

July 2009

Dear Treasurer

Results for 2008

I have enclosed for your information a summary of the Common Fund Income and Expenditure Account for 2008, (<http://www.stalbans.anglican.org/Resources/Finance/Diocesan-Common-Fund>) in a similar format to the Budget Summaries recently circulated to you. This shows a deficit of £16,000 for the year (as compared to a deficit of £68,000 in 2007) on budgeted expenditure of £12.3m.

Parish Share 2009

I enclose the latest statement of account that includes an entry showing your Parish Share for the third quarter of the year. Payments received up to **17th July** have also been included.

Financing our work in 2010

For those of you who were unable to attend the recent Archdeaconry Presentations of the 2010 budget, you will find links to the relevant PowerPoint slides, handouts and the other budget papers here: <http://www.stalbans.anglican.org/Resources/Finance/Diocesan-Common-Fund> , under the heading Financing our work in 2010

PCC Registration

Just to remind you that if your parish's annual income is over £100,000 then your PCC will need to register separately with the Charity Commission by 30th September this year. You will find links to resources to help your PCC with this process on the Diocesan Website at:

<http://www.stalbans.anglican.org/Resources/Finance/PCC-Registration-with-the-Charity-Commission>

If I can be of any help with the registration process then please let me know. If you have already successfully registered then I would be grateful if you could let me have a note of your registration number as soon as possible.

As I have indicated before, it is the Charity Commission's intention to register **all** excepted charities in due course. Excepted charities with annual incomes *below* £100,000 are not required to register yet, however it is expected that the target date for their registration will be sometime in 2012.

Accruals Accounting – Change of income threshold

A reminder of my note in my previous letter, that the Charity Commission have recently announced the raising of the threshold for accruals accounting. With respect to all accounting periods **ending after 1st April 2009**, the threshold above which charities should prepare accruals accounts is raised from £100,000 to £250,000.

If you would like to purchase a copy of the most recent guide to accounting for PCCs please contact Ron Upton, Resource Centre Manager, on 01727 818158. The publication is called *The Charities Act 1993 and the PCC (third edition)*. There is an abridged version of this guide available for PCCs reporting on a "receipts and payments" basis instead of the "accruals" basis.

ACAT Handbook

Since my last letter, we have received updated sheets for the ACAT loose-leaf binder. I have made arrangements for this to be distributed to you through the next clergy "bundle" scheduled during week commencing 20th July. Please ask your incumbent to look out for this which will be in a small shrink-wrapped A5 sized package.

Stewardship

Geoff Fletcher has available copies of the resource packs which were given out at the Vision for Giving presentations last Autumn and, more recently, this June - please get in touch with Geoff if you would like further copies of the pack.

Geoff is also hoping to arrange a meeting in each of the three archdeaconries in the Autumn to which Parish Giving Representatives / Treasurers will be invited. The main focus for these meetings will be practical in enabling parish reps to share best practice and to highlight key areas where central support would be of particular benefit. Please keep watch for further announcements of these meetings, and feel welcome to contact Geoff at the Diocesan Office for support in connection with all aspects of stewardship.

Contact details: Geoff Fletcher Tel 01727 818141 & email gletcher@stalbans.anglican.org

Clergy Pension Scheme - Pensions Task Force Consultation

You will have seen from the draft 2010 Budget, recently circulated, that the funding rate for the scheme is set to rise to 45%, from 39.7%, with effect from 1 January 2010. This is an interim rise pending the outcome of the full actuarial review of the pension scheme. Early indications are that this review could recommend a required funding rate as high as 57%, **unless changes are made to the scheme.**

Those of you who were at the Archdeaconry Budget presentations will have heard of the recent consultation paper that has just been issued by the Pensions Task Force concerning the future of the clergy pension scheme. You will find a two page Executive Summary and the fuller report at <http://www.cofe.anglican.org/info/pensions2009/consultation.doc> . If you do not have access to the internet and would like a paper copy of this report then please let me know.

If you would like to respond to this paper then you can either contact the Pensions Board directly, or submit your comments to the Diocesan Secretary by 16th October please, for inclusion with Bishop's Council response.

Parish Share 2010 *provisional figures*

(<http://www.stalbans.anglican.org/Resources/Finance/Parish-Share>)

These provisional figures **do not yet include any figures for Pastoral Aid Support grants**, as these will not be finally confirmed until the November meeting of the Diocesan Parish Shares Committee.

The intention behind sending these to you now, is to give an indication of the *potential* level of contributions required for next year. By the time 1st January 2010 comes, your parish share might be a little *lower* than the figure now indicated, in the case where our initial assumptions concerning vacancies and first-post curates are revised in the light of actual developments notified to us. I will therefore be sending out revised figures in early December, once the situation becomes clearer, and also once Pastoral Aid Support grants (see below) have been allocated.

Vacancies

For parishes currently in vacancy, it has been assumed for the purposes of these provisional figures, that an appointment will have been made in time for the start of next year.

First-post curates

For parishes that have started to make such a contribution *before* 1 January 2007, the percentage as agreed previously by the Archdeacon will be used in our calculations for 2010. **For those parishes with first-post curates being priested from 1 January 2007 onwards** the contribution rate will now be determined by reference to the number of shares according to the following table:

| <u>Shares</u> | <u>Proportion of full annual cost</u> | <u>Additional Stipend Contribution</u> |
|-----------------------------|---------------------------------------|--|
| 0-99 | 15% | £ 4,152 |
| 100-199 | 20% | £ 5,536 |
| 200-299 | 25% | £ 6,921 |
| 300-399 | 30% | £ 8,305 |
| 400 or higher | 50% | £ 13,841 |
| (Total Annual Cost (@100%)) | | £ 27,682) |

Pastoral Aid Support grants

Parishes seeking financial assistance with their parish share, by applying for a PAS grant, should do so by contacting their Deanery Standing Committee **as soon as possible**. The Deanery Committee, if they decide to recommend such a grant, will then need to forward your application to the Diocesan Office no later than **Friday 30th October**, for consideration by the Diocesan Parish Shares Committee at their meeting in November.

Application forms and guidance notes will be available from your Deanery and can also be downloaded from the Diocesan website at: <http://www.stalbans.anglican.org/Resources/Finance/Finance-Forms>

Yours sincerely,

Martin Bishop

Encl: 1. Common Fund Income and Expenditure Summary for 2008; 2. Parish Share account statement to 17th July 2009; 3. 2010 Parish Share estimates for your PCC and Deanery