



## FINANCIAL PROCEDURES

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## **1. Roles and responsibilities**

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### **Current roles**

The current treasurer is: David Robinson

The current payroll assistant is: Caroline Watt

The current gift aid assistant is: Tony Parsons

The current church office staff are: Amanda di Giovanni (office manager) and Fiona Henshaw (office administrator).

The current children and families worker is Ros Davies.

### **PCC**

The parochial church council (known as the PCC) is the executive committee of St Mark's parish and consists of clergy and churchwardens, together with representatives of the congregation and others. It is a corporate charitable body with charity number 1128485. The vicar is the chairperson.

The PCC is empowered to make decisions in accordance with these financial procedures.

### **Standing committee**

The standing committee consists of the lay chair, two lay members of the PCC, churchwardens, treasurer, vicar and any curates. The PCC secretary is present at any meetings to take the minutes. The vicar is the chairperson.

The standing committee is empowered to make decisions in accordance with these financial procedures.

### **Treasurer**

The treasurer is responsible for recording the financial transactions of the church.

### Weekly tasks

Recording of financial transactions using Quickbooks software

Payments of invoices via HSBC. Invoices are usually paid by BACS and occasionally by cheque

Tithe administration including recording and paying sums due

Checking bank statements against income records and invoices

Reconciling the current account

### Monthly tasks

For each PCC meeting, the preparation of a financial statement for the year to date and a revised forecast for the full year. These will be presented by the treasurer at the PCC meeting, and distributed ahead of it.

Running the monthly gift aid report soon after month-end, and sending it as a spreadsheet to the gift aid assistant.

### Annual tasks

Preparing a cash flow forecast before the start of each financial year. This will be agreed by a finance committee and submitted to the PCC in the Autumn.

Preparing the annual accounts or arranging for them to be prepared. Arranging for them to be audited by an independent examiner.

Presenting the annual accounts at the Annual Parochial Church Meeting.

Providing reports when requested by diocesan or deanery authorities.

Filing accounts with the Charities Commission using the [Charity Commission Digital Services](#).

Charity Number: [REDACTED]

Password: [REDACTED]

Filing the Parish Finance Return with the Church of England using the [Parish Returns Online](#) platform.

Username: [REDACTED]

Password: [REDACTED]

### As required tasks

Giving budget holders details of their income and expenditure on request.

Getting necessary authorisation for payments in accordance with these financial procedures

Attending standing committee and PCC meetings

Refreshing finance leaflets and financial procedures documentation when necessary

Dealing with ad-hoc queries

### **Payroll assistant**

Payroll administration including entering transactions into Quickbooks, forecasting and budgeting, pensions etc

Running the payroll reports, including monthly submissions to HMRC using RTI.

Preparing monthly payslips and taking them to the church office by the 20<sup>th</sup> of the month (pay day)

Keeping all payroll records required by HMRC including PAYE, P60 and Pension Contributions

### **Gift aid assistant**

Gift aid returns from QuickBooks report including querying where necessary and submitting these to HRMC

Filing and recording gift aid donor forms

Splitting the gift aid income by fund

## **2. Church Office**

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### **Money received by post or in person**

Any money received by post is stored in the office (which is locked when unoccupied) and banked at the next opportunity. Any income received from personal callers is also stored in this way and a receipt issued, or in the case of hall/ wedding/ funeral fees a signed and dated note may be made on the booking form.

### **Sunday collection and other money**

After each service, the collection is [REDACTED] by a churchwarden.

On a fortnightly basis a member of the church office staff and one unrelated designated member of the PCC count all of the cash received. A rota for the PCC members responsible for counting the money is drawn up. Gift aid envelopes should be marked on the front with the amount and whether the gift was cash or a cheque.

A cash banking form is completed each time and signed by all those counting the money. This is left with gift aid envelopes and pink slips (for Toddlers etc) for collection by the treasurer.

Any money received without supporting paperwork must also be counted separately by two unrelated people and recorded on a separate form, which should be signed by them both. This may then be paid into the bank with the collection money or with other office banking.

The bank paying-in book is completed and monies placed in the envelope provided, and taken to the bank by a member of the church office staff, normally on a fortnightly basis.

### **Money deposited direct to the PCC bank account**

The treasurer informs a member of the church office staff of amounts paid direct into the PCC's bank account relating to weddings, funerals and room bookings.

### **Legacies**

Generally the church is not notified in advance of legacies and they do not form a significant part of our income.

If received, cheques and funds deposited direct into the bank account are dealt with in the usual way.

### **Room letting**

A member of the church office staff deals with bookings for the hire of hall and rooms.

A member of the church office staff invoices the hirers, mostly monthly, and receives payments.

A member of the church office staff pays in money received with the collection monies, using a bank paying-in form.

The treasurer informs a member of the church office staff of amounts paid for room letting direct into the PCC's bank account, usually monthly.

A member of the church office staff keeps a record of all transactions and follows up unpaid invoices.

