

# Instructions for Manual version of the ACR (ACRE)

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# 1. Introduction

Each year the Annual Charge Report (ACR) is prepared from the annually audited financial accounts for the Charge, statistical and other financial data, along with Terms of Settlement able to satisfy the financial requirements of the General Assembly of Victoria as administered by the Maintenance of Ministry Committee (MMC) and Presbyteries.

The purpose of the report is to:

- a) assist Presbyteries in their oversight of congregations and
- b) enable the Maintenance of Ministry Committee to declare the Terms of Settlement and supply relevant data to other Committees of the Assembly.

This version is designed to be filled in by hand and will be referred to in this document as an ACR. There is a version called ACRE and is filled in on a computer. It (the ACRE) can be printed with blank data and this is the manual version, but these instructions are made for manual (or fill in by hand) entry of the data.

*Note: A lot of effort has been undertaken to produce instructions that are correct and up to date. Please notify the Registrar of the Maintenance of Ministry Committee if any irregularities are discovered.*

## 1.1 ACR Cells

These instructions assume that the ACR four-page form has been printed in colour.

The ACR form has coloured information fields (or cells) in rows or lines for writing in the response information.

### a) Green Fields

The fields (or cells) where information can be written in are coloured green.

### b) Mauve Fields

The small mauve fields (Y/N) are for Yes or No entry. For larger mauve fields, data is entered according to the context and question relating to each field.

### c) Yellow Fields

If you were using a computer for data entry (ie. ACRE) then these fields contain formulas and automatically do the addition etc for you. When used manually, you add up the columns and write the results in these yellow fields. Some yellow fields are sums of totals and for the operating account(s) balance fields, see later explanations.

### d) Green Comment fields

Please note that there are some larger green fields which are text entry fields for entering descriptive/information data (ie. comments).

## 2. Annual Charge Report Page One (ACR\_pg\_1)

Figure 1. 2017-18 Budget Financial Yr

<b>Presbyterian Church of Victoria</b>		MAINTENANCE OF MINISTRY COMMITTEE Ann. Charge Report (ACR) vM2.0 - 2017 Supersedes all previous APR Forms. page-1	
<b>Annual Charge Report</b>		<b>2017-18 Budget Financial Yr</b>	
Called an ACR when printed. The electronic form is referred to as an ACRE		Click cell and then down-arrow (RH side) & select the correct budget year	
The ACR is prepared from audited annual financial reports for the financial period just prior to the budget financial period (which identifies the ACR).			
<b>Presbytery:</b>			
<b>Charge Name:</b>			
<b>Church Type:</b>			
If recording 'Church Type' manually, please enter one of the following Types: Pastoral Charge, Appointment Charge, Home Mission Charge or Special Interest Charge			

## 2.1 Budget Period Identifies the ACR

By selecting the correct form to use, the budget period has already been entered in the top right mauve field. (See figure 1 above, "2017-18 Budget Financial Yr" has been pre-entered). Throughout the form, this budget period has also been pre-entered including previous budget periods, notably on pages 2 and 3 and also note these fields are dark yellow.

## 2.2 Select Presbytery, Charge & Church

Figure 1 shows typed entries for 'Presbytery', 'Charge' and 'Church Type.' The form when received will show these fields as blank.

Write in your Presbytery and Charge names. For the church type, write in one of the following: 'Charge', 'Appointment Charge', 'Home Mission Charge' or 'Special Interest Charge'.

## 2.3 Timetable of events

Please observe the timetable of events listed on page 1 as appropriate for your church's calendar or financial period for completion of the ACR.

Please note from 1 July 2014 ACR applications that include a non-urgent request for sustentation need to be processed locally by Charge (ie. an ACR prepared from audited financial data for the most recent financial period and approved by Board and Congregation), then approved by Presbytery and then to the MMC by 30 September). Such applications, if approved, will receive a full year's sustentation.

## 2.4 Statistical Information

This section is fairly self-explanatory and except for the "Kms from Manse", the data entered should exactly match the data reported in the "Annual Statistical Returns" for the most recent calendar year.

