

Stewardship – Dedicated giving

Over the past few years the level of dedicated giving to Churches has increased dramatically. Natural disaster offerings, building fund appeals and missionary endeavour all spring to mind. The desire to give generously and sacrificially has risen to where Australia as a nation raised over 100 million dollars for the Victorian Bush fire appeals in literally a few weeks. Tragically accusations of misappropriation, excessive or irrelevant spending and the retention of “administration” overheads have also risen to a point where Governments have been asked to hold an inquiry.

As Churches we are at the forefront of interacting with the community in times of need and are not immune or exempt from allegations whether with or without foundation. In addition to review by the media and the community the Australian Tax Office acknowledged that Churches are under review especially when they feature in media. Here are some keys to minimising the risk of allegation and community misunderstanding.

a) Communicate clearly

From the outset, clearly state what the fund raising or appeal is for. The more clear the call, the more precise the response. Once the appeal is underway, it is important that the purposes and intent are not mixed. Recently in a Church review we noted that the majority of a “dedicated overseas missions orphanage appeal” went towards sending two of the Pastors to visit the work as part of a ministry / holiday trip. It is no wonder that some of the congregation had misgivings.

b) Understand the taxation issues

Many Churches are using DGR funds to process the incoming funds. It is essential that you know why each of the unique DGR funds are made available and the limitations imposed under Tax Rulings and law. Ignorance is no longer an acceptable defence for misuse of a tax fund. If you have tax deductible funds ensure that they are operating correctly and that your intended use fits in the criteria.

c) Isolate the funds

Often Churches have one central bank account that processes all monies received. It is a recommended best practice that a Church has separate account into which they can deposit the dedicated giving”, to avoid innocently using it for day to day Church operations.

d) Transparency during and after

Each Church has its own philosophy on what and when to convey financial information to the congregation. Many Churches are to be encouraged in that they report back to the congregation as soon as the appeal has concluded the totals raised, and the names of the organisation/s who have become the beneficiaries.

In taking a wider spiritual or Biblical perspective, the outworking of the careless misuse or retention of dedicated giving is graphically illustrated in Acts 5 with the story of Ananias and Sapphira. While the severity of the offence and it’s outcome may be debated, The story’s relevance cannot. The principle of stewardship and responsibility before God of handling other people’s money that has been given for a specific purpose carries consequences if we get it wrong.

Yours faithfully



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