

The Parish of The Sherbornes with Pamber

Financial Controls Policy

1. The PCC's finance team
 - a. The PCC to appoint as treasurer a person who is known by the PCC as trustworthy and competent. The PCC is responsible for the financial affairs of the parish and, if the PCC fails to appoint a treasurer, it will be the responsibility of the churchwarden(s) to cover this role. In such circumstances the deanery should always be consulted.
 - b. The PCC should also appoint other members of the PCC to the finance committee so that the financial responsibilities of the PCC can be divided into jobs done by several individuals, working as a team led by the treasurer. The members of the finance committee should also be known as trustworthy and competent in financial matters. The stewardship secretary would also be a member of the finance committee.
 - c. Treasurer's job description follows at Appendix 2.

2. Budgeting and monitoring
 - a. PCC to approve a realistic budget for each calendar year.
 - b. PCC should receive bi-monthly a receipts and payments account comparing actual experience in the year to date with the budget, with significant variances highlighted and explained.
 - c. By the end of March, the PCC should receive and approve the draft statutory financial statements of the preceding calendar year together with the independent examiner's draft report on those statements. Any concern should be referred to the Archdeacon or chief executive of the diocese.
 - d. The PCC should approve the method of bookkeeping (Sage is used currently) and ensure that the records are owned by the PCC, are accessible to the standing committee when required and are up to date.
 - e. All records should be filed in an appropriate manner and detailed documents retained for a period of 7 years. The final year-end accounts will be retained indefinitely.
 - f. Thank you letters received, in response to any charitable donations should be recorded at the PCC meeting and kept with the appropriate minutes.

3. Procedures for dealing with cash
 - a. Immediately after each service the collection boxes should be emptied and the cash counted by at least two people working together, summarised on to the collections sheet and signed by both people. (It might not be possible to do this each week but any uncounted cash should be secured in the safe with the date noted.) Cash should also be recorded in the pre-numbered receipt book which should also be signed by two. The top copy should go with the treasurer for her records the bottom copy remaining in the church. Numbered regular envelopes are opened, recorded on the collections sheet and the envelopes and this counted cash given to the Stewardship Secretary for banking and for her records. White envelopes are given directly to the stewardship secretary to open to maintain confidentiality. Cash collected from church and recorded in the receipt book will be periodically checked to the Sage printout of collections by a member of the finance committee, not the treasurer.
 - b. Cash counted is added into the treasurer's petty cash.
 - c. Cash payments are taken from the treasurer's petty cash but only up to a limit of £100. All claims are to be signed by the claimant.

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- d. Each month a petty cash reconciliation form is completed detailing opening balance, receipts, payments, closing balance and the backing paperwork is attached. The reconciliation etc is to be scrutinised by one of the finance committee and the cash counted. Treasurer and checker are to sign the reconciliation.
 - e. Excess petty cash should be banked monthly. Cheques received during the period are recorded and banked separately from cash.
 - f. Those dealing with cash from church events should use the correct church event form. Monies received should be counted and noted along with expenses paid (receipts attached) and the form signed by two church members and given to the treasurer for her records and inclusion in petty cash or banking.
 - g. Procedures at All Saints and Pamber Priory
After each service the collection boxes should be emptied, the cash counted and the amount entered into the church register of services. (It might not be possible to do this each week but any uncounted cash should be secured in the safe with the date noted.) Cash should also be recorded in the pre-numbered receipt book and signed. The top copy should go with the cash to the treasurer for her records the bottom copy remaining in the church. Numbered regular envelopes and white envelopes are given directly to the stewardship secretary to open to maintain confidentiality. The number of numbered regular and white envelopes should be noted on the same page in the receipt book. We appreciate that although not ideal it is only possible for the counting to be done by one individual. Cash collected from church and recorded in the receipt book will be periodically checked to the Sage printout of collections by a member of the finance committee, not the treasurer.
4. Relationship with the bank
- a. The PCC should approve the bank mandate and the opening or closing of all bank accounts. The mandate should state clearly that two signatures are required on cheques or other payment authorities. There should be three signatories.
 - b. Payments to a cheque signatory will be authorised by the other two signatories.
5. Bi-monthly Accounting
- a. The bookkeeping is to be completed and accounts prepared by the treasurer for scrutiny by the finance committee prior to presentation to the PCC. The treasurer will have full explanations for all figures in the accounts. He will show the committee the reconciliation of the bank figure shown in the accounts to the bank statements.
 - b. A back-up of sage is to be given to another member of the finance committee.
 - c. Additional banking items for which gift aid can be claimed should be given to the stewardship secretary at this stage.
6. Independent examination
- a. The PCC's independent examiner should be appointed and re-appointed annually at the APCM. The motion at the APCM should not be proposed by the treasurer but by another individual on behalf of the PCC.
 - b. The PCC should ensure that the individual that they nominate as independent examiner should be both independent (i.e. no family connection to a PCC member and not a member of the congregation) and competent to do the job.

