



A FRIENDS' SCHEME FOR A PARISH CHURCH

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1. Introduction

With the increasing costs of repairing and maintaining our historic churches many parishes are exploring the idea of setting up a Friends' Scheme. Such a scheme can enable a wide group of people help to share the burden of ensuring that their parish church building is in a reasonable state to hand on to the next generation.

Many people have a great deal of good will towards their church building, especially in rural areas. Although they may not wish to contribute to the religious aspects of the church, they may be willing to support part of their heritage. A Friends' Scheme is one way in which a parish church can encourage help of this kind from a wider community.

This guide explains how to set up a Friends' Scheme, the options available when doing so and some of the watch points to observe.

2. Formation of a Friends' Scheme

The Parochial Church Council, together with the Incumbent and Churchwardens need to make a formal decision to create a Friends' Scheme.

They should be very clear exactly what the terms of reference would be. This is vital because the ultimate responsibility for the care, maintenance, repair and insurance of the church is vested in the Parochial Church Council under the "Parochial Church Council's (Powers) Measure 1956". This responsibility cannot be delegated to another body by law. All work to churches is subject to faculty under the "Care of Churches Measure".

The Incumbent, Churchwardens and Parochial Church Council should ensure that they control all the work that is undertaken, obtaining all relevant help and any permission required through the Archdeacons and the Diocesan Advisory Committee. The role of the Friends is to raise funds which will support work which the Parochial Church Council has agreed and has received approval.

3. Terms of Reference

These are the objects of the Friends. They should be kept simple but need to be clearly stated and where a church is still active the words "for the advancement of the Christian religion" should be included. Terms of reference might include:

- To help towards the cost of the preservation of the fabric of the church.
- To help towards the cost of the insurance of the building.
- To help with the cost of repairs.
- To help towards the cost of the replacement of major items, for example heating systems, rewiring of circuits, or organs.
- To help with the maintenance costs of ornaments and furnishings.
- To raise funds for the above purposes.
- To help with the maintenance costs and upkeep of the churchyard.
- Where appropriate, for members to give their personal services for the promotion of the above purposes.

WATCHPOINT

The task of the Friends should not normally be to provide funds for the general running costs of the church. The meeting of these costs should be the responsibility of the worshipping community.

4. Membership

Membership of the Friends should be open to anyone who would like to join and is prepared to support its objects. They should be drawn from a much wider circle than the church family. It is possible to show the people of a parish that there is a partnership in which they are being invited to share.

They can include, for example:

- People who wish to see the building there for future generations for whatever reason.
- People who want to have the church available for family occasions or have been pleased to use the services offered, for example weddings, baptisms or funerals, but do not worship regularly in that church.
- People who may not support the ministry of the church but are happy to support the upkeep of a historic and/or beautiful building.

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- People who see the village church as part of the rural scene and wish to see its continued use and existence.
- Visitors to the church enjoying the beauty, history or architectural interest etc. and who can be persuaded to create and maintain a link.
- People who have family ties in the parish or have used the church in some way, but who themselves have now moved away.

It is natural and right that the church family should be able to join any Friends' Scheme. Members of the Parochial Church Council should be represented on the Committee. However it should be clearly recognised that the first responsibility of the Church Family is to maintain the mission and ministry of the church, and that the church running costs should have the first call on their giving.

A Parochial Church Council does not want to place itself in the position of divided loyalties. If the annual budget is planned properly, the church members should be contributing to the fabric of the church through their regular giving.

WATCHPOINT

The Friends' Schemes are to widen the constituency supporting the church – primarily for our Friends rather than members of the Church Family.

5. *Services to Members*

Services that are offered as part of the membership of a Friends' Scheme will vary according to the kind of people who join. So you need to assess where your membership is likely to come from. **This may include:**

- Local residents.
- People living outside the area, but with local connections, including church members who have moved out of the area.
- Visitors local, national and international that wish to support you and keep a memory of a beautiful day or pilgrimage.

The three groups will need different kinds of services from the scheme. Local residents or visitors will be in a position to attend events, be active fund-raisers and enjoy the building.

People supporting the Friends from a distance will need information to keep them up to date and in regular contact to maintain their interest and so continue their support.

All members will want to feel that they belong to a good organisation and are valued by the church, both for their donations and for their work in raising money from others or among themselves. **Here are a few suggestions and points to consider:**

Friends' Magazine or Newsletter

Keep the Friends in touch by sending out a newsletter or magazine once or twice a year. Consider cutting down on postage costs by sending a PDF by email.

The newsletter/magazine needs someone to take charge of the writing and/or editing, and gathering together information and photographs.

Decide whether the newsletter needs to be profit making, or whether it will be provided as a service to members. When working out the costs printing and postage need to be included.

