

Draft paper Jan 2015 (with updated Donation Form)

Financial Guidelines for our Partnerships with Estonia, Harare, Kondoa and Mpwapwa Dioceses

This paper has been drafted in light of the increasing activity with our Partner Dioceses (PDs) resulting in:

- a) an increase in funds going across the Diocesan Board of Finance (DBF) account,
- b) the increasing complexity of some of the donations, and
- c) addressing the high costs being incurred in transferring funds to Estonia, Harare, Kondoa and Mpwapwa (EHKM).

It has been drawn up after discussions with the Partner Diocese Steering Group (PDSG), the chairs of the Partnership Groups (PGs) and with the DBF (in particular Martyn, Amanda and Heather in the Finance Office who have been very helpful and supportive of what we are trying to achieve).

It comprises an Overview, a more detailed outline of the Procedures and an example of the Donation form.

Overview

Monies going into Partner Diocese funds come in three ways:

- through offerings made at our Confirmation services,
- through donations to support projects in our Partner Dioceses (the partnerships are built on friendship, and out of that friendship there may be a desire to share our material resources with our brothers and sisters in EHKM), and
- to meet travel / transport costs to / from our Partner Dioceses - visits help to form, build and strengthen our friendships.

These three different sources of income should be clearly reflected within our records against a general link fund (DES100) or against the relevant Partner Diocese; so should items of expenditure.

There are currently six sub-funds

- DES100, a general link fund,
- a sub-fund for each diocese - EHKM,
- a sub-fund for Queen Esther's School, a major project in Mpwapwa.

The attached guidelines summarise the procedures to be followed and will be agreed by the DBF, the PDSG, the PGs and our Partner Dioceses.

Underlying Principles

Funds are only sent to a Partner Diocese following a request or recommendation of support for a proposed project from the relevant Bishop of the Diocese. The Partnership Group (PG) would typically discuss these recommendations to see whether they feel able to help.

Each Partner Diocese will be asked to maintain good accounting practices, which will include maintaining a bank account for diocese to diocese transfers, requiring at least two signatories to operate. Partner Dioceses will be asked each quarter to produce reports showing how the project is progressing and how monies have been spent. These reports will be used to provide feedback for donors.

Confirmation monies

The offerings made at the Confirmation services around Rochester Diocese go into Partner Diocese funds and should be received from every church in our diocese where a Confirmation service is held. The DBF will check to ensure that all churches pay the Confirmation collections to the diocese.

These monies should go into DES100 (a general link fund) to meet PDSG costs or to be transferred, to the appropriate Partner Diocese as agreed by the PDSG. At the first meeting of the calendar year, the PDSG will consider how much remains in the DES100 fund, and decide what can be transferred to each Partner Diocese, according to their needs. The PGs will provide the PDSG with an annual budget - which will be sufficiently flexible to respond to any further urgent needs as the year progresses.

Gift Aid should be claimed where appropriate.

Donations

A donation may be made to support a project in one of our Partner Dioceses or to meet visit costs. It is our aim to support projects rather than individuals.

It is recognised that in the past, project monies sent to Partner Dioceses have been used for other purposes which can cause some frustration for donors who are fundraising to support a particular project. Whilst this practice is discouraged, it must be recognised that the Bishop is the shepherd of his people in his diocese but we would encourage them to liaise with the relevant PG Chair if they wish to reallocate monies donated for a specific project. The aim of this is to provide clarity between the donors and the Partner Dioceses to ensure that as far as possible funds are used for the purpose they are intended, which could lead to more support in the future. If donors are not sure their donations are going to be used as they intended, future support could be put at risk.

A donation form incorporating a gift aid declaration if appropriate should be completed for each donation made. If the donation is going to be a regular ongoing donation, this should be clearly marked on the form when the first such donation is made, along with the frequency of the donation and the end date.

Donations should be referenced with the name of the Partner Diocese followed by the project name. This reference should be included on the donation form and used if monies are sent to the Rochester Diocese Board of Finance (RDBF) via BACS or the internet.

Donation forms should be sent to the RDBF, who will ensure that the funds are reflected against the correct Partner Diocese sub-fund or to the general link fund.

Gift Aid should be claimed on all donations where appropriate and credited to the relevant sub-fund/project.

Donation forms will be copied and sent to the Partner Diocese Treasurer at the end of each month, together with a spreadsheet summary of what has been paid into each Partner Diocese fund.

The Partner Diocese Treasurer will send to each PG Chair a copy of the spreadsheet. The PG chairs will email the PD Treasurer to confirm that these payments can be forwarded to the PDs. Unless urgent, all payments will be made monthly or even less frequently to save transfer costs (£550 in the first 6 months of 2014), under advice to the Partner Diocese Bishop. Such transfers will be made to the relevant diocesan account in EHKM and the PDSG Treasurer will advise each PG that the payment has been made. Each PG will send a 'thank you' note from Rochester Diocese to any new donor or when a significant further donation is made (as considered appropriate by the PG Chair).

It is noted that some donations are to remain confidential. This should be clearly marked on the donation form.

PDSG costs

Confirmation monies will sometimes be used to meet the PDSG costs. For example, a visit to Rochester by someone from a Partner Diocese, a visit by our Bishop's Partner Diocese Link Advisor or to meet the salary cost for the Partner Diocese Link Co-ordinator.

These costs will be reflected within the relevant Partner Diocese sub-fund where they relate to a visit by someone from a Partner Diocese and against DES100 (a general link fund) where they relate to a visit by someone from the PDSG.

Travel costs

Any trips to be financed by PDSG funds should be approved by a majority at a PDSG meeting.

