



What's your *real* church income?

TN29 Training Notes series: Administration

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These notes are designed both to make a theological point and to offer a practical idea regarding stewardship.

The theological point relates to what is meant by the phrase 'church income'. Most people will immediately assume this refers to the General Fund income figure on the church's annual accounts. This will be the total of the amounts given by the congregation and others plus income from lettings, sales, interest and other items.

But if you see the church as being the people who make up its membership, there is a real sense in which the church's income is the total of the individual incomes of all its members. That means everyone's salaries and wages, pensions, benefits, interest on savings, and more.

This line of thinking assumes that money that belongs to Christians in fact belongs to God because those people are his, bought with a price. It is not that Christians own their money and generously give a part of it to God's work, including their church. Instead, Christians are stewards of money that God has provided them with. They are to use all of it wisely in Christ's service, some for themselves and their families, some for their local church, and other parts for gospel and relief work worldwide.

A logical implication

Many Christians would have no problem *in theory* with the argument that all they have belongs to God. The principle was set out by King David in 1 Chronicles 29:14 when he prayed, "Everything comes from you, and we have given you only what comes from your hand" (NIV). But the logical implication that the church's income is therefore the sum of everyone's personal income will be a new thought for many.

To say that a church's income is, say, £2,000,000 each year rather than the £70,000 in the church accounts has implications for how you view 'your' money. The point might be made if an estimated set of accounts were to be drawn up showing this full total, with expenditure as the sum of everyone's costs of housing, food, heat and light, clothing, and so on.

But, putting to one side the expenditure figure, if a church could estimate its members' total income and then compare this figure with its own General Fund income, that would give a good idea of what proportion of people's personal income was being given specifically to run the church.

If you want to be more radical still, read the book *Beyond tithing* by Stuart Murray (Paternoster 2000). He argues with considerable power that tithing is biblical but not Christian (he shows that Jesus had a more radical agenda than the Old Testament view), that tithing is good news for the rich because they are not particularly challenged by this proportion, and that giving to the local church might be considered like any other subscription and not be included in anyone's giving figure at all! After all, part of this giving is for the person's own benefit (to pay the Pastor and to provide a building to meet in).

But for now, here is a method of calculating what your 'real' church income might be, so that you can then compare this figure with the General Fund income. It is no more than a best guess as it involves no questionnaires. I have used such an estimate to see whether a church might be able to afford new staff (some churches have low levels of giving because they have never needed more). If the proportion is roughly what you feel happy with, finding extra income may be a problem. If it is less than this, then there is potential to see the total increase.

A way of making the calculation

Make estimates of a number of categories of main means of income. Here is one example, but you will need to adjust the figure used for what you consider suitable for your church's membership. 'Earning' is taken to include salary, wages, business profits and self-employment drawings. The idea is not to guess how much Fred and Mary actually earn, but to go for round figures that add up to the right totals for people in the congregation. Remember, though, that some people will come in more than one of these categories. Others may depend on income from a partner who is not a church member and should therefore not be included in the calculation. With these in mind, consider estimated numbers of those:

- 1 earning over £50,000 pa.
- 2 earning £30,000 to £50,000
- 3 earning £20,000 to £30,000
- 4 earning £15,000 to £20,000
- 5 with part-time earnings of £5,000 to £15,000
- 6 on a company/private pension
- 7 on a government pension
- 8 receiving benefit for unemployment, children, etc.
- 9 receiving income from property, ex-partners, etc.
- 10 receiving significant interest/dividends

For each of these categories now pick a likely average (eg. for part-time earners you may feel the average would be £9,000 rather than the mid-way point between the two limits). Work to gross figures all the time.

Now multiply the number in each category by the estimated average and sum all ten amounts. This gives you a likely under-representation of your church income (under-representation because there will be all kinds of income sources you are unaware of, ranging from young people's paper-rounds to family arrangements). Remember: each number is only a best guess. You are not surveying the congregation at all (although some church groups do carry out occasional confidential surveys of household income bands for similar purposes).

So the calculation for one church with about 100 adult members might look like this:

1	3 people earning an average of £75,000	£	225,000
2	10 people earning an average of £35,000		350,000
3	19 people earning an average of £26,000		494,000
4	18 people earning an average of £18,000		324,000
5	10 people earning an average of £9,000		90,000
6	15 people/couples with an average pension of £15,000		225,000
7	30 people/couples on an average state pension of £9,000		270,000
8	11 people also receiving an average interest of £2,000		22,000
TOTAL			£ 2,000,000

If that church's general fund income is of the order of £70,000 this indicates that, on average, people are giving about 3½% of income to the church (excluding amounts to global mission and relief work). Averages are of course deceptive, as it is likely that many will be giving well over this percentage and others well below it.

If you wanted to aim for an average of 5% to the church and 5% to other Christian work, it looks as though there is scope to increase church income by something of the order of £30,000 pa. You will see these figures a little differently if your church encourages *all* giving to be channelled via the church account, and then distributes a proportion to missions.

But a more important point (especially as I have already put a question mark over the tithing principle as normally interpreted) will be to get people to understand 'church income' in a new light. This total figure, if used sensitively and cautiously, can help open people's eyes to what is really going on.

Three closing notes

- 1 It may be better to express these amounts in monthly or weekly sums rather than annual amounts as this is a more meaningful figure for many people.
- 2 The calculation here unashamedly assumes gross sums, but I am aware that some base percentage recommendations for giving on take-home pay.
- 3 If you have experience of using this idea in practice, I would be very pleased to hear from you.

These notes are available at <https://www.john-truscott.co.uk/Resources/Training-Notes-index> then TN29. For a fuller treatment of stewardship, see Article A7, *Understanding stewardship* and for further thoughts for how churches handle their finances, see Article A18, *Administering church funds*. For fresh thinking on church budgets, try Training Notes TN108, *What do budgets actually do?* For ideas on the use of capital, see A16, *Funding a capital project*, and TN19, *Key words for a financial appeal*.

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