



Treasurers' Newsletter

Diocese of Gloucester

March 2009

First Quarter Newsletter - 2009

Dear Colleague,

Last year brought about many financial challenges for many PCCs. From the continuing repair work caused by the floods in 2007 to the impact of the recession and the fall in investments. This has impacted all levels of the Diocese from your Church and PCC through to the GDBF.

It is widely recognised that although levels of expenditure at all levels of the Diocese could be reduced, it is the amount of giving that is affecting both Churches and the Diocese. This year the Diocese is committed to looking at new ways to assist PCCs to increase giving. By now your Parish will have received the "You Belong" leaflets and supporting materials. This was a crucial first step in engaging people with belonging to the 'wider' church by explaining 'who we are', and to communicate that we are part of something much bigger. Further resources which develop this theme from 'who we are' to 'what we do' will be available from May.

This newsletter contains a note from Helen Liley on the Parish Giving scheme which is a new way that parishioners may be able to increase their giving to church. In future workshops we are planning to provide tools that you and your PCC can use to better communicate your church's mission which in turn would hopefully improve levels of giving.

In the meantime, if you have any questions or problems that we can help with, please don't hesitate to contact us.

Matt Brunt

Diocesan Management Accountant

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Parish Share 2008/2009

The Diocese had a shortfall of 4.83% at the end of December, which dropped to 3.39% with contributions received after the 31st December. This equates to an actual shortfall of £136k.

Parish Share contributed £5.2m to Diocesan funds (including contributions for previous years), against a budget of £5.6m.

By now you should all know what your Parish's commitment will be for 2009. This is a figure that you should have agreed with your Deanery, and feel comfortable that, without any unforeseen expenditure, your Parish will be able to meet in full by the end of the year. If you do not feel comfortable with the figure then the Mutual Support system has not been applied properly to your Parish. It is vital that the Diocese has a correct understanding of the Parish Share we will receive for the year, so that any deficit can be covered through either cutting budgets or through finding other sources of income. We are still awaiting the agreed figures for some parishes in the Hawkesbury, Cheltenham and Forest South Deaneries. The parishes will be contacted shortly, but if you are within one of these Deaneries, and wish to confirm your commitment, please contact Kerry Gardiner in the Finance department.

In the next newsletter I will provide you with a more detailed breakdown of the Parish Share for 2008 & 2009, along with the financial results of the DBF for 2008. The Diocesan website provides details of parish and deanery performances for the year at the following link:

<http://www.gloucester.anglican.org/finance/parishshare/>

Year-end Accounts

A selection of pro-forma can be found on the Diocesan website, to help you create the year-end accounts which will comply with the Standards of Recommended Practice 2005 (SORP). In October 2006 a booklet was produced by the Finance department to help Parishes update their accounts to comply with these new regulations. This booklet is available to download on the Diocesan Website. It is currently required that PCCs forward their signed Annual Report and Accounts to the Diocese, but it may be necessary in the future for these to be sent directly to the Charity Commission. As a charity, the PCC must comply with Charity Law and so these changes to the SORP must be present in your Report and Accounts.

Parochial Fees

Every April, each clergyperson in the Diocese is required to complete a form for the Church Commissioners. Part of this form relates to the amount of fees a priest has assigned to the Diocese. If you complete the fees return and send the assigned fees to the Diocese on behalf of your priest, please ensure that all assigned fees for the period April'08 to March'09 have been forwarded to the Diocese by April'09, and that you have informed your priest of the full amount for this period, so that their Annual Return can be completed.

Finance Return 2008

Enclosed with this newsletter is the Archbishops' Council's Finance Return for your completion. This should only be done once the year-end accounts have been signed off by the PCC, and should then be returned to Church House with a copy of the PCC's signed Annual Report and Accounts. Please return this form along with your PCCs accounts by the end of May to Church House, so that we can forward them to the Archbishops' Council in June.

Once again, the Archbishops' Council have made a change to the form. There is now a 'Mission & Evangelism costs' row. Previously this was included within Church Running expenses. If you use the Diocesan Cashbook, versions older than 2.2 will not include this new line. To be able to complete the form fully, please add a new Parish Fund Code and apply it against any mission costs. When you fill in the Finance Return, simply take the total of this figure from Running costs total, and then enter it into the Mission & Evangelism costs.

