



All Saints
Harrow Weald

following Jesus; for the good of the world

Guidance for managing financial records and accounts

PCC Member responsible for Finance.....*PHILIPPA JACKSON*.....

Current Policy Date: 30th Aug. 2021

Next Review Due: Aug. 2023

Financial records and accounts

Financial Records and Accounts

Financial records must be kept so that:

The organisation meets its legal and other statutory obligations, such as Charities Acts, Her Majesty's Revenue & Customs and common law.

The PCC has proper financial control of the organisation.

The organisation meets the contractual obligations and requirements of funders.

1. The books of accounts must include:
 - A record analysing all the transactions appearing on the bank accounts
 - A petty cash record if cash payments are being made.
 - Inland Revenue deductions record (if registered for PAYE)
2. Accounts must be drawn up at the end of each financial year within 3 months of the financial year end and presented to the next Annual Parochial Church Meeting.
3. Prior to the start of each financial year, the PCC will approve a budgeted income and expenditure account for the following year.
4. A report comparing actual income and expenditure with the budget should be presented to the PCC every three months or whenever meetings take place.
5. The APCM will appoint a Treasurer and an appropriately qualified independent examiner to examine the accounts before presentation to the next APCM.

Banking

1. The PCC will hold its main operational bank accounts with CAF Bank Ltd, including using its on line Bank facilities.
2. The legacy accounts with HSBC will continue to be held until all standing orders can be transferred.
3. Accounts will be held in the name of the PCC of All Saint's Harrow Weald
4. The following accounts will be maintained:
 - General/Ministry Fund
 - Project Fund
 - Sub funds to the CAF ministry account for special groups, such as Bells/Youth will be joined to the Main ministry account as soon as is practicable. The treasurer should see all sub group bank statements at least quarterly. The Book Keeper will continue to send bi-monthly accounts until this is achieved.
5. The bank mandate (list of people who can authorise payments on the PCC's behalf) will be reviewed, approved and minuted annually by the PCC at the first meeting after the APCM; as will any mid-year changes to it.
6. The PCC will obtain bank statements every month and these will be reconciled with the accounting records at least every three months. The IE will be required to will spot check that this reconciliation has been done annually. This may need to be increased if there is no longer a Book-keeper employed.
7. The PCC will not open any other bank accounts, other than as above, or use any other bank or financial institution or overdraft facilities or loan without of the agreement of the PCC.

Income / Expenditure

The PCC will set a budget for each financial year agreed before the start of the next financial year. at least one in advance of the start

Reports against budget must be made at each PCC meeting including unrestricted (general) and restricted income and expenditure.

Income

1. All cash/cheques received will be recorded promptly in the cash analysis record and banked without delay, including sundry receipts such as payment for telephone calls, photocopying etc.
2. All direct bank credits will be analysed to stewardship and financial accounts each month.
3. A "petty cash float" will not be held without prior authorisation due to unusual circumstances.
4. The PCC will maintain files of documentation to support all of the above transactions.
5. Handling Cash should be done in accordance with the following rules
6. A record should be made of what is given on the day it is received;
 - There should be two unrelated people present when counting – the first count will be recorded and then checked by a further two people, one of whom will be a Church Warden (either current or past) to ensure that the first count was accurate. The second check should follow immediately.
 - Ideally there will be a roster for regular counting so that it is not always the same two people counting the money;
 - The record will include the purpose for which the money is given, and/or detail how the money was received e.g. donation, book sale, hall rental etc.;
 - Gift aid envelopes with details of the names and amounts given by those who have signed a Gift Aid declaration will be batched and matched to the cash summary record and passed to the Gift Aid coordinator to ensure the associated tax can be claimed;
 - The record will include an analysis sheet noting the amounts received of each cash denomination for GASDS claims;
 - All cash (including petty cash) will be stored in the safe, - In unusual circumstances it may be held securely overnight by those authorised under the insurance policy
 - Cash will be banked promptly. - it is not necessary for two people to take the cash to the bank; one person is sufficient however the amount banked (on the paying in slip and/or bank statement) should always be reconciled to the cash record sheet;
 - Cash record sheets and paying in slips should be kept for six (plus the current) years, along with all accounting records.

Expenditure

All expenditure must relate to solely to the PCC's activities and be properly authorised and demonstrated by records such as invoices, contracts for regular payment, including LDF, properly signed and authorised expenses claims accompanied by receipts, or summary reports for salary and HMRC payments.

No-one will commit the PCC to pay for any expenditure unless authorised by the PCC to spend from a specified budget, or with specific prior approval.

1. Emergency payments outside the budget may be made by the Churchwardens and standing committee but this must be reported to the PCC as soon as possible, calling an emergency meeting if required.
2. The Treasurer (or whoever is nominated by the PCC) will be responsible for holding the cheque books (including unused and partly used cheque books) which should be kept securely..
3. No-one is authorised to sign blank cheques,