



# **Policy on Church Finances**

## **following Closure and Redundancy**

### **Principles to Consider**

- The charity regulations and law in regards of the disposal of assets
- The need for a transparent and consistent approach to dealing with the residual monies left following church closure and redundancies
- The financial burdens placed on all churches at this time
- The need for a clear process in order to keep appropriate records
- The costs associated with churchyards whether open or closed
- Who is to be the signatories on the closed church's bank account to facilitate payment of outstanding bills etc and the process of closure of the accounts

### **Policy**

When a Church closes, and it is proposed that it be declared redundant:

- a) Details of the signatories (i.e. names and contact details) of all church accounts and holdings must be sent to the Churches and Pastoral Committee Secretary along with a copy of the most recent set of examined accounts.
- b) In the first instance no monies should be spent or re-allocated except for:
  - Paying Ministry Share
  - Paying Utility Bills
  - Paying Church Insurance
  - Settling existing or outstanding debts
- c) The Incumbent & PCC should ascertain if there are any legacies/trusts held in the name of the closed Church and find out their valuation and any restrictions on them.
- d) If there are restricted funds, then the Incumbent & PCC should in the first instance consult with the Diocesan Registrar and Diocesan Secretary about any potential usage.
- e) If there are residual unrestricted funds these should be used to pay any outstanding Ministry Share.
- f) If there is a churchyard, then any residual unrestricted funds should go to the Churchyard Account to assist the PCC of the church which takes over care of said Churchyard, as this is the "charity" nearest in aims to the closed church.
- g) If there is no churchyard then any residual unrestricted funds should go to the PCC of the church that has assumed pastoral care of the area previously covered by the closed church, as this is the "charity" nearest in aims to the closed church.
- h) It is not advisable to give away church funds to other charities or causes without first taking the advice of the Diocesan Registrar in case such actions lead to breaking charity or trust law and regulations. The PCC as the Trustees run the risk of being personally liable if the above are not followed.

**Ven Paul Mackness**  
***Churches and Pastoral Committee Chairman***