

# Is it time to give your parish funds a review?



With interest rates at record lows, the need for careful stewardship of parish funds has never been more critical. Ecclesiastical Financial Advisory Services (EFAS) can help PCCs review their investments and potentially increase their returns.



**A key role of the PCC is as the custodian of parish funds. Members are charity trustees with a duty to manage and use their financial resources to achieve their greatest potential. Part of a trustee's role – indeed a legal obligation – is to periodically review investments to ensure that they remain suitable with regard to the Council's investment policy statement. Responsibilities also include the exercise of skill and care when making investment decisions, deciding on the right investments, their suitability and diversity – and deciding when to take expert advice.**



### Putting funds to work

If a church holds more cash than its reserves policy requires, it can be put to work, either to generate an income or to increase capital. Unfortunately some of the traditional investment vehicles open to PCCs are delivering drastically reduced returns because of current low interest rates. Even if the amount available for investment is relatively modest, it is good stewardship to see that those funds are placed as shrewdly as possible. Researching alternative investment options could deliver better returns.



develop a portfolio mixing medium and long-term investments and, if felt appropriate, looking beyond deposit-based and standard fixed-term investments.

### A simple approach

If the amount to be invested is not large, a simple approach is probably the most efficient. Tying up funds for a longer term can offer the opportunity to earn higher interest rates so a decision needs to be made based on the likelihood of the parish needing to access the funds. A balance can be achieved by splitting funds between medium and long-term investment periods.

Some parishes hold larger funds or might have a legacy donation suitable for investment. This offers the opportunity to

### Taking advice

PCCs have to make their own decisions on investments and as trustees their members must decide whether they need to take advice in investment matters, unless they have good reasons for not doing this. Diocesan Boards of Finance are not licensed to provide investment Advice. However, trustees can turn to EFAS for financial advice. As an Independent Financial Advisor (IFA) EFAS is not tied to any individual companies and can offer advice on the whole spectrum of potential

investments. Using our understanding of church finances, EFAS will quickly be able to build an understanding of your current situation and help you understand and manage investment risk.

### Where we can help

For parishes with funds typically of £25,000 or more available, EFAS can help to review investment policy and advise whether it may be possible to achieve better returns than existing deposit arrangements. The aim is to help parishes build an ethical investment approach which generates income while avoiding excessive or unnecessary risk. Because of its unique understanding, Ecclesiastical can also help advise individuals on the legal responsibilities of

being a Warden and Treasurer in relation to church finances. The aim is to build a partnership supporting treasurers in their specific financial stewardship responsibilities and help to maximise parish income.



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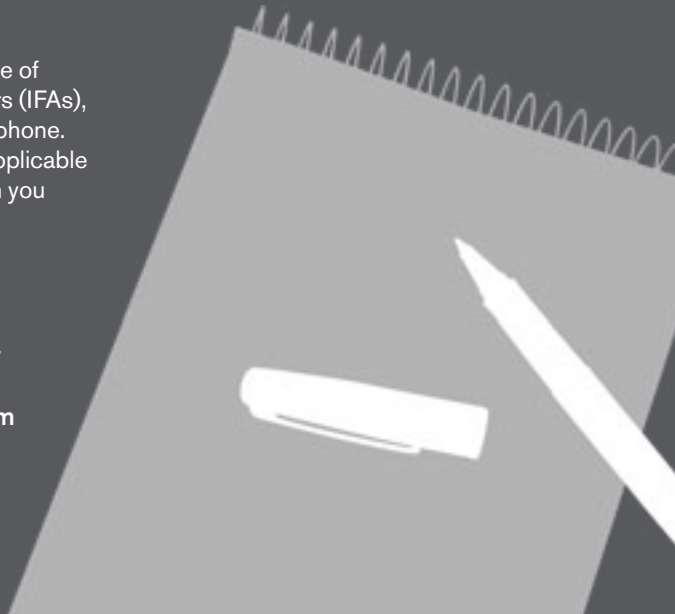
## Independent advice and recommendations to help you plan ahead

Get in touch to arrange a free, no-obligation consultation with one of our Independent Financial Advisers (IFAs), either face to face or over the telephone. Should we proceed fees will be applicable and we will agree any amount with you before going ahead.

### Make an appointment today

- Call 0800 107 0190
- Fill in and return this form today
- Email us at [getadvice@ecclesiastical.com](mailto:getadvice@ecclesiastical.com)

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## Who are EFAS?

Ecclesiastical Financial Advisory Services (EFAS) is a national company of Independent Financial Advisors (IFAs) who specialise in financial advice for the clergy and church people and is part of the Ecclesiastical Insurance Group.

EFAS has a unique perspective on the church and the clergy and provides completely independent financial advice on products and companies across the whole investment market. With advisers providing UK coverage, and additional telephone support, EFAS can also offer advice to individuals and couples on retirement and clergy pensions, mortgages, tax planning, savings, investments and life insurance and protection.



Please remember that the value of your investments can fall as well as rise, and you may not get back the amount originally invested.

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## Benefit from independent financial advice focused on your needs

Get in touch today to find out how our advisors can help.

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When would be a good time for us to contact you?			
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# Find out more today

From savings to pensions, from mortgages to protection, an Independent Financial Advisor (IFA) from EFAS can look at your situation to put plans in place.

Arrange a personal consultation with one of our IFAs either face to face or over the phone. The initial consultation is completely free and you'll be under no obligation whatsoever. Should we proceed, fees will be applicable and we will agree any amount with you before we go ahead.

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