# 3. Terms of Settlement (TOS) (ACR\_pg\_2)

## 3.1 Page 2 Notes

This page is to record the remuneration paid\* and related TOS items. The minimum stipend\* and NCB\* amounts entered are not to be less than those set annually by the General Assembly of Victoria. Normally, the audited amounts paid are entered in the column headed '*ACTUAL from Audited Fin Rpt*' and the proposed budget amounts in the column headed '*BUDGET prepared for*'.

Also remuneration lines 'd) iv): If a minister is paid in lieu of a manse' then enter this amount; or if he is provided with a non-church owned manse rented by the church then enter this rental amount.

This page also contains space to add the Terms of Settlement of a second minister.

*\*For Charges using a calendar year, please refer to 3.4 below.*

Please note that the yellow entry boxes are for column totals calculated manually and need to be transferred manually to the respective cells on ACR\_pg\_3\_Accnts at A4a and B4a. [The reference A4a refers to column A4 in the '4. Expenditure' section and the row labelled 'a', and hence B4a is the adjacent cell in column B4 of the same row labelled 'a']

## 3.2 Additional Workers

For additional workers, note the line "Additional Worker(s) – Before any entries are made, photocopy this page, fill it in, and add the totals to these fields" at the bottom of the page 2. Do simply what the line says, ie. photocopy the page with all fields blank, fill in the photocopy, calculate totals manually and enter appropriately on that line. Attach any of these additional sheets with the ACR.

## 3.3 Relocation Costs

Where a Charge is vacant, a minister is normally budgeted for and included in the budget year figures for the Charge so the congregation will know its ability to call a minister. Do not forget to include the relocation costs in the budget including an estimate where 'ALL' is entered as the response to the relocation costs. The budget amount is to be entered manually into the financial summary page at A4h (part of the total). The figure is for budgeting only. It is standard practice that all moving costs are met by the Charge.

### 3.4 Calendar Year

Congregations of all Charges using a calendar year, need to authorize their Boards of Management to adjust the Terms of Settlement in the middle of their financial year in line with the new TOS set by the GAV to commence on 1 July of that year.

## 4. Financial Summary Page (ACR\_pg\_3\_Accnts)

### 4.1 Page 3 Notes

**Please Note: The top of this page has been significantly altered to include identification of the Charge, the Presbytery, and the Minister. This single page (ACR\_pg\_3\_Accnts) from the previous year's ACR is included with the current ACR being sent to Presbytery**

The following figure 2 is a copy of the top portion of the Financial Summary Page

Presbyterian Ch. of Vic.		Ann. Charge Report (ACR) vM2.0 - 2017		Page- 3
Presbytery:		Minister 1:		
Charge Name:		Type:		
<b>Financial Summary Page</b>			Financial Period:	<b>2016-17</b> <b>2017-18</b>
<b>3. Income</b>			Column & Section Reference→	<b>B3</b> <b>A3</b>
a) Offering/Collection (1)				
b) Rent, Donations - for use of facilities (2)				

Some entries have typed in amounts in the green fields (cells), but these will be blank in manual forms and the names and amounts will be written in by hand.

There are two rows of fields for Grants. Enter the appropriate grant amount(s) in the audited row and in the budget row and add them horizontally to the corresponding pale yellow field in B3 or A3 columns – as in the following figure 3.

e) Mission and wider Work (4)					
f) Investment interest income (5)					
g-k) & Notes-->	g) MMC Sus. + →		h) MDC grant + →	i) Evangelism Gr. + →	j) Ch. Plant Gr. + →
<b>GRANTS</b>					-->summed↓
2016-17					
2017-18					-->summed→
l) Bequests(6)					

### 4.2 Column and Line Labelling

The columns are labelled each with capital letter plus a section number forming a pair, both in italics. For example, *A3* & *B3* in sections 3 and *A4* & *B4* in section 4 and an additional column *C* (for starting totals) in sections 5, 6, 7 & 8. As in sections 3 & 4, in each section, the capital letter denotes the column and the numeric number the section, both are in italics.