Content might include:

- Message from Incumbent and/or Chairman.
- Work of the Friends during the year.
- Progress reports on major works to building.
- Articles on the church/village/town.
- Report of Friends' Annual General Meeting.
- Annual Accounts.
- Future work/projects under consideration.
- Reports of events held by Friends.

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- Major events in the church life during the year.
- Renewal forms for subscriptions/donations. Always include a Gift Aid Declaration.
- Photographs of the church, and of people and events.

Letter from the Incumbent / Churchwardens / Chairman of Friends'

Send out an annual letter. **The content might include:**

- A general update of progress in building works and future plans/needs.
- Something about how the Friends' and their work are really valued.
- Thank you to Friends for their support.
- Renewal forms for subscriptions.

WATCHPOINT

Any literature circulated to all members needs to be costed inclusive of postage within the membership rates so that it is self-financing. Consider circulating information electronically or via a website.

Website

A website is a really important means of communicating with the Friends. It should be a stand-alone website. You may wish to add a link to the parish website, but if you are a separate organisation and want to appeal to people whose interest is primarily in the fabric of the building, you really need your own website.

The website might include the following elements:

- The purpose of the Friends.
- Information about the church and its history, including photographs.
- Information about work and repairs, which need to be done to the church fabric, including the costs.
- A list of works, which have been funded or part-funded by the Friends.
- News about forthcoming events.
- Reports and pictures from events, which have happened.
- Reports from the annual general meeting.
- Copies of the newsletter or magazine.
- Details of how to become a Friend, including any forms, and a Gift Aid declaration.
- Links to other websites - the church's website, or village/town website, for example.
- Plenty of photographs.

Events for Friends' and Guests

Business:

- Annual General Meeting

Social:

- Wine and Cheese.
- Coffee evening.
- Church Treasure Hunt.
- Quizzes.

Fundraising:

Events organised specifically to raise funds can be very wide ranging, from antique fairs to book and flower sales, concerts to dog shows. Fundraising can also be included in social and informative events.

Informative Talks on Subjects of Interest:

- Tour of building.
- Visit to places of interest.
- Visits to other churches where similar projects are in progress or completed.
- Work of the Friends of Kent Churches.
- Friends of Kent Churches Training Days.

Thank you:

The Church PCC may wish to express their thanks by entertaining, in addition to the normal thanking of supporters by letter or other means, perhaps by holding an Open Day, or special service.

Organisation:

- By the Friends' Committee.
- By the individual members.
- By the Incumbent.
- By the Parochial Church Council.

WATCHPOINT

Most events should be organised by the Friends for the Friends. They should not be an extra burden placed on the Church Family.

6. Services by the Friends

The main service of the Friends will be to raise money to help to support and maintain the fabric of the church. **This may include, for example:**

- Various fundraising events.
- Subscriptions.
- Donations for particular appeals.
- Legacies.

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- Gift Aid.

The activities of the Friends should be organised by the members. They need to be people enthusiastic and committed to the Friends and its objects. However, they may be people who do not consider themselves to be of the local church family. They may move in other circles through business, or socially, or by their interests. In this way they have access to other sections of the local community for fundraising.

WATCHPOINT

Friends should be in a position to widen the circle of people who can contribute to the church individually. They should not be the same group of people asking the same people yet again!

7. Types of Schemes

There are several types of schemes, which a Parochial Church Council can use. Below are two main options with their advantages and disadvantages.

Option 1: Sub-Committee of the PCC

This scheme is set up under the aegis of the Parochial Church Council and controlled by its officers. The Parochial Church Council needs to make a resolution to establish the sub-committee and which sets out its term of reference. Its object is to raise money for Parochial Church Council funds.

The committee reports regularly to the Parochial Church Council who will need to make sure that while encouraging the Friends' in its fundraising activities that it does not develop a life of its own and wish to break away from the control of the Parochial Church Council. A committee organises the membership, services for members, and events for fundraising. This option can either be established as a restricted fund for the repair, maintenance and insurance of the fabric of the church, or can operate with a wider remit, and raise money for general purposes and projects initiated by the PCC.

Advantages:

- Under full authority of the Parochial Church Council.
- Charity status as part of the Parochial Church Council.
- Tax efficient for donations and subscriptions through Gift Aid as paid to the Parochial Church Council.
- Requires no separate constitution, Annual General Meeting etc.
- Can co-opt anyone to serve on the committee.
- Can create its own list of members.

Disadvantages:

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- The type of Patron/Chairman likely to attract support from the wider community may not be interested in a “Branch Committee” of the Parochial Church Council.
- Not easy to market to the wider community as a secular organisation.
- Yet another activity for a church family to organise.
- Officers/members could not be co-opted as members of the Parochial Church Council unless on the electoral roll.
- The Parochial Church Council is fully responsible for receipt and expenditure of funds.
- No executive power for decisions on how any money is spent.
- No voting rights on the Parochial Church Council.

