



### **USE OF OFFERINGS FOR CONGREGATIONAL PURPOSES AND RETIRING OFFERINGS AT CHURCH SERVICES FOR OTHER CHARITIES GOOD CAUSES AND GIFTS**

#### **The Rules**

Money taken up from ordinary offerings and collections (open plate) at public worship are **for congregational purposes.**

This means in terms of Church law they must be used to further the work of the congregation and the Church of Scotland generally. Charity law requires them to be used “for the advancement of religion”.

What can be paid from congregational funds includes :

- Ministries and Mission contributions - to cover contributions to the Parish Ministries and Mission and Renewal Funds.
- day to day expenditure in connection with the congregation such as electricity bills, repairs to buildings, salaries payable to the church officer, organist etc.
- mission and outreach e.g. donations to Church of Scotland projects such as the HIV/AIDs Project and to Christian based charities such as Christian Aid and the Vine Trust

#### **Donations to other Charities and Good Causes**

These should be funded by a special collection for that purpose. The purpose for which the money is to be used should be clearly indicated. See page 2.

#### **Funeral Services**

It is increasingly common for families to wish a collection to be made for a specific charity and it is recommended that the procedures set out in page 3 be followed.

#### **Retirement/leaving Gifts**

If the gift costs a nominal amount, the money for it may come out of congregational funds. A “nominal” amount would be something regarded as a token of esteem such as a bunch of flowers or a book token. As a “rule of thumb”, the cost or value of the gift should not exceed £25.

If something more expensive is to be bought or given, a special collection for that purpose should be taken up.

## Why we have the Rules

Ordinary offerings and collections (open plate) taken up at services of public worship are to be used for congregational purposes and cannot normally be used to make donations to other charities in terms of both Civil and Church Law (see Section 8 of the Act of the General Assembly V, 1989 - Act anent Church Finance).

The question arising from the above is “**What are congregational purposes?**” A congregation is defined as being “a body of persons associated together in a parish for Christian worship, fellowship, instruction, mission and outreach”. The congregational purposes will therefore be related to such activities.

Mission and outreach will differ from congregation to congregation depending on the congregation’s circumstances and the aims and objectives as to how the congregation seeks to advance Christ’s Kingdom in its locality.

It is for each Kirk Session to set these aims and objectives which should be reviewed regularly and narrated in the Trustees’ Report, which forms an important part of the annual Accounts for the Congregation.

Congregational purposes encompass “mission” and this is not restricted to ‘local’ mission as there is a commitment to work “for the advancement of the Kingdom of God throughout the world” [Article 1, Articles Declaratory of the Constitution of the Church of Scotland in Matters Spiritual]. Therefore, the mission and outreach of a congregation may include supporting work done by other Church of Scotland bodies such as the Church of Scotland HIV/AIDs Project and also Christian- based work done by other charities e.g. the work of Christian Aid, the Vine Trust, or causes such as a Christian school, hospital or missionary abroad. In some cases, there will not be sufficient resources to undertake mission of this type at a local level and it may be more cost effective because of economies of scale to support work which is being undertaken on a wider basis.

It is only in such circumstances that other non Church of Scotland bodies can be supported financially by a congregation out of congregational funds. Any such donation to an outside body for mission purposes should be reported through the Accounts of the congregation and the Kirk Session and Financial Board as charity trustees should explain in their Trustees’ Report how such a donation has furthered the congregation’s mission work. However there is a proviso to the above: any allocation of congregational funds to outside bodies/projects can only be made if the congregation is meeting (1) its contributions to the Parish Ministries and Mission and Renewal Funds in full and (2) all its other legal commitments.

## Other donations

Donations to another charity or good cause or for retirement/long service/leaving presentations to office bearers or employees should be made through a retiring offering which is specifically for that purpose. Examples would be:

- the Earl Haig Fund after a remembrance Day Service

- a retirement gift for a Minister
- donation to a specified charity or good cause, e.g. Hospital Ward Fund, after a funeral service.

The charity or good cause for which funds are being collected must be clearly indicated. If the beneficiary is a Scottish Charity, any relative documentation mentioning it must state the legal name of the charity, the fact it is a charity and its charity number. (See the Charity References in Documents Regulations 2007 and the relative circular on this.)

### **Funeral Services**

In the case of a funeral service it may be agreed with the family, prior to the service, that the retiring collection will be counted and made over by the Undertakers to a particular charity or good cause. In such a case, it is strongly recommended, that the Minister or an office bearer obtains a written undertaking from the Undertakers confirming that they take full responsibility for the collection ingathered on Church premises and for transmitting it to the charity or good cause concerned. A style of Undertaking is on page 4.

### **Accounting arrangements for Retirement Offerings**

The procedures for counting retiring offerings for another charity or good cause is no different from ordinary collections. Except where a written undertaking has been obtained from the Undertakers as suggested above, the retiring collection should be counted at the close of the service at which the collection was taken up by at least two office-bearers. The amount counted should be recorded and lodged intact in the congregational bank account at the earliest opportunity (except for cheques made payable to the other charity/good cause).

The Treasurer should check that the amount lodged per the stamped bank pay-in slip counterfoil agrees with the total recorded. Should there be a difference the Treasurer should investigate.

It is recommended that payment to the charity or good cause in question should be made by cheque as soon as practicable after the date of the collection.

### **Gifts to individuals**

It should be noted that the Kirk Session and Financial Board as trustees for the congregation would be acting *ultra vires*, i.e. outwith their powers, if they were simply to dip into congregational funds or assets to make a retirement, leaving or long service gift such as for example a laptop, painting or car to anyone, including a Minister, office bearer or employee. The only exception would be where the gift would be regarded as a token of esteem with a nominal value - a bunch of flowers or book token with as a rule of thumb a value of less than £25.

## Style of Undertaking

Name and address of Undertaker

Date

The Kirk Session

\*1 Church of Scotland (Scottish Charity No \*2)

Address

Dear Sirs

FUNERAL OF \*3 ON \*4

RETIREMENT COLLECTION IN AID OF \*5

I confirm that, at the request of the family of the late \*3, a retirement collection will be taken in aid of \*5 after the Funeral Service which will be held within \*1 Church of Scotland on \*4. I confirm that I will be responsible for:

- providing receptacles for the retiring collection at the close of the Funeral Service.
- uplifting the collection receptacles when all mourners have departed the Church premises.
- counting of the retiring collection and
- transmission of the monies ingathered to \*5.

Yours faithfully

'Signature of Undertaker'

- \*1 Name of congregation
- \*2 Charity Number of congregation
- \*3 Name of deceased
- \*4 Date of Funeral
- \*5 Name of Charity/good cause