

# Package: What is your financial model? Church Planters

## *Let's be wise and godly Stewards - Matthew 25v14-30*

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### 1. Different models of church planting will determine finance<sup>1</sup>

#### REVITALISATION

We look to create a new church out of an old church. This will usually involve working with denominational organisations to bring new life to a church sadly experiencing decline.

FIND OUT MORE

#### CONGREGATIONAL PLANTING

Congregational planting is when one church identifies, trains and sends out a team from their church family to establish a new work in a new location.

FIND OUT MORE

#### PIONEER PLANTING

Our Pioneer Planting model attempts to create a new church out of nothing. Pioneering church planting recruits, deploys and supports a more entrepreneurial planter.

FIND OUT MORE

- a. **Revitalisation:** Building, manse, money in the bank, small congregation
  - b. **Congregational:** 40 adults and 20 children brings with it giving units
  - c. **Pioneer:** From scratch, requires the planter and planting family to fundraise
- > **Question: What are the pros and cons of each model? Discuss**

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### 2. Other models of church planting<sup>2</sup>

- a. **House Church Model** - meeting in homes, requiring less funding than a parachute plant<sup>3</sup> - or more traditional church plant.
- b. **Bi-vocational Planting** - relieves financial pressure if the principal planter/family are able to raise some funds through secular employment.
- c. **Multi-site** - central leadership team with a church that meets in several locations means organisation/ operation/ admin is done centrally
- d. Mixture of the above - All Nations Church is a **pioneer-parachute-partnership** plant bringing the principal planter and family (who are bi-vocational) with churches and networks.

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<sup>1</sup> Taken from <https://co-mission.org/planting/> (accessed 6 Feb 2024)

<sup>2</sup> See Ed Stetzer and Daniel Im's book "Planting Missional Churches" - section 2, pp59-133

<sup>3</sup> <https://church-planting.net/church-planting-tutorial-finance/> - helpful article on finances

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### 3. Benefits of Bi-vocational church planting<sup>4</sup>

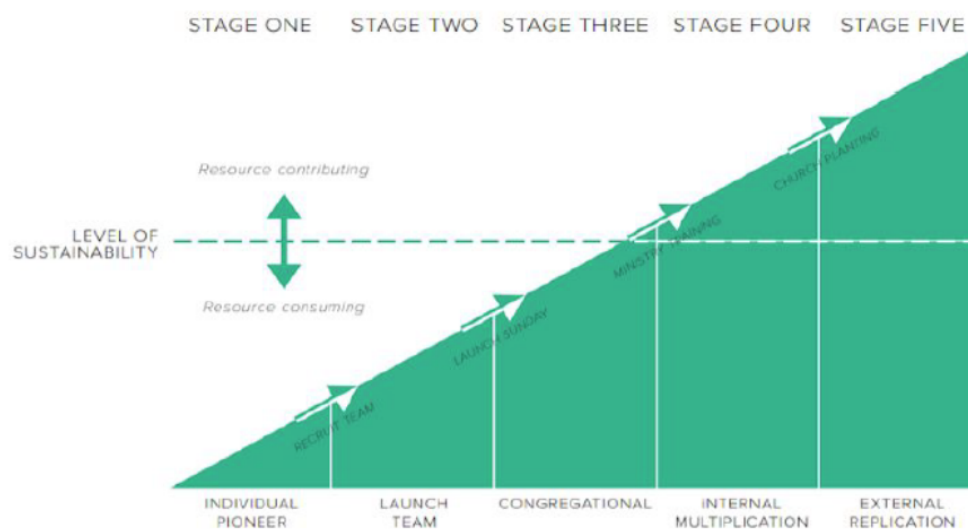
- Apostle Paul's did tent making and planted churches (cf Acts 18v1-4) - so that he would not be a burden to the church (cf 1 Thessalonians 2v9)

- a. Credibility** (in the community your seeking to reach)
- b. Connectivity** (in evangelism, with culture & church, being networked)
- c. Cash** (relieves church potentially £15-20k/ year - allows you to grow)

—> *Beware of demands on time - you may have spare money in the budget but if you've not got the physical/ mental/ emotional/ spiritual energy OR become time poor your church will not grow (think other demands - family).*

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### 4. Be clear on what kind of church you are trying to plant



- Some churches are self sustaining from day 1 (big team).
- Some churches plant in areas where there are lot's of young professionals and become self-sustaining quicker
- Some churches are slower (ethnically diverse/ spiritually poor)
- Some never get there (socio-economically deprived/ estates - that's okay)

—> **Comes down to your vision, values, strategy, tactics!**

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<sup>4</sup> See Ed Stetzer and Daniel Im's book "Planting Missional Churches", pp170-173

