

FINANCIAL CONTROLS POLICY**For the Anglican Parish of****Adopted by Parish Council at the meeting on (date)****Preliminary**

This policy document sets out procedures and policies to ensure that the parish's receipts and payments are properly processed and recorded so as to ensure that its financial affairs are properly administered, and seen to be properly administered.

Offertories

- (a) Two unrelated persons should take charge of the offertory immediately after each service and count it and record and sign the details on the offertory count sheet (*template document available – in .pdf and .xls*) which is retained and made available to the auditor. The following pool of persons has been approved by the Parish Council to take custody of and count the offertory:

- Any Churchwarden or Parish Councillor
- Any Bible study group leader
- Mr

Ministry staff are not permitted to have custody of or count the offertory¹.

- (b) The total offertory and attendance numbers for each service should be entered in the service register and one of the persons completing the count sheet should sign the register.
- (c) The offertories should be held in the safe (*or insert other place*) until they are banked without deductions for expenses.
- (d) All offertories should be banked promptly by a person approved by Parish Council who is not involved in the counting of the offertories.

Direct Debit Giving (*delete if not applicable*)

- (e) The following persons have approval to collect and process requests for direct debit giving using the Glebe Planned Giving program:
- The Treasurer
 - Mr
- (f) All direct debit instructions will be retained in a secure location for a period of five years after the expiry of such instructions.

¹ *It is recommended that the Treasurer should not count the offertory, or have custody of it prior to counting. This is because it is preferable that the same person not be responsible for dealing with both the physical receipt of cash and the subsequent recording and reporting of it. It is also recommended that ministry staff not be involved with the handling of money to avoid any suggestion that they are administering the church finances for their own personal benefit.*

Other Receipts

- (g) All other money received other than by electronic bank transfer should be receipted and banked promptly without deduction for expenses.

Payments

- (h) Bank accounts must only be opened and signatories added and changed with the authority of Parish Council. Arrangements with banks and other financial institutions should require 2 signatories for all transactions. Parish council approves the following persons² as cheque signatories:
 - The Churchwardens
 - The Treasurer
 - Mr
- (i) There should be a voucher for every payment and the voucher should be authorised by an appropriate person to indicate that:
 - (1) any goods and services supplied –
 - (a) are as ordered/required
 - (b) were received, and
 - (c) the amount shown is the correct amount to be paid, or
 - (2) any payroll payments –
 - (a) are based on appointments made by the minister and wardens at pay rates approved by the Parish Council
 - (b) are supported by records of hours worked, leave taken, etc, where appropriate, and
 - (c) have resulted in appropriate PAYG payments.
- (j) Before effecting a payment both signatories should review and initial the supporting voucher(s) and ensure that there is evidence of prior authorisation. The cheque or other reference number should be written on every voucher and all vouchers made available for inspection by the auditor.
- (k) Payments must be submitted to Parish Council for special approval where their nature is outside the approved budget or the amount significantly exceeds budget.
- (l) As cheques are written they should be crossed “not negotiable” (if not pre-printed). Blank cheques should not be signed. Cancelled cheques should be mutilated to prevent re-use and made available for inspection by the auditor.
- (m) Petty cash payments should only be made from a cash float maintained on the imprest system (a signed voucher for every payment and the total of the vouchers and cash on hand must always equal the imprest amount). Reimbursements of petty cash should be made against an itemised list of payments supported by signed vouchers. *(A template petty cash reimbursement form is available.)*

² *The people appointed as signatories for payments should be unrelated persons, and typically are the Churchwardens and Treasurer.*

Internet Banking *(delete if not applicable)*

- (n) Parish Council authorises internet banking access with*(insert name of bank)*. The following persons³ are authorised to have access to internet banking and to make transactions:
 - The Treasurer
 - Mr
- (o) All transactions require the authorisation of two persons. Authorised users undertake not to divulge their password to other persons, and to change their password periodically.

Keeping Books of Account

- (p) Parish Council has determined that its financial records will be maintained using*(insert name of computer program or manual system, eg MYOB)*. Day to day transactions will be entered into the system by *(the Treasurer, Administrator, etc)*, and then reconciled by the Treasurer on a monthly basis.
- (q) Every month the Treasurer will present to the Churchwardens for review the following:
 - Profit and Loss account for the month and year to date with comparisons to last year and budget
 - Balance sheet
 - Bank reconciliation and copy of month end bank statement
 - A listing of bank receipts and payments for the month
- (r) Every month the Treasurer will present to the Parish Council for review the following:
 - Profit and Loss account for the month and year to date with comparisons to last year and budget

Business Activity Statements (BAS)

- (s) The Treasurer will prepare on a timely basis BAS for the Parish. The BAS and supporting documentation will be submitted to the Churchwardens for approval prior to lodgement with the Tax Office.

Other Statutory Lodgements

- (t) The Churchwardens will ensure that all other statutory lodgements and payments including PAYG Withholding, Superannuation, Fringe Benefits Tax and Workers Compensation are lodged and remitted as required.

³ Commonly these people will be the same as the cheque signatories.