

# Your Dashboard

**2016**

**St Jagielka, Walton**



**Giving  
in Grace**

# Your finance dashboard

If we want our church to move forward, to go where God is leading, it helps to know where we are starting from and what we need for the journey. This Dashboard Plus helps us to paint by numbers, to look at what is happening in our church finances. It takes the numbers seriously because the numbers have a story to tell and we need to hear what they are saying.



But the numbers don't tell the whole story. They can surprise us, they can challenge or encourage us but they cannot change the culture and expectations around money and generous giving in our church.

The Dashboard Plus encourages us not just to make the numbers work better but to have a rich, respectful discussion; a 'holy conversation' about money. This holy conversation takes the present seriously but just as importantly looks to a new future and to the decisions we might take to make that future happen.

This Dashboard is not intended as a basis for criticism, crisis or complacency. Rather, use it as a tool for a discussion, a starting point for conversations at a standing, finance or mission committee or at the church council.

- Use the questions to reflect on your overall income and expenditure, giving levels, other sources of income and costs.
- What does your Giving Profile say about today and what does the Age Giving Profile suggest tomorrow might look like if we don't act?
- Identify the opportunities, the areas of concern, the potential for growth and how you can take action.
- Feed the fruit of your discussions into your church budget and ministry plans for the coming year.
- In each area of discussion try to identify just one thing that the church can do in the coming year to address the main issues that have been raised.

## Please remember

This booklet only looks at *unrestricted* income and expenditure. Restricted funds such as a flower or organ fund are excluded. Why? Because it is important that we focus on the resources we need for our day to day ministry and mission.

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## Resources

**Giving in Grace:** extensive stewardship resources including this Dashboard Plus which forms part of the financial analysis resources found at [www.givinginGrace.org/stewardship-tasks](http://www.givinginGrace.org/stewardship-tasks)

**Parish Resources:** the national Anglican stewardship website and a goldmine of information that will repay careful reading, including advice about preaching, use of reserves, Gift Aid and much more: [www.parishresources.org.uk](http://www.parishresources.org.uk)

**Stewardship:** rich resources for growing generous givers and practical guidance on governance and finance for churches including charitable giving accounts is available from Stewardship: [www.stewardship.org.uk](http://www.stewardship.org.uk)

**Giving for Life:** a 2009 Anglican General Synod stewardship report and related resources, revised and updated in the summer of 2016: [www.parishresources.org.uk/givingforlife](http://www.parishresources.org.uk/givingforlife)

**ACAT:** the Association of Church Accountants and Treasurers offering practical support for finance officers: [www.acat.uk.com](http://www.acat.uk.com)

**Gift Aid:** [www.gov.uk/claim-gift-aid](http://www.gov.uk/claim-gift-aid); [www.parishresources.org.uk/giftaid](http://www.parishresources.org.uk/giftaid)

**Leaving a legacy:** [www.churchlegacy.org.uk](http://www.churchlegacy.org.uk)  
[www.christianlegacy.org.uk](http://www.christianlegacy.org.uk)  
[www.parishresources.org.uk/legacies](http://www.parishresources.org.uk/legacies)

**Procurement services:** [www.parishbuying.co.uk](http://www.parishbuying.co.uk); [www.2buy2.com](http://www.2buy2.com)

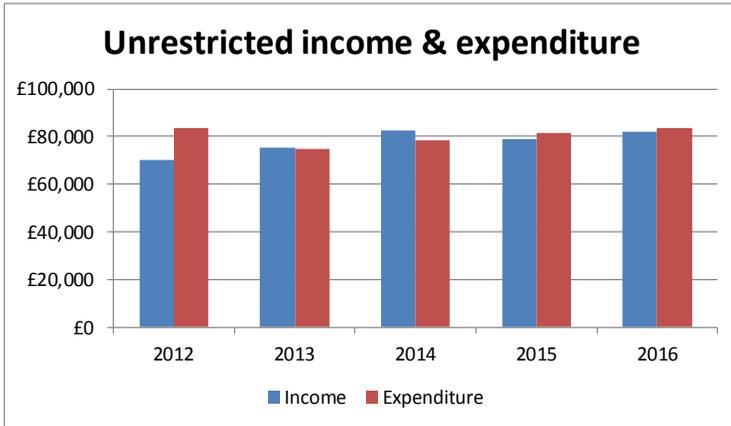
### **Giving by Direct Debit:**

Church of England - [www.parishgivingscheme.org.uk](http://www.parishgivingscheme.org.uk)

