitution**

1. The committee to act on behalf of the Ministry Area Council (MAC).
2. Membership of the committee to be agreed/appointed by the MAC.
3. The Committee to comprise the Ministry Area Treasurer, all Church Treasurers and any additional members of the MAC, appointed for their financial skills/knowledge.
4. The Committee to meet [*inset agreed frequency*], but more frequently if required. Other than at meetings, communications and decisions may also be made

remotely, provided that all members have the opportunity to participate and that they are properly recorded.

### **B. Terms of Reference**

The Committee shall be responsible for:-

1. Providing financial recommendation and good financial stewardship advice to the MAC.
2. Agreeing and monitoring the allocation of ministry share throughout the Ministry Area.
3. Providing annual accounts for: consideration by the Ministry Area Easter Vestry, submission to the Charities Commission and the Representative Body.
4. Ensuring that good practice is adhered to in the management of finances throughout the Ministry Area (e.g. by maintaining a currency in financial legislation).
5. In conjunction with the MAC, develop and initiate strategies for fundraising, (e.g. Gift Direct recruitment, digital giving facilities), for the sustainability of the Ministry Area.
6. Management of Financial Projects in conjunction with and as required by the MAC (e.g. set up of My Fund Accounting Software).
7. Liaising and working with Diocesan Staff and Officers on matters of Ministry Area Finance and financial projects.
8. Reporting to the MAC/Trustee Body, at each of its meetings.

*N.B. This list may vary depending on the needs of the MA and requirements of the MAC.*

### **C. Review Date**

These Terms of Reference to be reviewed every [*insert period*] years from the last review date.

### Example Legacy Policy

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At St Agatha's, we welcome all gifts in wills, however large or small and we promise to use your gift to make a difference to our parish. Our MA Legacy Policy is **to use gifts to help fund significant development projects, whether buildings, equipment or staff.**

Since needs change over the years, we encourage you to leave a gift in your will for the general purposes of the parish rather than for a restricted purpose. We will discuss possible uses of your gift with your executors when the time comes, bearing in mind your known areas of interest in the church (e.g. music, buildings, children and youth, overseas mission or aid) and the church's priorities at the time.

You can be confident that your gift will be used to make a real difference to **our future mission and ministry.**

We acknowledge gifts in whatever way the donor and/or his/her executors feel most appropriate to. Equally, we can make sure that gifts remain anonymous if the donor prefers.

If you would like to talk to someone in confidence about the sorts of purposes your gift might fund, and how/if you would like your gift to be acknowledged, please contact Jenny Price our Churchwarden on 01686 453 289 or email [jenny.price@parishchurch.org](mailto:jenny.price@parishchurch.org)

If you would like to make a gift to our church in memoriam, please come and discuss this with us too. It can be a wonderful and appropriate way to remember a loved one.

Example Legacy Policy Template

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Here at \_\_\_\_\_ we welcome all gifts in wills, however large or small, and we promise to use your gift to make a difference in our parish.

Our MA Legacy Policy is to \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Since needs change over the years, we encourage you to leave a gift in your will for the general purposes of the parish rather than for a restricted purpose. We will discuss possible uses of your gift with your executors when the time comes, bearing in mind your known areas of interest in the church (e.g. music, buildings, children and youth, overseas mission or aid) and the church's priorities at the time.

You can be confident that your gift will be used to make a real difference to \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We will acknowledge gifts in whatever way the donor and/or his/her executors feel most appropriate to. Equally, we can make sure that gifts remain anonymous if the donor prefers.

If you would like to talk to someone in confidence about the sorts of purposes your gift might fund, and how/if you would like your gift to be acknowledged, please contact \_\_\_\_\_ on \_\_\_\_\_

If you would like to make a gift to our church in memory of a loved one, please do come and discuss this with us too.

## Example Reserve Policies

### Policy 1

Ministry Area A has 2 large churches in a reasonably affluent area. The annual income is about £240,000 which includes £15,000 from a hall. One church employs two part time members of staff at a total cost of £25k p.a. The condition of the buildings is generally good. Quinquennial inspections are due next year. The MA currently has general reserves of £80,000.

The MAC discussed the following factors in arriving at their reserves policy:

- Money should only be kept in reserve for specific reasons – whilst the Bible clearly indicates that we should not hoard it is also clear that sensible planning for known events and responsibly for others (including employees) is important.
- A wish to have two months running costs in cash reserves in case of a major problem (£40k)
- In addition to have a further month's salaries in reserves (£4k)
- The quinquennials are not expected to reveal any major works, but minor ones are likely to need doing and it would be prudent to allow for this now (£10k)
- A major ecumenical local mission is planned for next year and MA is likely to be heavily involved in this. They wish to allocate some funds now to this project although at this stage it is unclear what form the mission will take. They will review this later in the year when the project becomes clearer.
- There was a general wish that more should be spent on outreach to the community.

Policy: It is the policy of the MAC to hold in reserves the equivalent of two months general running costs and an additional one month's salary costs. It is also our policy to hold an amount for likely building works at the next quinquennial inspection. In view of the forthcoming mission next year we have allocated £10,000 to reserves to cover our involvement. This policy will be reviewed in twelve month's time apart from the mission project element which will be reviewed in six months time when the situation is clearer.

The MAC believe that, at present, we have £16,000 in reserves above what is required and will consider how these funds might be used for local mission and outreach.

## Policy 2

Ministry Area B is a group of churches in small towns and rural settings with an annual joint income of around £100,000. Of this about £25,000 comes from three halls. One focal church building is Victorian and little recent work has been done on it. There has just been a quinquennial report indicating that urgent work is needed to the building costing around £25,000. The church has reserves of £30,000.

The MAC discussed the following factors in arriving at their reserves policy:

- Money should only be kept in reserve for specific reasons – whilst the Bible clearly indicates that we should not hoard it is also clear that sensible planning for known events and responsibly for others is important.
- The MAC's main concern at present is the forthcoming building works for the Victorian Church which could potentially use most of their reserves. It was agreed to allocate £20k of the reserves to the building works and fund raise for the rest. It was also agreed that an annual amount of £5k should be added to the reserves from next year to cover future building costs within the MA.
- There was concern about the reliance on the church hall income and a feeling that two months income should be kept in the reserves in case the halls got into financial difficulties (£4k).
- It was felt appropriate to keep two months general running costs in reserve (£20k)

Policy: it is the policy of this church to keep two months running costs and two months hall income in reserve to cover unforeseen emergencies. In view of the state of the building the MAC will also add £5k to reserves each year to cover work due at quinquennial inspections. In view of the present necessary work the reserves will be reduced to £10k this year and it is our aim to increase them next year to the desired level. This policy will be reviewed in twelve months' time.