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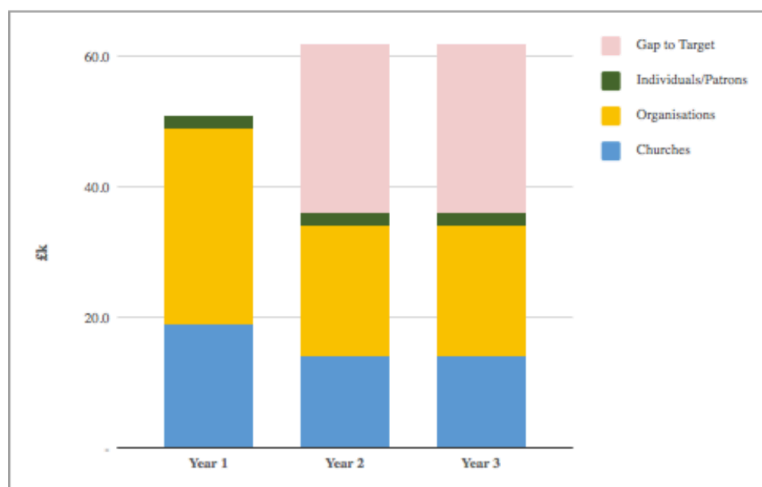
## 5. Critical Questions<sup>5</sup>

- “*Money in a church plant is like oxygen the body needs to live*”.

- i. What is it going to cost?
- ii. Who is going to pay for it?
- iii. How are we going to do it?

### **POUNDS (COST AND SOURCES)**

- Initial budget estimated at £50k for first year, rising to £65k in years 2 and 3. This will cover salary, housing, ministry costs, admin, website, part-time staff, rent of building etc.



- At All Nations Church, we got pledges for 3 years to give us time to generate some internal giving. Common church planting financial models ask the planting team to raise money up front for the first three years' budget prior to planting<sup>6</sup>.
- This is not always possible though - which comes back to being clear on the kind of church you are planning to plant.
- We can't let that hold us back - we have a city to reach!

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<sup>5</sup> A helpful session by Richard Perkins here: <https://www.youtube.com/watch?v=KIDL0osu5GA>

<sup>6</sup> See online article here: Report on innovations in church financial models: <https://exponential.org/report-on-innovations-in-church-financial-models/>

## 6. Worked Example - Budget 2022/23 - All Nations Church

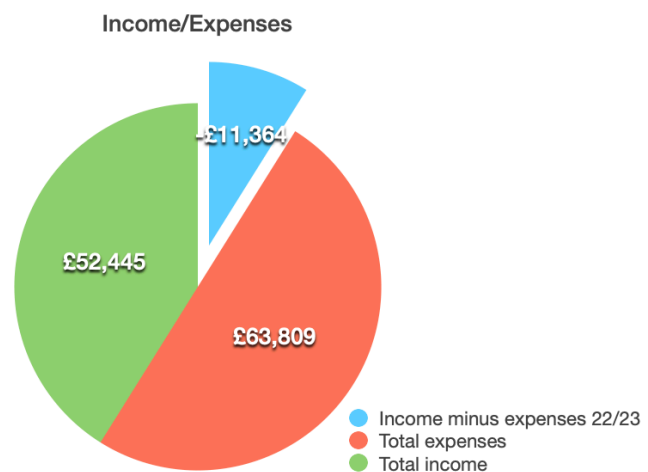
### All Nations Church Budget 1 Sept 2022 to 31 August 2023

| MONEY IN                      |                |
|-------------------------------|----------------|
| Regular Standing Order Income | £26,940        |
| Gift Aid                      | £5505.00       |
| External Supporting Churches  | £13,000        |
| Regular External One-Offs     | £7,000         |
| <b>TOTAL INCOME</b>           | <b>£52,445</b> |

| MONEY LEFT OVER (RESERVES)           |                |
|--------------------------------------|----------------|
| Income minus expenses 22/23          | -£11,364       |
| Reserves from 21/22*                 | £37,960        |
| <b>Total Reserves on 31 Aug 2023</b> | <b>£26,596</b> |

\*Excludes HMRC Gift Aid for 2021/22

| MONEY OUT                                                                         |                |
|-----------------------------------------------------------------------------------|----------------|
| Staffing                                                                          | £20,000        |
| Church House Rent                                                                 | £14,850        |
| Utilities - Council tax                                                           | £2,278         |
| Venue Hire (Sundays/ Mid-week)                                                    | £9,000         |
| Safeguarding (Subscriptions/ training/ DBS)                                       | £300           |
| Public Liability/ music licenses/ subscriptions                                   | £686           |
| Account preparation & independent examination for 2021/22                         | £500           |
| Governance (stewardship consultancy helpline, pension upload admin fee)           | £120           |
| Deposit Away Day Lamborne End                                                     | £125           |
| General Ministry Costs                                                            | £3,000         |
| Book allowance & conferences for staff                                            | £1,200         |
| Equipment Costs                                                                   | £2,000         |
| New Website/ Church Suite/ Digital/ Media/ Communications/ Marketing              | £1,500         |
| Hardship Fund                                                                     | £2,000         |
| Visiting Preachers                                                                | £500           |
| Ministry Training Fund                                                            | £1,000         |
| Mercy Ministry/ Social Justice Fund (CAP/ Homeless being housed / Immigrants etc) | £1,000         |
| Overseas Mission (McInnes)                                                        | £1,200         |
| London City Mission Partnership                                                   | £1,050         |
| Additional mission support                                                        | £1,500         |
| <b>TOTAL EXPENSES</b>                                                             | <b>£63,809</b> |