Option 2: Independent Charity

An independent organisation with charitable status and its own constitution, officers and funds which exists to help to maintain the church building and raise funds for that purpose.

Advantages:

- Can attract support from the wider community.
- Seen to be separate from the religious activity of the church and “acceptable” to non-churchgoers.
- Easier to find Patron/Trustees from outside the church to take office.
- Burden of the organisation is not falling on the church family.
- Tax efficient for donations and subscriptions through Gift Aid.

Disadvantages:

- Length of time and effort to set it up.
- Needs a separate constitution, Annual General Meeting, bank accounts and officers.
- The Incumbent and representatives of the Parochial Church Council should be members of the Executive Committee by right to ensure a close link is always maintained with the Friends.
- Need to register with the Charity Commission when income reaches £5,000 per annum, which will require formal documentation.
- The scheme is subject to the regulations of the Charity Commission, e.g. annual reports and accounts to be submitted regularly.
- The Executive Committee are treated as and have all the liabilities and responsibilities of charity trustees.
- Need to ensure that control lies with the Parochial Church Council over all work carried out on the building.
- The Parochial Church Council has no control over the funds raised by the Friends. It would have to apply for funding for particular projects and may be refused.
- Potential conflict between the Friends and the PCC over the needs of mission and ministry, and the architectural and historical preservation of the building.
- If there is no formal constitution then the funds are open to risk of fraud and misuse.

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- There would be no clear boundaries as to where responsibilities of the Parochial Church Council began and activities of the Friends' Scheme ended.
- There would need to be a mechanism in place to ensure that Parochial Church Council members and/or Incumbents were always represented on the committee.
- If the objects are not charitable the scheme could be classified as a club existing for the benefit of its members that gave donations to the church. It would be liable to tax on the income from its activities and to have tax deducted at source on any bank interest.
- Such a "social club" could easily become separated from the main church.

WATCHPOINT

Setting up a Friends' Scheme is quite a heavy workload. Make sure you really need one and decide which scheme is going to be the best for your particular circumstance.

8. *Setting up a Friends' Scheme*

The Parochial Church Council needs to agree to inaugurate a scheme and designate two or three people to set it up.

The Planning Group with the Incumbent should identify possible members of a founding committee. It is important to include people from outside the church family as well as within it. Someone established in the community may be needed to give weight to the Friends and to help to attract members in the first instance.

For Option 1

A simple but clear resolution needs to be drawn up which states exactly what the 'Terms of Reference' for the Friends will be and its relationship to the Parochial Church Council.

For Option 2

A constitution needs to be adopted and the organisation registered with the Charity Commissioners. (A suggested constitution is reproduced in Appendix I).

Potential Friends

Decide the kind of people that you will target to become Friends. **This may include for example:**

- Relations of residents who have moved away - adult children whose parents are part of the church family, for example.
- One-time members of the church family who have moved away.
- Individuals of standing in the community.
- Members of local societies with an interest in history, archaeology or architecture.
- Local residents living near the church.
- Local residents in the parish.

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- Visitors to the church.
- Organisations linked to any person or interest connected with the church, eg. Jane Austen Society, Victorian Society.
- Local businesses.

Recruiting Members

When you have decided who you think may be interested you can work out the best way to approach them to become members. **Methods might include:**

- An open meeting or social event to launch the Friends.
- A personal face-to-face request.
- Brochures to be handed out at a meeting.
- Leaflet drop at certain houses.
- Leaflets/notices in the church.
- Leaflets to pass on to others.
- Posters in church and local shops.
- Advertisements in local papers/magazines.

Programme of Events

Plan a suggested programme of events for the first year, which will attract the people you are targeting. It need not be overwhelming but should be attractive and catch their interest so they may wish to join. Try:

- A social in some desirable/unusual venue.
- A fun fundraising event.

People showing interest in such activities can be drawn in as organisers and helpers at an early stage.

An Open Meeting

Organise an open meeting for a launch to propose the foundation of the Friends. If possible, someone outside the Church Family should chair the meeting. The meeting can adopt the constitution if necessary and elect officers. It can appoint planners of the proposed events, and accept suggestions and other ideas for promotion and the future programme.

Making the Case for Support

In any publicity produced, or talks given to individuals or groups it will be necessary to state very clearly why there is a need to set up a Friends' Scheme. You will need to make a strong case for everyone you target to feel joining the Friends' is a worthwhile thing to do.