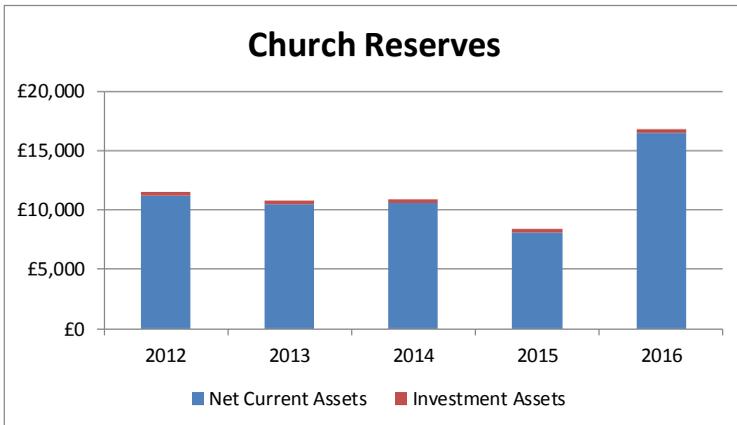
Church in Wales - [www.churchinwales.org.uk/resources/gift-direct](http://www.churchinwales.org.uk/resources/gift-direct)

# Income, expenditure and reserves

The graph below offers an overview of the health of your church finances which are so essential for ministry and mission.



This graph shows your unrestricted reserves. 'Net Current' means all unrestricted cash available (plus debtors if accrual accounts) minus what is owed in the next 12 months. 'Investments' mean shares or bonds whose value will fluctuate from year to year.



## Not neglecting the house of our God

*Our pattern of income and expenditure and our reserves should provide a sustainable base for effective ministry and mission in the place God has called us to serve.*

When God does something new in the Bible his people respond with financial generosity. The people brought Moses *too many gifts* for the tent of meeting (Exodus 36:4-7) while David's generosity inspired the generosity of others when building the first temple (1 Chronicles 29:1-9). As Nehemiah rebuilt Jerusalem's walls there was a fresh commitment to sustain the worship of the temple: *we will not neglect the house of our God* (Nehemiah 10:39).

Our challenge as God's people in the place he has called us is to resource adequately, even abundantly, our church's ministry. Indeed the generosity of women of means made possible Jesus' own ministry (Luke 8:1-3).

### Questions

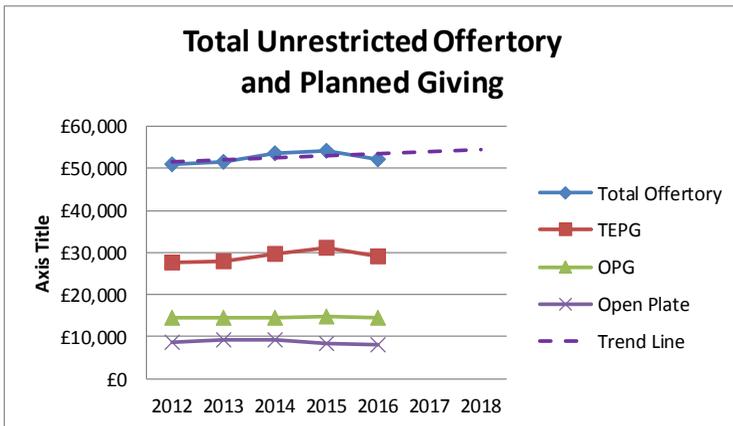
1. Is there a general trend and how might our finances look in five years if we keep going as we are?
2. Can we explain what we see - any spikes or dips in income and expenditure?
3. Has the church council agreed a reserves policy and told the church what it is - what we should keep in the bank, why, and how we decide what to spend?
4. Is there a group which oversees stewardship for our church?