- “After initial planning most church planters discover they need more money to accomplish what they would like to do than they currently have commitments in donations. The Church Planter has three options; raise more money, spend less money, or some combination of the two<sup>7</sup>”

<sup>7</sup> Helpful online article - Church Planting Tutorial: 13. Finances. Here: <https://church-planting.net/church-planting-tutorial-finances/>

- It begins with the leader. *“Find a way - make it happen - You as the leader need to lead with vision, ask and fundraise”.*
- At our AGM in July 2022, as a leadership we said:
- This means our deficit is £11,364. Our reserves at the moment (excluding gift aid for 21/22) is £37,960, which would then drop to £26,596.
- Although external churches and individuals have pledged £20k this year, this external support will drop over the next 3 years as we look to sustainability.
- We trust therefore that God would provide abundantly for the furthering of the gospel - we hope to raise £2,000 in our annual fundraiser at one of our supporting churches and will be submitting a grant application for £10,000 to the FIEC 100 Centenary Mission fund. This is by no means a guarantee.
- We therefore plea that those at All Nations Church who have joined recently, prayerfully consider giving. The best way to do this is regular monthly standing order and if you are a UK taxpayer, please do fill out a gift aid form. Information on how to give and gift aid forms etc can be obtained from our Treasurer, Jon by e-mailing [treasurer@ancbc.org](mailto:treasurer@ancbc.org).

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## 7. Sources of Funding<sup>8</sup>

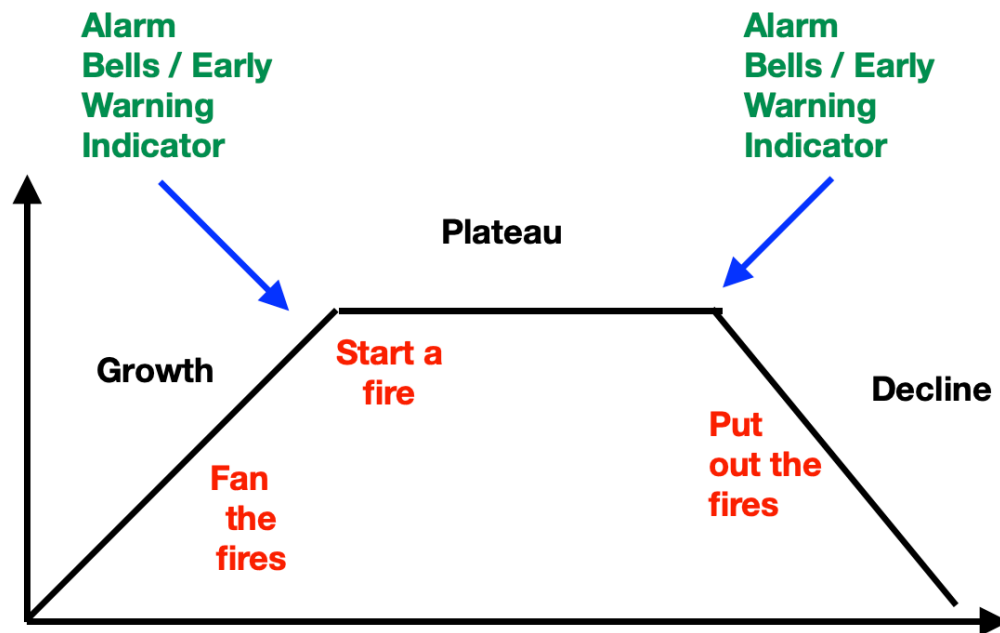
- a. Regular internal giving - standing order
- b. Gift aid - boosts by 25% (so £12.5k extra for £50k) - PT admin staff.
- c. A sending church/ group of supporting churches who want to plant.
- d. Personal support from family and friends (person specific)
- e. Grants for new initiatives, ministry trainees or staff workers
- f. Grants for specific ‘gaps’ e.g. cross-cultural ministry/ churches
- g. Networks/ organisations e.g. Co-Mission, FIEC, London Project
- h. Specific fund-raisers for specific causes
- i. Capital Projects/ building projects/ ministers houses
- j. Patronage schemes and gospel patrons for big projects
- k. Income generation e.g. secondments/ training/ consultancy work.
- l. Legacy gifts/ living wills.

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<sup>8</sup> Helpful article: Moon WJ “Alternative Financial Models for Churches and Church Plants: When Tithes and Offerings are not Enough. Great Commission Research Journal. Vol 12, issue 1 Church Based Research. 10-1-2020. A stimulating read - a paper that provides six traditional finance approaches that churches can implement to promote financial viability and missional impact (as many churches face financial strains and some to close and potential church planting plans/ proposals to be delayed or disbanded).

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8. Apply the Growth Dynamic Graph to Finance



Questions?