### **Petty cash**

A member of the church office staff is responsible for petty cash and keeps a record of payments and receipts.

The float will be made up to £100 with money from the collection when it drops below £50. The amount is recorded on the cash banking form.

The treasurer (or someone appointed by them) will occasionally check the petty cash records.

### **Orders and authority for payment**

Please note, orders should not be placed until authorised in accordance with Appendix 1 - Summary of Financial Authority.

Amounts in excess of the limits noted in the Appendix, or for items not mentioned, must be agreed by a churchwarden if under £250. If over £250, the agreement of the PCC, or in exceptional circumstances the standing committee, is required.

In the event that there is only one churchwarden, the vicar may also authorise payments which require a churchwarden's authority.

### **Items over £1,000**

For items expected to be greater than £1,000, competitive quotations from three sources (if possible) will be obtained and the most suitable quotation, which may not necessarily be the cheapest, will be accepted.

Where a member of the church offers a quotation, this must be in writing, and there must be a competitive quotation, and the fabric committee must keep notes of the reasons for the decision.

In the case of urgent expenditure and items under £1,000, agreement by the standing committee may be given without obtaining a competitive quotation.

## **3. Banking**

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### **Account details**

The PCC bank accounts are held with HSBC:

Bmm Account Savings. Sort code [REDACTED]. Account number [REDACTED]

St Marks PCC Account: Sort code [REDACTED]. Account number [REDACTED]

Children's Work Account: Sort code [REDACTED]. Account number [REDACTED]

Scottish Widows, Charities Account (No Notice) – Direct. Account Number [REDACTED]

### **Payments**

The chequebook is kept [REDACTED], which is kept locked when the [REDACTED] is unoccupied. The cheque number should be recorded on the invoice which is then passed to the Treasurer. Blank cheques should not be signed.

The church has a debit card held in the name of the church office manager.

A debit card is held in the name of the children and families worker for the children's work account.



## **5. Youth and Children**

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The PCC agrees a budget for the next year's expenditure in the Autumn.

The children and families worker has an annual budget of £1000 agreed by the PCC. This money is paid into the children's work account at the beginning of the year and withdrawn or paid by the children and families worker via debit card. Receipts are submitted to the treasurer at least once per year.

## **6. Finances and Functions**

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Money for these functions should be counted by two unrelated people and a total noted, and then passed to [REDACTED], for banking.

All payments requiring reimbursement should be supported by receipts and handed in to the church office. Payment can be made by cheque or BACS.

### **Firs lunch**

There is a fixed charge for attendance, but this can be waived if someone is unable to pay. Some helpers do not have to pay.

A folder in the office records the names of those attending and the amount paid. The costs are reimbursed out of the takings, receipts for which are retained in the folder.

### **Toddlers and Praise and Play**

There is a fixed charge for attendance, but this can be waived if someone is unable to pay. The money is counted by two people, a pink slip completed and the money is banked with the collection.

### **Sunday lunches**

Donations are requested and collected in a basket. The money is counted by two unrelated people, costs are taken from the amount collected.

### **Photocopying**

Any charges for photocopying are usually small amounts or cheques paid in with the office banking. The amount is usually too small to justify being counted by two people.

### **After service coffee donations**

The money is added to the collection.

### **Social functions**

Wherever possible these should be by ticket entry. Tickets should be prenumbered so that they can be traced when issued and reconciled with the takings. Ideally, a record of those to whom tickets are sold should be maintained. Takings should be counted by two unrelated people before being taken to [REDACTED] for banking.



## **Fundraising for outside organisations**

For example, the Children's Society at the Christingle service and Macmillan Coffee morning. If at all possible, monies raised for other charities should be paid directly to them by the person organising the event. Two unrelated people should count and a receipt for the donation should be obtained. A note about the amount raised is usually put in the church weekly notice sheet and may be mentioned in the annual report.

## **7. Tithes and Mission**

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The tithe is calculated as 10% of the total income of the PCC each year, unless requested otherwise. Tithe monies include the vicar's discretionary fund.

The treasurer will inform the PCC and any appropriate sub-committee how much is available. Tithes payable will be authorised by the PCC.

Payments will be made in accordance with these financial procedures.

## **8. Staff Expenses**

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All those entitled to claim expenses complete the monthly return using the forms provided as soon as possible at the end of the month.

The claims are authorised by a churchwarden who passes them to the treasurer.

Payments are made by the treasurer, using BACS.

Expenses paid fall within the HMRC exemptions list and do not need to be reported to HMRC.

The following items may be claimed:

- Mileage at the diocesan rate
- Phone/ broadband
- Hospitality
- Reimbursement of items purchased
- Cost of training courses

The treasurer should be informed of any known advance staff expenses, such as training or away days, as soon as possible.

December claims are to be submitted before the 31 December.

## **Other staff matters**

Each employee has a proper contract of employment. Individuals are not self-employed.

Small payments to church members eg. verging, bell-ringing should be paid directly to the individual by the hirer/ wedding couple.