### What action should we take after this discussion?

*As for all this abundance that we have provided for building you a temple for your Holy Name, it comes from your hand. (1 Chronicles 29:16)*

# Planned giving (unrestricted funds)

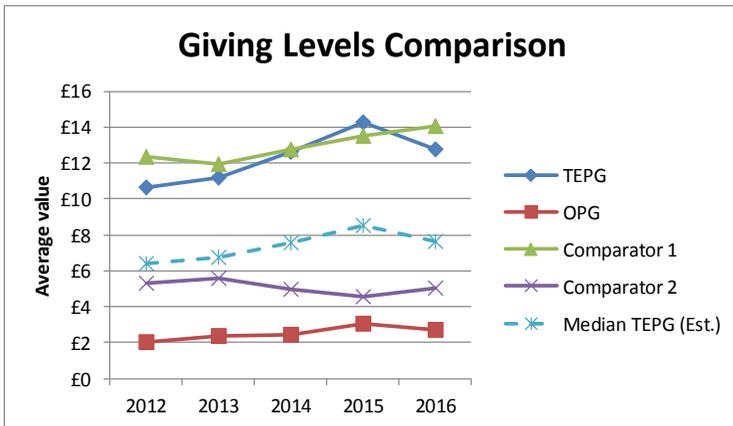
Regular planned giving (envelopes, Standing Orders, Direct Debits and charitable giving accounts) is a vital indicator of financial health. The graph below shows actual tax efficient, other planned and loose plate giving (definitions are provided next to the graph). Total offertory is included with a mathematical trend line which indicates the possible direction of travel into next two years.



**TEPG:** tax efficient planned giving under Gift Aid

**OPG:** other planned giving - where tax is not reclaimed under Gift Aid

The graph below shows your average giving levels (and optionally those of your chosen comparators), along with an estimation of your median TEPG [A].



Year	Num. Plnd Givers	
	TEPG	OPG
2012	50	64
2013	48	58
2014	45	58
2015	42	52
2016	44	53

# Not grudgingly given

*We need to develop our planned giving scheme. We need to nurture, inform and challenge our planned givers to review and renew their giving because this is the core income stream of our church.*

In any church the financial centre of gravity needs to be generous, regular and committed planned giving. Planned giving matters because:

- *practically* it is thoughtful, not last minute giving and the thought counts even when folk miss a Sunday
- *financially* it is committed giving, creating higher giving expectations and proving resilient in tough times
- *spiritually* it is giving most closely related to discipleship and encouraged by a teaching ministry in the church.

## Questions

1. Are the numbers of our planned givers and the level of giving increasing, declining or holding steady – and can we explain why things are like this?
2. Are giving averages increasing or declining and is our estimated *median* (middle) gift realistic in terms of capacity to give and the needs of our church? <sup>[A]</sup>
3. Do we have someone who encourages planned giving and, where possible, promotes giving by Standing Order or Direct Debit? <sup>[B]</sup>
4. Do we encourage our clergy to preach and teach generous stewardship and nurture our planned givers
5. Do we thank all our planned givers every year?

## What action should we take after this discussion?

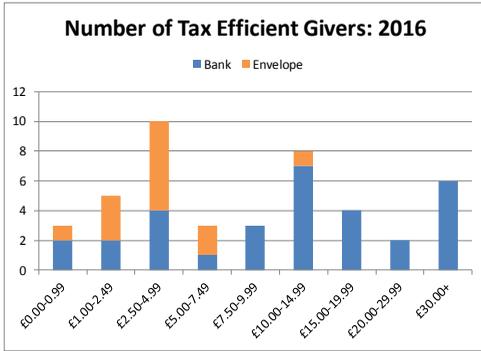
<sup>[A]</sup> The median, or middle value from a sorted list, often better represents giving levels and for tax efficient giving is often found to be around 60% of the average.

<sup>[B]</sup> See the *Giving by Direct Debit* resources item on page 3 of this booklet.