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- c. The examiner should be given access to all the PCC's accounting records including gift aid records.
 - d. The independent examiner should deliver their report in written form to the PCC each year. If they had any concerns, the PCC would have the right to ask them questions about them.
7. Fees received for Weddings, Funerals etc.
- a. The Parish Administrator maintains a record of fees required. Cheques are passed to the treasurer by the Parish Administrator or Rector. Receipts broken down into what is due to PCC, WDBF, Bell ringers etc. are recorded in the diocesan format see Appendix 4 and payment sent to WDBF after the end of each quarter. Some monies are paid directly into the bank.
8. Stewardship secretary
- a. Appointed annually by the PCC, Trustworthy and competent.
 - b. For financial controls, see Appendix 1.
 - c. For Stewardship Secretary Job Description, see Appendix 2.

9. Stewardship

Donations are received in the following ways:

- Standing order or bank transfers, which are paid directly into one of the stewardship accounts
- Donations in numbered regular envelopes, which have been counted and recorded as per the standard financial procedures
- Donations in white envelopes
- Occasional cash donations e.g. from collection boxes or collections at events.

In the last two instances, the Stewardship Secretary will count and record the amount and source of the donations.

For any cash or cheque donations received, the Stewardship Secretary will bank the monies, normally within two weeks of receipt. The paying in book identifies the categories of money banked.

A manual record is kept of all donations by donor – this is a record of amounts paid, payment dates and (in the event of one-off donations) reason for donation e.g. ladies breakfast, gift day. Whether or not the donation is covered by gift aid is identified. If money has been banked by the Stewardship Secretary, the paying in slip reference is recorded.

An Excel spreadsheet recording total payments by donor for each quarter is completed for tax reclaims.

A monthly report is prepared for the Treasurer itemising receipts by source e.g. standing orders, regular giving by numbered envelopes.

Records are held for at least 7 years of the following;

- Manual records of donations
- Quarterly spreadsheets for tax reclaims
- Gift Aid declarations
- White envelopes and regular numbered envelopes, with amounts of donation recorded on each
- Bank paying in books

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- Bank statements
- Monthly reports to the Treasurer

The bank accounts only require the authority of the Stewardship Secretary for payments. No payments are made from the account except for a monthly transfer of funds to the PCC account, and the Treasurer has sight of the total income and outgo figures on the bank statements to verify that no other payments are made.

Appendices

1. Treasurer's job description
2. Stewardship secretary's job description
3. Signatories
4. WDBF fees
5. Cash collections Form
6. Event accounting form

Review Date: January 2025

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Appendix 1 - Job Description: Treasurer

