



*The Uniting Presbyterian Church in
Southern Africa*

Rules On The Basis Of Assessment

Updated : January 2011

THE UNITING PRESBYTERIAN CHURCH IN SOUTHERN AFRICA

RULES ON THE BASIS OF ASSESSMENT

Preamble

The Uniting Presbyterian Church in Southern Africa consists of 18 Presbyteries in South Africa, Zimbabwe, and Zambia. Each Presbytery is made up of a number of congregations. Congregations do the essential work of the denomination. Some have more resources than others. Those with fewer resources need financial support to survive and to continue to proclaim the Gospel.

However, much has to be done on a central basis for example, the training of ministers, the managing of the Pension Fund, church development, the relation between the denomination and the governments of the three countries we serve, the fight against AIDS, the meetings of the General Assembly and Executive Commission, and periodic meetings of all ministers for renewal, support, and challenge, the Educational Fund, relationship with other denominations within Southern Africa and with sister denominations overseas.

The assessment is not a tax to be condemned but an opportunity to share in the essential work of the denomination beyond the reach of ordinary congregational activities. It is part of the outreach budget of each congregation.

The "congregation" includes all nuclear, transitional, and constituted congregations as defined in the Manual of Law and Procedure.

ANNUAL RETURN OF CONGREGATIONAL INCOME

Accountability is an essential feature of any organisation. It is not a threat but a protection for all those involved in its financial affairs.

Each congregation is required to submit a report to the Finance Committee clearly setting out the following:

1. **Total income.** This consists of **all** the income received for any purpose. This includes money paid to the congregation from any trust it may have established to meet the normal running expenses of the congregation. It also includes any bequests made directly to the congregation.
2. From this the following **income deductions** can be made:
 - 2.1 Grants and legacies received from other congregations of the UPCSA, from the Presbytery, or from any committee of the General Assembly.
 - 2.2 Collections taken for a specific beneficiary outside the normal work of the UPCSA and donated to that beneficiary, e.g. the Bible Society, Flood or Drought relief.
 - 2.3 Any offering taken specifically for the Session's Benevolent Fund or Presbyterian Educational Fund.

2.4 Projects or initiatives to raise funds specifically to pay arrear assessment liabilities, the total proceeds of such projects and initiatives must be used for this purpose. These projects must have the **written prior approval** of the Presbytery.

3. The following **expenditure deductions** are allowed:

NB All the purchases and projects for which deductions are claimed must have the *prior* approval of the General Assembly's Finance Committee. This is to ensure the congregation has the financial resources to meet the proposed purchases and projects.

3.1 Land and Buildings

- a) Any amount spent during the year on the **purchase** of land or buildings. (This means any amount actually spent out of income. It does not include amounts paid out from borrowed money.)
- b) Any amount paid off loans taken out for the purchase of land or buildings i.e. capital and interest repayments on loans or bonds.
- c) Any amount paid for rent on buildings used for Church purposes or on a manse used for the accommodation of a Minister.
- d) Any amount paid to a minister as a housing allowance.

3.2 Replacements and Renewals

- a) Major renovations or extensions to buildings requiring **structural work**. Examples: replacing the roof or renewing the sanctuary of a Church; adding new rooms or facilities to the manse.
- b) Structural or capital **improvements** to the property. Examples: building a wall around the property; erecting security fencing; laying a new driveway or parking ground; putting in new carpets or new built in cupboards.
- c) The cost of the **complete** electrical re-wiring of a church, hall or manse where this has become necessary as a result of the old wiring becoming unsafe.

The following are **Not allowed for deduction**:

- d) The cost of **general maintenance**. Examples: painting the church, hall or manse; replacing dilapidated items such as carpets or gutters; repairing toilets or furniture.
- e) The cost of **regularly renewable items**. Examples: motor cars, computers, photocopiers or other office equipment.

3.3 Furnishings and Equipment

- a) The cost of buying **new permanent furnishings** for the church. Examples: pews, communion table, pulpit.
- b) The cost of buying **electronic music and amplification systems** which are permanently installed as part of the fixed assets of the congregation.

The following are NOT allowed:

c) The cost of movable furnishings such as chairs, curtains etc.

3.4 Amounts spent on approved UPCSA Church Development projects.

The **prior** approval of the Presbytery and the relevant General Assembly must be obtained.

a) Grants made by the congregations to a Church Development Project of the Presbytery or General Assembly – eg to nuclear or transitional congregations within the bounds of the Presbytery

b) Any expenses of a Church Development Project paid by the congregation; e.g. repayment of bond; contribution toward minister's stipend, or towards cost of a building.

4. THE DECLARATION

The Minister, Session Clerk and Finance Convener or Treasurer shall annually declare that they:

4.1 Have reviewed the information set out in the Return of Congregational income form.

4.2 Are not aware of any income which has been omitted from the Return.

4.3 Believe that the Return accurately records the total income received by the Congregation.

4.4 Confirm that all **deductions** claimed have complied with the rules of the Basis of Assessment.

5. AUDITED FINANCIAL STATEMENTS

The Annual Audited Financial Statement of the congregation must be submitted to the General Assembly Office within five months of the end of the financial year.

6. THE ASSESSMENT

The assessment to be paid by the congregation is based on the total income received minus the approved allowable deductions. It is calculated in terms of the basis of assessment set by the Assembly.

7. PAYMENT OF THE ASSESSMENT

7.1 If the Congregation is assessed at the minimum rate it should pay this either in one lump sum or in four equal quarterly amounts.

7.2 Other congregations are required to pay assessments on a monthly basis. The provisional assessment for the year should be calculated at the beginning of the year on the expected income for that year. One-twelfth of that amount should be paid each month to the General Assembly Office.

7.3 At the time the Return of Congregational Income is completed in the New Year any outstanding assessment for the previous year should be paid. If the congregation has **overpaid** its assessment it may deduct the amount overpaid from the provisional assessment calculated for the following year.

8. CONTROL PROCEDURES

Should any congregation be considered by the Assembly's Finance Committee to be in breach of these rules the Committee shall report the matter to the Presbytery of the bounds which shall investigate the situation and, if necessary, take steps in terms of the provisions of the Manual of Law and Procedure dealing with the Unsatisfactory State of a Congregation.