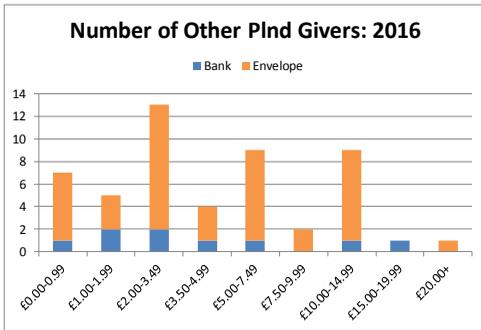
*Then it will be ready as a generous gift, not as one grudgingly given.  
(2 Corinthians 9:5)*

# Our Giving Profile

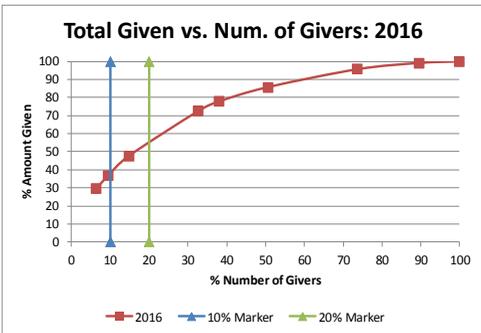
Our Giving Profile helps us better understand our planned giving. For more information visit [www.givinginrace.org/giving-profile-task](http://www.givinginrace.org/giving-profile-task)



*This chart shows tax efficient giving bands broken down into weekly envelopes and 'bank' giving such as standing order, direct debit, charitable accounts and payroll giving*



*This chart shows the giving bands for Other Planned Giving (OPG) also broken down into giving by envelopes and 'bank' methods of giving*



*In many churches a small number of people give a large proportion of the total giving to the church. This chart shows to what extent your church is dependent on a small number of givers.*

## According to what we have

*To understand our giving better we need to look deeper. We need to know our dependence on a smaller number of regular givers and to be confident that when asking people to give more we are not asking the impossible.*

In every church, and it is true of charities also, a smaller number of givers contribute a disproportionate part of our total giving. It is called skew. We need to know what it looks like in our church and we may be surprised at what we see. Please don't assume that lower level giving simply reflects income levels. Some people are indeed giving sacrificially but by no means all. A Giving Profile very often gives confidence that when asking for greater giving we are not asking the impossible.

### Questions

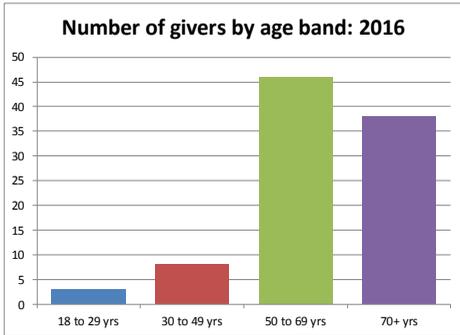
1. What does our giving profile tell us about giving in our church and are there any surprises?
2. We sometimes say that everyone is giving all they can. Does our giving profile suggest this is true?
3. The bottom graph indicates the percentage of giving offered by the top 10% and 20% of givers. What level of risk does this pose?
4. Do we create opportunities for folk to review and renew their giving through an annual review and regular stewardship programmes?

### What action should we take after this discussion?

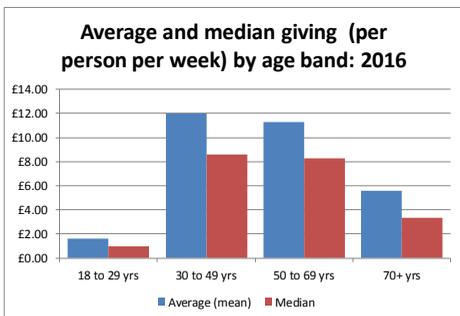
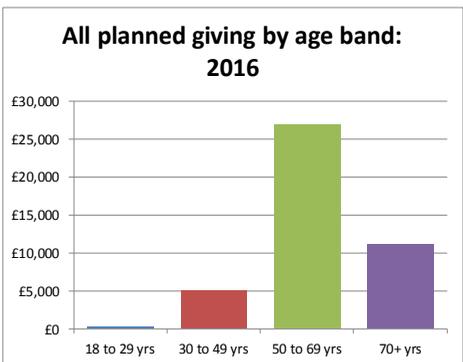
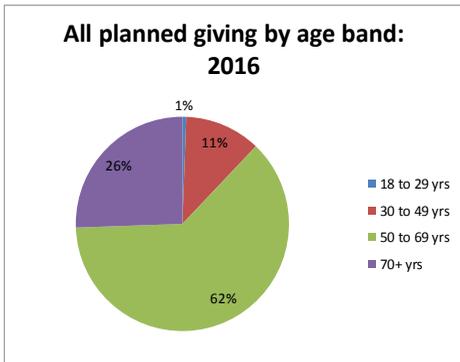
*For if the willingness is there, the gift is acceptable according to what one has, not according to what one does not have. (2 Cor 8:12)*