Employees will be paid at least the national living wage.

## **9. Miscellaneous**

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Any material increase in expenditure in excess of the budgets must have the approval of the PCC. The standing committee may approve the increase in an emergency.

## Old accounting records

All invoices, old cheque books, bank statements, salary information and other financial documents relating to each year will be stored [REDACTED], most recent papers being held by the Treasurer for comparative purposes. After seven years they may be destroyed – so, for example, papers for the year ended 31 December 2010 may be destroyed after 1 January 2018.

## Backing up data

Quickbooks is online. Back-ups of payroll are made monthly.

A member of the church office staff will back up all financial data (such as invoices and collection analysis records) on a monthly basis, and keep the memory stick [REDACTED].

The primary storage location for data is the cloud. The church PCs synchronize documents from Microsoft's servers.

Sharepoint has some backup functionality built-in. It has file versioning and geo-redundancy. Microsoft keeps copies of several versions of files to ensure server related issues do not cause problems.

It also has a recycle bin, so deleted a file it can be retrieved within 14 days of deletion.

Deleted emails are available for 14 days before permanent deletion.

There are some gaps and scenarios where data is not 'backed up' in the cloud - for example a file that is deleted or over-written and doesn't get discovered for 12 months cannot be retrieved.

Further details are available from: [How to recover missing, deleted or corrupted items in SharePoint and OneDrive for work or school.](#)

## Fees and Charges

Statutory Fees for weddings and funerals are updated by the Church of England and usually come into force on January 1<sup>st</sup>. They can be found on the [Life events parochial fees and guidance](#) webpage.

Other fees and hire charges are discussed by the Standing Committee and presented to the PCC at the November meeting, to take effect from January 1<sup>st</sup>. Staff salary increases are also agreed at this meeting.

## Insurance

The Church Insurers are Trinitas with policy number [REDACTED], renewal [REDACTED] annually.

Customer Services contact [REDACTED]

## Appendix 1 - Summary of Financial Authority

	What is covered?	Limit to	Approval by
Cheque signing, including staff expenses	Cheques, standing orders, BACS, debit card payments	£250	One authorised user mentioned in section 3
		Unlimited	Two authorised users mentioned in section 3
Staff Salaries		Unlimited	Paid in accordance with the decision of PCC
Church building maintenance, fabric matters, church fixtures, fittings and equipment.  Expenditure related to 30 Brookhurst Court.	Minor repairs	Up to £250	One authorised user mentioned in section 3 The church office manager is authorised to contact trades people already used by the church and ask them to carry out minor repairs up to a value of £250, but the treasurer and churchwardens should be notified as soon as possible that this has happened.
	Major repairs	£251— £2,000	Two authorised users mentioned in section 3
	Major repairs	£2000 and over	To be agreed either by the PCC or, if this is not possible, all members of the standing committee
Organ			Regular maintenance items such as tuning may be authorised by Ruth Smith. The agreement of a church warden is required for any other expenditure.
Flowers	Purchase of flower arranging materials	£50	Ann Tarrant
Music	Music equipment	£100	Vacant – Vicar
Kitchen and food items	Perishable and non-perishable items for use in the kitchen	£400	Nikki Hill

## Appendix 2 – Key suppliers

Service	Supplier	Visits or charges per year	Cost per visit or charging period	Comments
Accounting Software	Intuit/ Quickbooks	Monthly	£38.40	
Cleaning Hall windows	Timms	4	£57.60	Pay quarterly from February
Clock maintenance	Smiths of Derby	1	Est £216 + VAT pa	January £864 + VAT 4 yr contract from Jan 2019 (saves £31 pa)
Electrical checks	Andy Parker	1 visit every 5 years	£1579	Done in 2019 included light replacement
Electricity supply	SSE	12	£215	March
Fire extinguisher service	Onguard Fire Protection	1	£70 plus extras (refuelling signs, spares)	September
Gas supply	Terraengineering Ltd	4	£ 1800	March - May
Gas services & kitchen safety	Gas on	1	£576	March
Insurance	Ecclesiastical	12	£637	
Lightning Conductor	Barsby	1	£145	January
Office Alarm	Evoque	1	£187.20	March
Office software, VOIP phones	Lansalot	Monthly	£48.96	
Organ Tuning	Tarquin Wiggins	2		Usually combined with other necessary work
PAT testing	R Styles	1	£142.80	October

Permission to reproduce hymns and music for service sheets	Christian Copyright	1	£720 incl VAT	April
	One License	1	£210	February
Photocopier	Sharp (Midshires)	Monthly	£30 + depending on number	Jan, Mar, Jul, Oct
	PEAC (copier hire)	Quarterly	£118.80	
Roof inspections			£	
Telephone & Broadband supply	Virgin	Monthly	£68.40	28 days notice required
Waste disposal	Fortress	12	£136incl VAT per month	Weekly service Pay by monthly DD
Website hosting	Confidia Software Ltd	1	£360	July