**The St Mildred’s Development Fund**

The Development Fund was launched in 2009 by reference to the following agreed principles:

**What is the Development Fund for?**

The Development Fund has been established with a view to the possible replacement of our church hall or the significant addition to or modification of our church buildings. Payments may only be made from the Development Fund for these purposes.

This may include payments in respect of:

* Investigative and preparatory activities required to be undertaken in order for decisions to be made concerning building or adaptation works;
* designing, constructing or equipping a new building;
* acquiring a new building or the use of additional premises;
* significant building alteration or refurbishment works; and/or
* transition costs (such as rent payable on alternative space while works are being carried out).

All such expenditure will need to be authorised expressly by the PCC.

If a surplus is left in the Development Fund following significant expenditure on replacing the church hall or making significant additions to or modifications of our church buildings that surplus may be applied for other purposes with the agreement of the PCC.

Payment may not be made from the Development Fund to address a shortfall in the regular income of St Mildred’s or to cover expenses of an operational rather than capital nature.

**How will the money be looked after?**

The Development Fund will be held within a separate bank or building society account or accounts within the ultimate control of St Mildred’s PCC and its officers.

The Development Fund will be audited at regular intervals by the Church auditors, as part of the Church accounts. Reports on income and outgoings will be presented to the Church AGM and to the PCC.

**What happens to income generated within the Development Fund?**

Development Fund may accrue interest. This interest will remain in the Development Fund.

Gift Aid refunds attributable to payments made into the Development Fund (together with any other tax relief and/or similar entitlements relating to such payment) will be paid into the Development Fund.

**So is it all for St Mildred’s?**

A tithe of 10% will be set aside annually on all sums paid into the Development Fund. This will include gifts to the Development Fund, the recovery of tax relief on these gifts and the accrual of interest within the Development Fund. If grants are received from external funding bodies, these grants will be applied in full for the express purposes for which they are given and will not be tithed.