



## **Guidance for managing financial records and accounts**

**The Parochial Church Council of the Ecclesiastical Parish of  
St Wilfrid, Chichester**

The PCC Treasurer is Mrs S Whitmore-Jones

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### Financial Records and Accounts

1) 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.

2) 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)

3) 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.

4) At the first PCC meeting of each year, the PCC will approve a budgeted income and expenditure account for the year.

5) A report comparing actual income and expenditure with the budget should be presented to the PCC every three months or whenever meetings take place.

6) The APCM will appoint an appropriately qualified independent examiner to examine the accounts before presentation to the next APCM.

### Banking

1. The PCC will bank with Barclays Bank plc and accounts will be held in the name of the PCC of St Wilfrid Chichester

The following accounts will be maintained:

- Church Deposit Account (Barclays)
- Church Deposit Account (Nationwide)
- Church Current Account No 1
- Church Current Account No 2

2. The bank mandate (list of people who can sign cheques on the PCC's behalf) will always be approved and minuted by the PCC Members annually; as will any changes to it.

3. The PCC will require the bank to provide statements every month and these will be reconciled with the accounting records at least every three months and the Independent Examiner will be required to spot check that this reconciliation has been done at least twice a year.

4. The PCC will not use any other bank or financial institution or use overdraft facilities or loan without of the agreement of the PCC Members.

### Income

a. All monies 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.

The PCC will maintain files of documentation to back this up.

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### Payments (expenditure)

- b. The aim is to ensure that all expenditure is properly the PCC's activities and is properly authorised and that this can be demonstrated. The latest approved budget provides the cheque signatories with authority to spend up to the budgeted expenditure, not beyond it.
- c. The Treasurer will be responsible for holding the cheque books (including unused and partly used cheque books) which should be kept under lock and key.
- d. No-one is authorised to sign blank cheques.
- e. The relevant payee's name will always be inserted on the cheque before signature and the cheque stub will always be properly completed.
- f. No cheques should be signed without original documentation (see below).

### Payment documentation

1. Every payment out of the PCC's bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand). That original invoice will be retained by the PCC and filed. The cheque signatory should ensure that it is referenced with:
  - Cheque number
  - Date cheque drawn
  - Amount of cheque
2. The only exceptions to cheques not being supported by an original invoice are items such as advanced booking fees for a future course, deposit for a venue, VAT, etc. Here a cheque requisition form will be used, and a photocopy of the cheque kept.
3. Wages and Salaries. There will be a clear trail to show the authority and reason for EVERY such payment; e.g. a cheque requisition form asking for payment to an employee, HMRC etc. All employees will be paid within the PAYE and National Insurance regulations.
4. All staff appointments/departures will be authorised by the PCC, minuting the dates and salary level. Similarly, all changes in hours and variable payments such as overtime, etc, will be authorised by the PCC.
5. The PCC will, if presented with a properly evidenced expense claim, reimburse expenditure paid for personally without prior approval of the whole PCC, providing:
  - No-one acting alone will commit the PCC to pay for any expenditure exceeding £150
  - The Standing Committee is authorised to commit the PCC to expenditure not exceeding £1,500
  - Each Churchwarden may commit the PCC to expenditure not exceeding £1,500
  - Each sub-committee may commit the PCC to expenditure not exceeding £1,500 with a Churchwarden's approval
  - The Treasurer is not authorised to commit the PCC to expenditure without prior approval of the Standing Committee.
  - Fares are evidenced by tickets.
  - Other expenditure is evidenced by original receipts.
  - Car mileage is based on official scales.
  - No cheque signatory signs for the payment of expenses to themselves.

## Cheque Signatures

- 1) Each cheque will be signed by at least two people.
- 2) A cheque must not be signed by the person to whom it is payable

## Online banking

The PCC will maintain a proper charity bank account using approved software that requires a minimum of two online signatories to authorise every transaction. The use of personal banking software requiring only one authoriser is NOT permitted.

## Other rules

- a. The PCC does not accept liability for any financial commitment unless properly authorised. Any orders placed, or undertakings given, which are likely to cost the PCC in excess of the sums in paragraph 6 must be authorised and minuted by the PCC.
- b. In exceptional circumstances such undertakings can be made with the Standing Committee's approval who will then provide full details to the next meeting of the PCC. (This covers such items as the new service contracts, office equipment, purchase and hire).
- c. All fundraising and grant applications undertaken on behalf of the PCC will be done in the name of the PCC and, with the prior approval of the Members or, in urgent situations the approval of the Standing Committee who will provide full details to the next PCC meeting.
- d. The PCC will adhere to good practice in relation to its finances at all times, e.g. when relevant it will set up and maintain a fixed asset register stating the date of purchase, cost, serial numbers and normal location of assets.

Additionally, the PCC will maintain a property record of items of significant value, with an appropriate record of their use.

Approved by the PCC on 10<sup>th</sup> December 2020