### 4.3 Field (Cell) Referencing

There are six sections (3, 4, 5, 6, 7 & 8) on page 3 and each section row begins and ends ('Row Ref' Column) with a, b, c, etc. Field referencing uses the column letter in capitals, the section number and row letter in lower case. For an example if one was considering the budget (column *A*) expenditure figure for evangelism, then the reference to the correct field or cell would be '*A4f*'. A reference to this line would be line or row '*4f*'.

#### a) Data Entry

In the income and expense sections, enter for columns *B* the transaction totals for each line or row item from audited financial statement. If your account software (or manual financial books) is set up correctly, the values can be transferred directly from the section heading amounts as listed in the summary printout of your income and expenditure statement (or profit and loss statement).

Budget figures (Column '*A*') are estimated from previous history, anticipated works/maintenance and other targets set by Board and Session. Significant budget amounts should have an added note.

Items on lines *3l* and *3m* have green text entry field for addition entry of small notes.

The larger green field, with "† If deficit, then how funded? and other notes→" beside it, is a text entry field for

any pertinent notes, particularly to note how a deficit is to be funded or other note concerning a notable entry value.

Below section 4 there are four sections each with four columns, the extra column is labelled 'C'. You can regard these columns in two ways:

- i) the ending figures for the financial period just completed (EOP).
- ii) the beginning figures for the next financial period.

The 'C' column figures are the End of Period (EOP) amounts for the financial period just prior to the 'B' column period and are the beginning amounts for background calculations for all the year periods represented by columns B & A.

#### **b) Term Deposits/Investment Assets (Unreserved).**

Term deposit and investment asset amounts, each including interest, are entered for each EOP to the appropriate cells in rows *5b*, *5c* and *5d*. The corresponding interest amounts are entered to the appropriate cells in the income section ie. f) Investment interest income (5) or more briefly, to row *3f*.

#### **c) Reserved and Fixed Assets.**

The fixed asset amounts are entered in rows *7a* and *7b*.

Please note rows *7c* and *7d* are listings of EOP reserved asset account totals. If due permission to use interest from a reserved asset account is obtained then the interest is added to the appropriate column in section '3' and row '*f*' (ie. row '*3f*').

#### **d) Insurance Cover Values**

Section 8 at the bottom of the sheet is for entry of the current Insurance Cover Values for the properties. Insurance cover (with regular reviews) should be maintained at all times.

#### **e) Date Auditor Signed Report**

After auditing of the Congregation's financial books, the date the Auditor signed his/her report is entered at the very bottom of the Financial Summary Page (page 3) ie column B.

Also note there are 4 yellow fields that get data that has been entered on page 4 and these dates are a presumptive indication that the final page 4 has appropriate entries. On the manual ACR, these dates need to be transferred from the back page manually, each to its appropriate field.

## **5. Comments and Authorization Page 4 (ACR\_pg\_4)**

### **5.1 Page 4 Notes**

This page contains remarks/comments from the Charge, Moderator/Interim Moderator, Presbytery and finally the Maintenance of Ministry Committee; their respective signatures sealing the authorizations and actions in each of the sections 9, 10, 11 & 12. The green and blue fields are for data entry.

When making urgent applications please observe the guiding note under the section 9 comment field. "Please indicate if this application is URGENT and if column B (pg.3) is estimated (ie.not an audited report), then include the number of months of real data the estimates are based on. Non-urgent ACRs are prepared (columns B &C) from audited financial reports."

Also, the note appended at the end of section 9 is to indicate what signing of the report means.

"This form is normally approved by the Board of Management (Ses Clerk if no Board) - name, signature & date indicates approval. This approval implies a declaration, to the best of knowledge, that the summary financial information included truly correlates with the congregation's audited annual financial reports and based on these figures a reasonable budget was prepared (column A)."

