

1. Purpose of this document

1.1. To detail the processes and procedures relating to the Church's financial activity to ensure the Church's funds are managed appropriately.

2. Annual budget

2.1. The Church's annual budget is produced by the Treasurer, based on the draft annual accounts of the previous year and any planned income or expenditure for the forthcoming year.

2.2. The annual budget is approved by the PCC prior to the end of March.

3. Annual accounts

3.1. The Church's financial year runs from 1st January to 31st December.

3.2. Following the end of the year, the Treasurer will prepare the year's annual accounts for approval by the PCC (either at a PCC meeting or via email approval).

3.3. The accounts are subject to an independent examination by an examiner who is not a member of the church.

3.4. The annual accounts form part of the Church's annual report at the Annual General Meeting and are also submitted to the Charities Commission as part of the statutory reporting requirements.

4. Reporting to the PCC

4.1. A breakdown of the Church financial position against the approved budget is reported at every PCC meeting as a standing item.

4.2. This report shows current in-year income and expenditure against budget, and last year's full year actuals.

4.3. The Treasurer provides a narrative statement for each report and this is presented for scrutiny by PCC members.

5. Approval to commit to expenditure

5.1. For all maintenance expenditure up to £5000, the approval is delegated by the PCC to the Fabric Committee, within the constraints of the annual budget assigned against maintenance projects.

5.2. All other expenditure up to £500 must be approved by the Vicar and one of the Treasurer / Church Warden / PCC Secretary.

5.3. All other expenditure over £500 must be approved by the PCC.

5.4. The figures above represent the full contractual commitment, including irrecoverable VAT.

6. Approval and payment of invoices

6.1. All one-off payments should be made against a valid invoice, unless the spend is for expenses or in exceptional circumstances. Copies of all invoices are kept for as part of the annual accounts process.

6.2. All recurring expenditure is either paid via direct debit or online standing order where possible and spend should be in line with the approved Church budget.

6.3. For all invoices up to £1000, and against expenditure approved in line with the requirements stated in paragraph 5, the Treasurer is authorised to make the payment via online banking.

6.4. For all other invoices, the Treasurer must get written approval from the Vicar and one of the Church Wardens or PCC Secretary prior to making the payment via online banking.

7. Quotations and tenders

7.1. The default position on the competition requirements, and the waiving of those requirements, is shown in the table below:

Spend (£)	Requirements	Waiving of requirements
0-999.99	One quote	Vicar and Treasurer
1,000-9,999.99	Three quotes	Vicar and Treasurer
Over 10,000	Three tenders	The PCC

8. Sources of financial data

- 8.1. Monthly bank statements downloaded from the HSBC website (password protected)
- 8.2. Weekly service input sheets
- 8.3. Bank paying in slips

9. Recording financial information

- 9.1. All receipts and payments are entered into the master financial spreadsheet, which is updated monthly and named "*HT integrated finances [year] - end [month]*". For the purposes of this document, this file is referred to as "The Spreadsheet".
- 9.2. This document forms the basis of the Church's annual accounts and updates to the PCC regarding current Church finances.

10. Handling of cash and cheque income

- 10.1. The Church receives cash and cheque income primarily from:
 - 10.1.1. Donations during Church services
 - 10.1.2. One off donations or legacies
 - 10.1.3. Payments for ad-hoc room hire
 - 10.1.4. Money raised during fundraising events
- 10.2. Cash is kept in a secure location (e.g. safe) when it is not being counted or transported to the bank.
- 10.3. **All** cash and cheque income is recorded against a weekly service input sheet, which is completed by the relevant PCC rep after the Sunday services. These figures are also recorded in the Church's Register of Services. Counting of collections must be undertaken by a PCC member unless specific dispensation is given and that PCC member cannot be one of the clergy.
- 10.4. In the proceeding days following counting, the money is taken to our local HSBC bank and a bank paying-in slip is received confirming the funds received.
- 10.5. The weekly service input sheets and bank paying-in slips are collected by the Treasurer on a weekly basis. Sometimes this is less frequent during holidays.

11. Recording income

- 11.1. All receipts (excluding cash and cheque income) are recorded in The Spreadsheet in the respective areas.
- 11.2. The above receipts usually consist of:
 - 11.2.1. Standing orders from regular givers
 - 11.2.2. Regular room hire payments
 - 11.2.3. Income from the Parish Giving Scheme and associated tax
 - 11.2.4. Fees for weddings, baptisms etc...