Reasons for supporting the Friends might include:

- The state of the building and the future scale of repairs, insurance, restoration that will be necessary in the near future.
- There is no funding from the State for the repair or restoration of church buildings. It is the responsibility of the local community.
- The church family can manage housekeeping bills but the size of the congregation is too small to bear the cost of major structural repairs.
- There are some grants available for the repair of church buildings, through English Heritage, for example, but these funds are scarce, and will generally only cover a small proportion of the costs.
- By insuring a valuable building properly so that if disaster occurred a major appeal for funds could hopefully be avoided.
- Supporting the Friends helps to support the history and heritage of our past.
- Supporting the Friends helps ensure the church will be there for future generations to enjoy and for their use from time to time.
- Our local church is unique because ... early stained glass, Saxon door, X's Tomb (or whatever is special about your particular building).

You may also want to note that the church family WILL contribute some of the costs involved, as well as carrying the responsibility for financing the on-going mission and ministry of the church, so Friends do not have total responsibility for all expenses.

WATCHPOINT

The Friends are NOT another task for the Parochial Church Council to organise. Friends are different people working alongside the church family to ease the burden of caring for the building.

Review Progress

One year on the Parochial Church Council should review progress for Option 1. The annual report should be passed to the Parochial Church Council for Option 2.

Finance

All Friends' Schemes will need to have funds available to run the administrative business. These will include publicity, postage, maintenance of the website etc. Pump priming money for fundraising events such as advertising, booking fees or expenses for speakers may also be needed. It will also be raising sums for its main objects - funding for specific projects - to pass on to the PCC as necessary.

Surplus funds and funds which won't be used in the immediate future should be invested, and appropriate financial advice should be sought if these sums are significant.

WATCHPOINT

All money paid to contractors etc. should be paid by the Parochial Church Council who have the responsibility for the work.

WATCHPOINT

It is not the role of the Friends to apply for sources of funding. The PCC should be responsible for such applications.

9. Subscriptions

The kind of subscription and cost need to be decided. There are a variety of options to choose from. These may include for example:

- No fixed fee, but suggested amounts with encouragement to complete a Gift Aid Declaration.
- £15, £25, £35 Other amount £ ...
- An amount which will include the cost of mailings to members of correspondence and/or the cost of a newsletter.
- An amount, which will cover costs of membership and a percentage for funds, make this a realistic figure. Do not “undersell” the Friends.

Once again the kind of membership will determine the level of subscription. If members are drawn locally a lower subscription is possible with fundraising used for building up the reserves to pass on to the Parochial Church Council to use on the building and for special projects.

If the membership attracts people from a wide area because it attracts visitors, then the subscriptions may need to include correspondence and literature costs and a donation for funds. These members are likely to support the Friends through annual donations rather than working for fundraising events locally.

10. Gift Aid

Gift aid allows charities to reclaim the tax paid by UK taxpayers. This means that for every £1 donated the charity will receive another 25p back.

All a donor needs to do is complete a Declaration, in ink, giving Christian name, surname, address and postcode, and date it.

For Option 1 gift aid can be claimed via the PCC. For option 2 you will need to register as a charity with the Charity Commission if your income is more than £5,000. If it is less you are exempt from registration, but can still claim.

Whichever is the case, you will need to download and complete form ChA1 (<http://www.hmrc.gov.uk/charities/cha1.pdf>) and send it to HMRC together with:

- Confirmation of registration from the Charity Commission, if you are registered;
- Bank statements from the last quarter.
- A copy of your most recent audited/independently examined accounts.
- A copy of your governing document.
- Details of your charitable activities - how you intend to carry out the charitable aims and objectives for which your charity was set up.
- Any literature that explains the work of your charity.

Applications should be sent to:

HMRC Charities, St Johns House, Merton Road, Liverpool, L75 1BB

Useful information can be found at:

www.hmrc.gov.uk/charities/gift_aid and www.parishresources.org.uk/giftaid.htm

11. Registering a Charity

A Friends' Scheme, which is part of the Parochial Church Council (Option 1) does not need to register as a charity.

However an independent Friends' Scheme (Option 2) will need to register as a charity if its income is more than £5,000 per year. If your Friends' Scheme has a governing document, which has been approved by the Charity Commission, you can apply for registration as a charity online. This means of registering is easier and faster than using a paper application form.

If you go ahead with registering as a charity you will need to demonstrate that your aims are for public benefit.

When a Friends' scheme is set up it is likely that you won't have the £5,000 income, which will trigger the need to register as a charity. It is advisable, nevertheless, to draw up a constitution, which will be acceptable to the Charity Commission if your income should reach that level. A sample constitution can be found in Appendix 1.

The procedure for registering as a charity can be found at the Charity Commission website on www.charitycommission.gov.uk

WATCHPOINT

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No charity may have a name that is already in use by another charity. If you decide to call your Friends' Scheme 'The Friends of St Mary's' – it is very likely that someone else will have got there before you. Distinguish yourselves by adding the name of the parish 'The Friends of St Mary's, Anywhere'.