1. To operate the main bank account of the PCC.
2. To prepare online and cheque payments from invoices for second authorisation, to prepare monies collected in church or in relation to other church activities for banking and to maintain, pay out and bank monies from the cash balances held.
3. To process all above transactions into the sage ledger and to file all the related paperwork and complete bank reconciliations.
4. To process into sage information received in relation to the two bank accounts administered by the stewardship secretary and to confirm, by reference to her bank statements, that the only money paid out of these accounts goes into the main PCC bank account.
5. To prepare bi-monthly receipts and payments accounts from sage maintaining separate records for the General Fund, Building Fund and any restricted funds, comparing actual results to budgets and to write a finance report, all for presentation at the PCC meeting following discussion and agreement by the finance committee.
6. To prepare annual budgets, liaising with the Rector, church wardens, stewardship secretary and subgroup leads, for discussion with finance committee before presentation to the PCC for approval.
7. To prepare year-end accounts for approval by the PCC, for examination by the independent examiner and submission to the Charities Commission and the Diocese.
8. To liaise with HM Payroll who process the monthly payroll and complete submissions to HMRC, to prepare the necessary P11ds and to liaise with the pension provider in relation to new staff and those leaving the employment of the PCC.
9. To prepare LPWGS claims for both churches, to claim back VAT expended on allowable maintenance.
10. To liaise with the Ministry Trust Treasurer to understand any employment liabilities that could default to the PCC.

The current PCC Treasurer is also Treasurer for the Ministry Trust.

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Appendix 2 - Job Description Stewardship Secretary

1. To operate bank accounts (currently two) into which donations from parishioners are received.
2. To record and bank any donations received directly or via the White envelope scheme.
3. To transfer monies monthly (or more frequently if required) into the main PCC bank account administered by the Treasurer and evidence income and outgo to the Treasurer for accounting and auditing purposes.
4. To provide a monthly breakdown of income by type for the Treasurer.
5. To reclaim Gift Aid from HMRC on all eligible donations (including those through the GASDS) on a quarterly basis, maintaining all Gift Aid Declarations and comprehensive records of donations to support the claims.
6. To produce an annual statement of Gift Aided Donations to those donating to the Church.
7. To maintain confidentiality of giving for all donors.

The Stewardship Secretary for the PCC carries out the same functions for the Ministry Trust.

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Appendix 3 Bank Signatories, Sherbornes with Pamber PCC

CAF Bank

1. Cafcash 40-52-40, 00027712
Nicholas Harding
Stephen Howe
Jennifer Cooke

Lloyds Bank

1. Covenant Account 30-18-45, 00259539
Lynda Harding
2. Parish Worker Account 30-18-45, 00228544
Lynda Harding

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Appendix 4: Parochial Fees Return

Winchester Diocesan Board of Finance										
Record of Parochial and Crematorium Fees for the month/quarter ended							Parish Code: 410			
Parish							Finance Code: SF			
1	2	3	4	5	6	7	8	9	10	11
					<i>Fee payable to</i>					
			<i>Total received by PCC</i>	<i>Travel expenses</i>		<i>Retired stipendiary clergy (see note 4 on reverse)</i>				
<i>Date</i>	<i>Service</i>	<i>Name of officiant</i>	<i>£</i>	<i>£</i>	<i>WDBF</i>	<i>£</i>	<i>PCC</i>	<i>Organist/choir</i>	<i>Other</i>	<i>Notes</i>
			<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	
Totals										
<i>Form completed by</i> _____					<i>Signed:</i> _____		<i>Churchwarden</i>			
<i>Role</i> _____							<i>PCC Officer</i>			



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Appendix 5



Sherbornes with Pamber PCC

Record of Cash and Cheques Received

Name of event	
Date of Event	
Name	

Ticket Income (If appropriate) - (PCC cannot reclaim tax on ticket sales)

Ticket income	Total Amount
Number of tickets sold _____ @ £ _____	

All other income (i.e. donations, contributions - PCC can reclaim tax on all donations etc)

Item	Amount

Total Amount	
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Signed:	Date:
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Please pass to the Treasurer with cash/cheques



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Appendix 6



Sherbornes with Pamber PCC

Expenses Claim Form

Name of event	
Date of Event	
Name of Claimant	

EXPENDITURE (please attach receipts for all expenditure)

	Type of expenditure (e.g. food, drinks, props)	Amount
1		
2		
3		
4		
5		
6		
7		
8		
Total		

REIMBURSEMENT

Please pay into the following account (not required if the Treasurer already has your details)

A/C name:	A/C No:	Sort Code:
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Signed:	Date:
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Please pass to the Treasurer with all receipts.