- 11.2.5. One off donations via bank transfer
- 11.2.6. Tax recovered
- 11.3. The Treasurer reconciles cash and cheque payments received (shown by the bank paying-in slip) against the amounts recorded in the weekly service input sheets. Due to human error there will invariably be discrepancies between the two amounts. For discrepancies of less than £10 these will be corrected by the Treasurer and noted on the service input sheets. Discrepancies over this amount will be investigated by the Treasurer with the PCC rep responsible for recording that week's takings.
- 11.4. The various cash and cheque income recorded on the weekly service input sheets is entered onto The Spreadsheet in the respective week's column.

12. Recording expenditure

- 12.1. The Church's preferred method of paying suppliers is via secure electronic banking, accessed by the Treasurer.
- 12.2. All copies of supplier invoices are kept centrally in the Dropbox folder.
- 12.3. The Church has a cheque book, held by the Treasurer, but this is used by exception.
- 12.4. All expenditure detailed in the monthly bank statement is recorded in the correct section within The Spreadsheet.
- 12.5. Regular expenditure, usually paid by direct debit or standing orders, primarily consists of:
 - 12.5.1. Common fund payments to the Diocese
 - 12.5.2. Parish Manager wages
 - 12.5.3. Cleaning of the Church
 - 12.5.4. Utilities bills
 - 12.5.5. Insurance payments
 - 12.5.6. National insurance payments to HMRC
- 12.6. Ad-hoc payments, paid by bank transfer, primarily consists of:
 - 12.6.1. Expenses relating to running costs and costs of services
 - 12.6.2. Payments to maintenance suppliers
 - 12.6.3. Diocese fees
- 12.7. The Church has a daily limit of £7,000 for online bank transfers.

13. Room hire invoicing

- 13.1. The Green Room and Blue Room are available for hire either as a one off, for example a children's party, or on a regular basis.
- 13.2. Responsibility for promoting and selling our rooms lies with Jo Gunning; Jo also has authority to discount if that helps a sale
- 13.3. A price list for room hire is prepared by the PCC Secretary and agreed by the PCC periodically
- 13.4. **One off hires**
 - 13.4.1. An application form is completed by the hirer and signed
 - 13.4.2. Payment is made in cash or electronically and once payment has been received the keys to the kitchen door are given to the hirer
 - 13.4.3. The cash or payment details are recorded on the application form and the form is left in the Treasurer's pigeon hole
- 13.5. **Regular hires**
 - 13.5.1. An application form is completed by the hirer and signed

- 13.5.2. The form is given to the PCC Secretary who records the hirer and assigns them to one of the invoicing team together with details of the hire
- 13.5.3. Invoices are raised by the invoicing team on a half-termly basis in arrears and details of those invoices are recorded on a summary document
- 13.5.4. All regular hirers are asked to pay electronically; cash is only accepted in person to the Parish Manager where a receipt is given
- 13.5.5. Chasing up of outstanding monies is carried out by the PCC Secretary
- 13.5.6. If a long term debt accrues, chasing up is limited to requests for payment which get progressively stronger; further action – i.e. a county court summons – is only taken if the PCC approve that course of action

14. Other regular duties

- 14.1. On a quarterly basis the Diocese fees are paid via bank transfer and a completed quarterly schedule emailed to the Diocese (assuming fees are due).
- 14.2. On an annual basis, following year end, the Annual Accounts are produced and verified by an independent examiner.
- 14.3. On an annual basis, in October, the previous twelve months of donations subject to Giftaid are reported to HMRC for tax recovery.
- 14.4. On an annual basis, in October, the previous twelve months of payments subject to Listed Place of Worship reclaim are reported to LPOW for tax recovery.
- 14.5. On an annual basis, following the Annual General Meeting, the Annual Accounts are submitted to the Charities Commission.

15. Issuer

This policy has been issued and approved by the Parochial Church Council of Holy Trinity Church, Twickenham. It is reviewed every two years.

Version control				
Version number	Date	Author/Editor	Status	Review date
1.1	Oct 2019	Jon Beeson	Withdrawn	
1.2	Oct 2019	Jon Beeson	Withdrawn	
1.3	18 Nov 2019	Jon Beeson	Withdrawn	Nov 2020
2.0	14 Nov 2022	Tim Little [E]	Issued	Nov 2024