



# Leadership Analysis of parish reserves

## Introduction

Analysing the use and status of parish reserves yields important data for the planning group to consider as it develops the Case Statement and begins to build the Giving in Grace programme for the parish. The information for completing the reserves table is contained in the yearly Annual Accounts. The following steps detail how to complete the spreadsheet which charts the parish reserves:

1. The [Weekly Giving and Reserves Analysis](#) spreadsheet will probably have already been downloaded to complete the weekly giving analysis part of Section 2 of the case statement. If not download it from the [web page](#) and save it to the hard disk.
2. When the file is opened the Worksheet called *Tables and Charts* should be open. As you scroll down this page you will find two tables (which may already be completed) followed by a blank Parish Reserves chart. To complete this chart we need to fill in the details on another page (or worksheet) in the Excel spreadsheet.
3. At the bottom of the screen click on the worksheet tab called Parish Reserves. This sheet has a simple table which records the levels of reserves over recent years. Edit to bring them up to date and then from the annual accounts for those years simply enter the figures for the reserves held at the end of each year. All reserves should be included: unrestricted, designated, restricted, and endowments (see below).

4. Note that significant liabilities should also be entered, including any loans and arrears of Parish Share.

When the task is complete click to the Tables and Charts worksheet tab and scroll down to view the completed charts. When both the weekly giving analysis tables and the reserves chart are complete it is time to print off the "Tables and Charts" worksheet page. It is paginated as page 2 and should be inserted into the Case Statement - between pages 1 and 3!

## Which reserves?

The classification of unrestricted, designated and restricted funds will not be familiar to everyone. An unrestricted fund is money we can spend on anything to do with the life ad ministry of the church. Restricted funds can only be spent specific purposes (such as a roof fund). Restricted funds are included because often they can have a great deal of money in them creating the illusion that the church has a great deal of money. It is important to be able to explain to people that only unrestricted reserves can be used freely by the church. (it may also be important to check that such funds really are restricted!) Designated funds, money ring fenced by the trustees for certain planned expenditure, however, are under the control of the leadership.

It is important that there is a meaningful discussion around the issue of reserves and that may mean some explanation for some people. Contact the Diocesan office if you need further clarification about the different fund categories.