Financial Procedures

1. Completed donation forms and monies to be sent to the Assistant Diocesan Secretary - Finance, Martyn Burt, Diocesan Office, St Nicholas' Church, Rochester ME1 1SL.

Cheques are to be made payable to 'Rochester Diocese Board of Finance'.

Rochester Diocese Board of Finance account details:

Sort Code; 20-54-11

Account No; 90760099

When transferring monies to Rochester DBF, the payment reference should quote the relevant Partner Diocese and project for which the monies are intended.

2. At the end of each month Martyn Burt to send a spreadsheet and a copy of any donation forms received that month to PDSG Treasurer, Linda Wanniaratchy, showing monies that have been received during the month. The PDSG Treasurer will review the spreadsheet and make sure the references for the monies received are clear and show the Partner Diocese where the money is to be transferred and the project name. If items are not clear, the PDSG Treasurer will contact the relevant PG to amend any entries.
3. Once reviewed the PDSG Treasurer will send the spreadsheet onto the relevant PG Chair. With the PG Chair's agreement, the PDSG Treasurer will then ask the Assistant Diocesan Secretary - Finance to transfer monies to the Partner Dioceses. Where possible PDSG Treasurer will ensure that all donations to the same Partner Diocese are sent at the same time to keep transfer costs to a minimum. It may be that some small, not time critical donations are held for a short period to facilitate this.
4. RDBF to inform PDSG Treasurer when the monthly transfers have been made.
5. PDSG Treasurer to send email to Partner Diocese informing them of any transfers made (see attached), detailing whether the monies are to be used at the Partner Diocese's discretion or for a specific project, with a copy going to PG Chair. At the same time PDSG Treasurer will ask for feedback on the project to help ensure that monies have been used for the purpose(s) intended (see example of financial report, appendix 3).
6. **Confirmation monies** - PDSG Treasurer to inform PGs annually of the surplus confirmation monies available to be used at their discretion. PGs to liaise with the relevant Bishops as to how this should be allocated in their Dioceses

Appendix 1 - Standard email to Bishops in Partner Dioceses:

Dear Bishop.....

I hope you are well. I am pleased to inform you that the following transfer has been made to your Diocesan account:

These monies are to be used at your discretion / for the Project.

Include if needed: This is the first tranche of the following payment plan:

*Jan xxxx £xxx
April xxxx £xxx
July xxxx £xxx
Total £xxxx*

So we can inform your donor how the project is progressing and how their money is being spent I shall be grateful if you will send us a report detailing this.....*Timing of report to be added, ie, end of project, or periodically over length of project.*

Many thanks.

I look forward to hearing from you soon.

Every Blessing

Rochester Diocese PDSG Treasurer

ROCHESTER - ESTONIA / HARARE / KONDOA / MPWAPWA

DONATION FORM

Please use this form when sending any donations to our Partner Dioceses.

Send one copy and your cheque / transfer details (made payable to Rochester Diocesan Board of Finance) to the Diocesan Treasurer:

Martyn Burt, Diocesan Office, St Nicholas' Church, Rochester ME1 1SL

Link Account Details: Rochester DBF, Account No; 90760099 Sort Code; 20-54-11

Copies to:

1. Mrs Linda Wanniaratchy (Link Treasurer) – 29 Johnson Road, Bromley, BR2 9SN
07761 853653 - accounts@lindabooksandtax.com
2. Mike Fawcett (Link Coordinator), 1 The Crescent, Tunbridge Wells, Kent, TN4 0TJ
07798 921370 mikefawcett1957@gmail.com

Name of Parish / or person _____

Date: _____

Contact Name: _____

Address _____

Phone _____

Email _____

Name of Diocese to which donation is being made or to general funds:

Amount: £ _____

Any further relevant details¹: _____

¹ i.e. Purpose for which the money is being donated, urgency, etc.

Appendix 3 - Example of Financial Report

ANGLICAN CHURCH OF TANZANIA
DIOCESE OF KONDOA
NINE MONTHS RUNNING COSTS FOR 15 STUDENTS PHASE 1-3

	ITEM	DETAIL	COSTS (in TSh) GBP £1 = TSh2,850
1	SALARIES	TWO TEACHERS	
		250,000 X 12 Months	3,000,000/=
		200,000 X 12 Months	2,400,000/=
2	FOOD LIVING COST	15,000 PER Student X 12 Weeks X 3 (Phase)	
		X 15 Student = 15,000X12X15 =	8,100,000/=
3	TRAVEL	Use of Diocesan Vehicles for Student	
		25,000 per week X 12 weeks X 3 (Phase)	900,000/=
		= 25,000X12X3 =	
4	ELECTRICITY	55,000 X 9 Months = 55,000X9 =	495,000/=
5	WATER	13,000 per month X 9 months = 13,000X9 =	117,000/=
6	TREATMENT	25,000 per month X 9 months = 25,000X9 =	225,000/=
7	RENT	Accommodation for 1 Teacher	
		45,000 per month X 9 months = 45,000X9 =	405,000/=
8	BOOKS	Supplementary readers given to 15 Student	
		Phase 1-3 two books for each =15,000	1,350,000/=
		2X15,000X15X3 =	
9	UNIFORMS	2 pairs 15 students phase 1-3 each 25,000	2,250,000/=
		= 2X25,000X15X3 =	
10	STATIONARY	Each Student 45,000X15XPhase 1-3	2,025,000/=
		45,000X15X3 =	
TOTAL COSTS			21,267,000/=

Appendix 4 - Thank You Letter

Dear

I am writing to thank you very much for the donation you have made to our Partner Diocese. Your support is very much appreciated. Without your support we would not be able to complete this very necessary work in ,

We will keep you informed of the project's progress and would like to assure you that your project is going to make a huge difference to the lives of the people in.....

Thank you very much.

Kind regards