A further note is appended at the end of section 10 to indicate what the Moderator/Interim Moderator's signature means and reproduced as follows:

"The Moderator's signature is confirming the Congregational approval of the terms of settlement"

**The date of the congregational meeting is required information.**

## **6. ACR Form - Process of Completion and Approval**

### **6.1 Procedural Notes**

At the end of the financial period, the annual financial and ACR reports are prepared and after auditing of the financial report, the ACR is finalized with a budget for the budget year. At the Annual Congregational Meeting (AGM), the audited financial report is received, presented to the congregation, and adopted (assuming the report is satisfactory). At the same meeting, a reasonable budget is presented which includes the terms of settlement for current minister(s) or possible minister (ie. vacant Charge) are received. After being presented and found satisfactory, it is approved. The congregation can delegate the power of approval for the terms of settlement to the Board of Management (BOM) for a current settled ministry in the Charge, but not the proposed budget. [Calendar year congregations should delegate power to the BOM so that mid-financial-period adjustment to the TOS can be made according Victorian General Assembly resolutions]

After approval by the Congregation and signature of the Moderator/Interim Moderator, Presbytery reviews the information in the form to see that the Congregation can meet their commitments and gospel work maintained. Presbytery has the power to call for explanations or more information as the case may be, before approving the ACR and forwarding it to the Maintenance of Ministry Committee (MMC). The MMC also reviews the form contents and may instigate questions and information from both Presbytery and Congregation before being satisfied that the Congregation(s) listed on the form can adequately support their minister and the ministry in their Charge. When the MMC is satisfied concerning an ACR form it is formally declared and reported to Presbytery and the Charge (using the church address supplied in section 9).

### **6.2 Urgent Annual Charge Reports from Un-Audited Data**

When situations arise and urgent ACRs are prepared for submission to Presbytery (eg. for an urgent grant application to the MMC) from un-audited data, it is important to realize that this does not replace the routine annual process of preparing an ACR using the audited financial statements from the just completed financial period and following the approval process via Presbytery to the MMC.

## **7. Keep a Copy of the ACR**

### **7.1 Safely keep previous year ACR**

When the ACR document has been completed and before it is sent to Presbytery make sure that the whole ACR is photocopied and filed safely for records as it is helpful in preparing the next year's ACR. A copy of the financial summary page (page-3) from the previous ACR goes with the current ACR to Presbytery.

## **8. Board of Management**

The board of management should consider the ACR and approve by resolution that it reflects the audited financial statements of the Charge and that it contains a reasonable budget for presentation to a congregational meeting.

## **9. Congregational Meeting**

Each year, the congregation considers and if in order, adopts the annually audited financial statements including the budget that the Board of Management has previously considered and approved.

## **10. Extra Features**

### **10.1 Pro-Rata estimate for 12 months of a Current year**

If an urgent application is being made for the purpose of being considered for sustentation, a pro rata calculation can be made to estimate 12 month figures from actual figures for a lesser month period of that financial period. These estimated 12 month figures are then entered into column 'B'. A copy of

page 3 (financial summary page with Charge identification at the top) from the previous ACR completed from audited financial reports needs to be included as well. If not included, then it needs to be accompanied by pertinent reasons approved by the Presbytery.

## **11. Appendix**

### **11.1 Operating Account(s) End of Period Balances**

Most of the yellow fields are summation fields, normally summing the figures immediately above them. The fields *B5a* and *A5a* calculate their contents as follows:

#### **a) Specific Cell (B5a) Balance Calculation example.**

The B5a Balance is calculated as follows:

$B5a = C5a + B4q + C5e - B5e + B6e - C6e$  ie. The bank balance at the end of this financial period

#### **b) General Balance Calculation**

Or as a general description for each of the fields *C5a*, *B5a* and *A5a* as follows:

This EOP operating account(s) balance EQUALS Last EOP Operating Account(s) balance PLUS any surplus/deficit for this current period.

PLUS sum of last period's EOP investments MINUS sum of this period's EOP investments

PLUS sum of this period's EOP liabilities MINUS sum of last period's EOP liabilities