# Our age giving profile

These charts explore our age related giving and the challenge of ageing money. Read more at <http://www.givingingrace.org/Age-profile>



The left hand chart shows the number of planned givers in each age band. Below left is the percentage of planned giving given by each age band. Below right is the total amount given per age band



This chart, bottom left, shows both average and median gift per age band. The median gift is the middle gift in each band which strips out the effect of a few big givers in each band giving a more realistic picture of our giving

## A ten year window?

The age giving profile presents our church with two challenges. The first is to look honestly at what the future might hold for us if things stay as they are and what we might have to do in the next few years.

Second, the church in Macedonia pleaded for the privilege of sharing in the financial gift to the church in Jerusalem. Today we need to encourage our younger adults to have that same sense of wanting to get to grips with the regular planned giving that is the lifeblood of our church finances.

### Questions

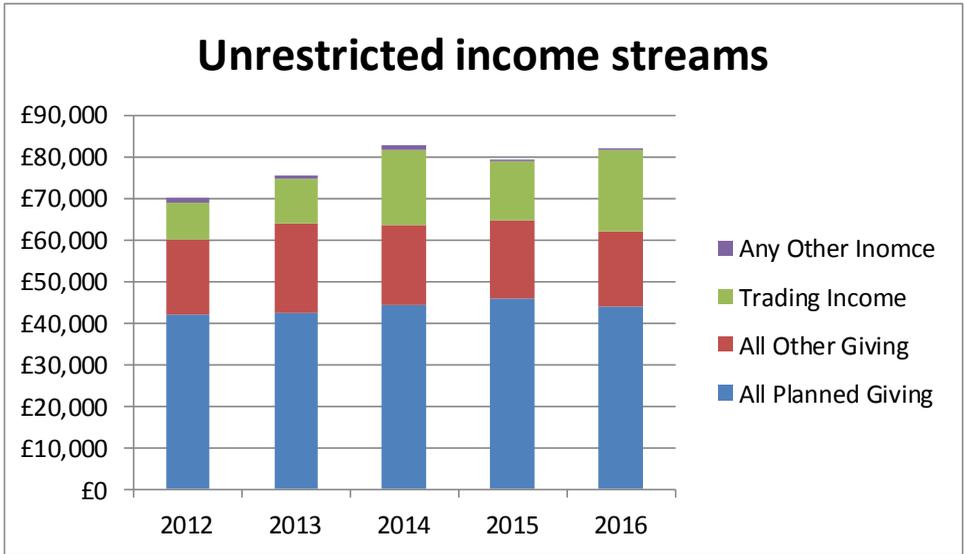
1. What does our age giving profile suggest about the financial situation in our church in the coming years?
2. If we have younger adults in our congregation, how good are we at encouraging them to join our planned giving scheme – and how might we improve on what we do?
3. Is talk of a ten year window to take action about right or is it too pessimistic or optimistic for our church?
4. Wills and legacies are part of good stewardship in the local church but are we taking this challenge seriously enough?

### What action should we take after this discussion?

*For I testify that they gave as much as they were able, and even beyond their ability.... They urgently pleaded with us for the privilege of sharing in this service to the saints. (2 Cor 8:43)*

# Other income

Maximising income from other income streams such as fundraising or rentals is something we need to attend to.



- *All Planned Giving*: envelopes, standing orders, direct debits, charity accounts
- *All Other Giving*: gift aid tax refund, loose plate, one-off donations
- *Trading Income*: fundraising, hall lettings, wedding & funeral fees, bookstalls, etc.
- *Any Other Income*: investments, recurring grants, legacies

## Keeping in balance

*We need to make the best possible use of the buildings and other assets that God has entrusted to us - and earlier generations have bequeathed to us.*

A church's other income streams are also important and require nurturing. Fundraising, hall rentals, church fees, occasional donations are all income streams and, of course, there is Gift Aid and the Small Donations Scheme. We can also nurture and encourage gifts in wills (legacy gifts) and support from Friends groups.

