

## **V REGULATIONS FOR CONTRIBUTIONS FROM CONGREGATIONS IN THE PRESBYTERY OF INTERNATIONAL CHARGES (REGS V 2016)**

*Edinburgh 21 May 2016, Session I*

### **General**

1. All congregations within the Presbytery of International Charges (“the Presbytery”), are required to make a Ministries and Mission Contribution (“Contribution”) to the total budget of the Church to be met by congregations, as determined by the General Assembly, in terms of these Regulations.
2. Each congregation shall transmit its required Contribution to the Stewardship and Finance Department annually in their local currency, unless permission is granted annually by Presbytery to allow payments to be made under some other arrangement.
3. It shall be the responsibility of the Financial Board of each congregation to inform the members of the congregation of the required Contribution and the ways in which this Contribution enables the worship, mission and service of the Church.
4. The Stewardship and Finance Department shall annually inform the Presbytery Clerk of shortfalls in Contributions from congregations within the bounds, both for the latest financial year and any accumulated totals for previous years. The Presbytery shall record all such shortfalls annually in the Minutes of the Presbytery and shall consult with the office-bearers of the congregations concerned.

### **Provision of Accounts**

5. To facilitate the process of calculating the required Contribution for each congregation, Financial Boards, as defined in the International Presbytery Act 2016, shall be required to send annually by 30 June to the Stewardship and Finance Department a copy of their Congregational Accounts for the previous financial year.
6. Where the accounts of a congregation have not been received by 30 June the Department will make a reasonable estimate of the income based on income of previous years. Where accounts are subsequently received this estimate will only be amended if materially different and only the current and subsequent years’ Contributions shall be amended.

### **Calculation of Contributions**

7. The required Contributions shall be calculated by the Stewardship and Finance Department, from a graduated scale, which is related to each congregation’s Income Base (see paragraphs 8 and 9 below) and will be included in the total budget to be met by congregations, as approved by the General Assembly.
8. The Income Base for each congregation shall include:
  - (a) General Fund income;
  - (b) Income specifically to meet the cost of ministries (including trust income with the exception of grants from the Salvesen Trust);
  - (c) Fabric Fund and Reserve Fund income;
  - (d) Net property rental income;
  - (e) A percentage of contributions from outside agencies for the use of premises, if in excess of a sum to be determined by the Council of Assembly;
  - (f) Any other income which is available to meet the normal purposes of a congregation.

For the avoidance of doubt, legacies and the proceeds from the sale of property or investments, special collections for other charities and for specific major fabric projects and grants from the Salvesen Trust shall be excluded from the Income Base.

9. The average of the Income Base figures for the latest three years, calculated as specified above in paragraph 8, shall be the base figure for calculating the required Contributions from congregations. Where the Income Base has been incorrectly assessed due to the Congregational Accounts not being fully compliant with relevant legislation and accounting practice, only the income of the current year and previous year will be corrected.

#### **Adjustment for Ministers' Costs**

10. The Ministries and Mission Contribution so calculated shall then be adjusted to take into account the local payment of ministers' employment costs. The percentage used to calculate this adjustment will be reviewed each year, dependent on the budget set by the General Assembly.
11. Where the local cost of providing a minister is substantially more than the equivalent cost in the United Kingdom then an agreement will be reached with the Council of Assembly to reduce the assessed Contribution proportionately.

#### **Local Ecumenical Partnerships**

12. Where a congregation is part of a Local Ecumenical Partnership then an agreement will be reached with the other participating denomination(s) regarding how the assessed Contribution is allocated between the parties.

#### **Membership of Local Denomination/National Church**

13. Where a congregation is also a member of a local denomination or national church organization, a deduction of any membership contribution paid to the local denomination or national church organization may be made from the assessed Contribution up to a maximum of 50% of the assessed Contribution.

#### **Appeals and Adjustments**

14. The Council of Assembly shall appoint a Panel to adjudicate on any appeals from congregations relating to the application of paragraphs 8 and 9 above. (Full details of the appeals process are available from the Secretary to the Council of Assembly or from the Church of Scotland website.)
15. The Council of Assembly shall determine each year a percentage for annual maximum increases in proposed Contributions for individual congregations issued to Presbyteries. Presbytery shall also have the right to increase a required Contribution by more than the maximum percentage permitted where a congregation received a reduced required Contribution in the previous year.

#### **Transitional Arrangements**

16. The level of Contributions calculated hereunder shall be subject to a transitional increase over a period of 5 years.

#### **Presbytery Allocation**

17. The total budget as approved by the General Assembly to be met from congregations plus an agreed percentage shall be the total proposed Ministries and Mission Contributions for congregations in the Church of Scotland. The Stewardship and Finance Department shall send to the Presbytery Clerk by 31 August each year a list of proposed Contributions calculated in accordance with these Regulations for congregations within the bounds of the Presbytery.

18. The Presbytery may reduce the proposed Contributions required from congregations by the percentage agreed by the General Assembly of the Presbytery total. The Presbytery may use the permitted reduction in any or all of the following three ways:
  - (a) To reduce the proposed Contributions for individual congregations before they are finalised for the following year, in the light of local knowledge of the current situation in congregations within the Presbytery;
  - (b) To reduce the actual required Contributions of individual congregations during the year to which they apply if changes in circumstances arise which the Presbytery decides would justify this course of action, and provided such reductions are communicated by Extract Minute to the Stewardship and Finance Department not later than 30 October each year;
  - (c) To pay off shortfalls from previous years for individual congregations where the Presbytery considers this course of action to be appropriate, and provided such payments are communicated by Extract Minute to the Stewardship and Finance Department not later than 30 October each year.

If any of the agreed percentage is not used in these ways, the Presbytery may not carry forward, after the end of the year to which it applies, any balance for use in future years.

#### **Notification of Contributions to Congregations**

19. The Presbytery shall notify the congregations of their required Contributions for the following financial year not later than 15 November each year. The Presbytery shall also communicate by Extract Minute the required Contributions for congregations within their bounds for the following financial year to the Stewardship and Finance Department not later than 15 November each year.
20. The Stewardship and Finance Department shall then issue to Congregational Treasurers or their equivalent in December each year confirmation of the required Contributions for the following financial year.