



## Parish Reserves

Whether you are blessed with significant reserves, or scraping by with nothing spare, every PCC needs to do two things :

### 1. Decide where your reserves will be invested

However much or little you hold, PCCs will need to decide where its reserves will be invested, even if this is as simple as opening a deposit account for surplus cash. This should be reviewed periodically, particularly when economic circumstances change - either at the parish level, or within the wider economy. Given the global economic downturn, all PCCs should review where their reserves are invested if they haven't done so recently. There is a simple factsheet available to help you do this – see [www.parishresources.org.uk/charity/investingreserves.pdf](http://www.parishresources.org.uk/charity/investingreserves.pdf)

### 2. Develop a policy on the level of reserves and why they are needed

You will need to develop and communicate to the wider church a simple policy on the level of reserves, and what they are being held for. This is recommended "Good Practice" for all charities, and is essential if the church is seeking grant funding at any point.

Determining the level of reserves necessary to meet both the current and future needs of the church, will take thought and prayer. The time spent in devising such a policy is likely to be dependent on the level of reserves the PCC holds rather than the size of the congregation or where the church happens to be located. The importance of taking care of reserves applies equally to the small rural parish as well as the large suburban one. From this page you can :

- [Download our simple guide to parish reserves policies](#) (see factsheet listed above)
- [Explore four examples of policies](http://www.parishresources.org.uk/charity/samples.htm) (see [www.parishresources.org.uk/charity/samples.htm](http://www.parishresources.org.uk/charity/samples.htm))
- [See some frequently asked questions.](#) (see [www.parishresources.org.uk/charity/faqs.htm](http://www.parishresources.org.uk/charity/faqs.htm))

### Why spend time thinking about reserves?

This is an important topic for a number of reasons :

- The principles of accountability and transparency make it important that the members of a PCC are aware of the 'free reserves' for which they are responsible.
- It is good stewardship to ensure these reserves are used to gain maximum benefit for the parish as a whole in its pursuit of the whole mission of their church. The idea of simply keeping some money for a 'rainy day' is no longer adequate as a policy.