Maximising income streams is important but a word of caution. Getting the best from other income, especially fundraising, should not undermine our core message of planned giving and discipleship.

### Questions

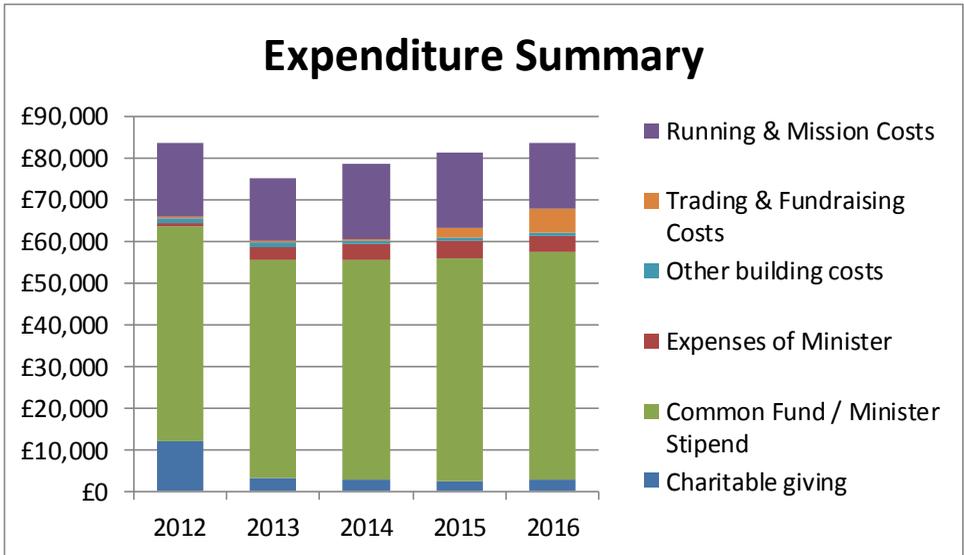
1. What is happening to our other income streams - are there any positive or negative trends?
2. Are we making the most of these sources of income – or missing out on any possibilities?
3. Can we tell a good story of what gifts in wills have done for us in the past – and do we have a strategy for increasing gifts in wills?
4. Are we good at claiming Gift Aid from regular and one off gifts and are we geared up for the Small Donations scheme?
5. Is our fundraising enjoyable, productive and carefully managed as one of our income streams?

### What action should we take after this discussion?

*Suppose one of you wants to build a tower. Will he not first sit down and estimate the cost to see if he has enough money to complete it?  
(Luke 14:28)*

# Expenditure

This chart shows your expenditure breakdown and once again it is just the unrestricted expenditure. It includes major expenditure from the general fund but not expenditure on capital appeals from restricted funds; these may be significant and may be included in any discussion.



## About Common Fund (Minister stipend or salary)

Many churches operate a system of *Common Fund*, also sometimes known as *Parish Share*, through which individual churches make a proportionate contribution to the total cost of Stipendiary Ministry; a mutual sharing of cost.

Some churches, of course, are solely responsible for the full cost of their own Minister's stipend or salary and housing; for these churches this cost may well be the single largest item of expenditure. Further, churches may employ additional staff and again this is likely to be one of the largest items of expenditure.

# Administering abundance

*We are called to be good stewards of what God has given us, transparent and accountable before God and the world in our planning and spending.*

Paul was at pains to show that financial gifts, generously given, were well managed both before God and the world (2 Corinthians 8:20-21).

Careful budgeting and the monitoring and control of our expenditure makes good financial sense - and good stewardship.

## Questions

1. Do we prepare an annual church budget to help plan our expenditure and focus resources on our mission priorities?
2. Can we improve how we tell the congregation about our church finances?
3. Are we controlling our costs, including our buildings, where we can or is this something we need to look at again?
4. Have we offered our Common Fund or Parish Share in full and on time this year, and communicated its importance?
5. Is mission giving beyond our walls a clear commitment?

## What action should we take after this discussion?

*This service that you perform is not only supplying the needs of the Lord's people but is also overflowing in many expressions of thanks to God.  
(2 Corinthians 9:12)*

**Giving  
in Grace** 