If you have any questions regarding the form, please contact the Finance department and we will assist you.

Parish Giving Scheme update

Since the last newsletter the Parish Giving Scheme Pilot is in full swing with four parishes actively involved, and there is one ready to join next month. We have worked very closely with the treasurers of each of the four parishes who were asked to invite 10-12 members who currently commit a regular gift to their church. We specifically didn't open it up to the whole church as we wanted to keep the groups a manageable size. Ben Preece Smith & I met with each group to explain the scheme along with asking them for their advice and guidance throughout the Pilot as this is new for the Diocese too!

Here is reminder for those of you who haven't heard about the proposed scheme of the main benefits behind it:

It is a regular giving scheme available to all, the basic principles behind it are as follows:

- The scheme will be delivered locally (parish), but administered centrally (diocese) via the mechanic of Direct Debit.
- It will be available to all parishes however large or small and no administration fee is charged
- The scheme and the resources made available will provide parishes with a mechanism to promote and improve regular planned tax-efficient giving. It can sit alongside other ways to give i.e. envelope etc.
- The donations are collected centrally on a monthly, quarterly or annual basis (according to the donors instruction). They will be processed within the same month and returned to parishes in full within 10 days along with any Gift Aid reclaimable (i.e. before the DBF has actually received repayment from HMRC).
- It should improve cash flow for the Parish due to increased donations and the by the return of the Gift Aid reclaim monthly, in advance.
- Effective Gift Aid administration and re-claim through automated centralised software which is a HMRC compliant.
- Individuals will be invited to pledge to an annual inflationary increase at the point of joining the scheme to offset the rising costs of ministry year on year.
- Donors will be offered the opportunity to remain anonymous to their parish if they so wish, which is an additional comfort feature for those who have concerns about the confidentiality around their giving.
- Direct debit offers greater flexibility with regards managing giving; increases and decreases can be made easily.
- The procedures to operate this scheme are heavily automated and as a diocese we have the advantage of offering Direct Debit because we have a turnover of over £5 million which is the threshold an organization needs in order to be registered as a Direct Debit operator.

Parish Giving Scheme update cont.

I would like to share with you some of the encouraging results we have had to date with our four Pilot Parishes.

Number of donors who have signed up to the scheme to date: **37**

Number of donors who have signed Gift Aid Declarations: **37**

Percentage of donors who have ticked that they would like their gift to go up in line with inflation in a years time: **75%**

Overall we are very satisfied with the system we have inputted at Church House but freely admit that we incurred some technical issues in the initial 2-3 months. We have worked hard with the bank and the software provider to iron out these issues and feel that we need to run system for a further 3 months just with the pilot donors without any glitches before we are confident that we are in a position to launch it Diocesan wide.

I would like to stress that this wouldn't have been possible without the generous support of the four parishes who agreed to trial the system and I would like to take this opportunity to thank, Philip Whitefield from Cheltenham Christ Church, The Revd Canon Dr Jeni Parsons from St Katharine's Matson, John Dickinson from St Mary's Painswick and Richard Bailey from St Mary Magdalene Twynning and all the volunteers for their wonderful support throughout this Pilot phase.

Should you wish to find out more, or register your parishes interest in joining the scheme, please contact me by email hliley@glosdioc.org.uk or call 01452 835522.

Future Workshops

We are planning to have Open Workshops in July. This will be designed primarily for new Treasurer's although all are welcome. Further details will be available in the next Treasurers' Newsletter. In the meantime, if there is anything you think would be helpful to discuss, or that other Treasurers may find useful, please contact the Finance department.

Independent Examiners

Many of you no doubt, have an Independent Examiner who has been checking your accounts for many years. But when this person is no longer able to do this job, it can be difficult to find a replacement.

Once again we would like to offer Treasurers the opportunity for an independent examination swap. If you feel able to independently examine a set of accounts, in return for another Treasurer examining your own PCC's accounts, please contact the Finance department.

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