



New Ground Churches

Finance Policy and Procedures

November 2018

(reviewed Mar 2019, no changes made)

(reviewed Jun 2020, no changes made)

Finance Policy and Procedures

Finance Policy

1. The Board of Directors is responsible for:
 - Safeguarding the assets of the charity
 - Preventing fraud
 - Avoiding mistakes
 - Keeping financial records in accordance with the governing document and relevant legislation (e.g. Charities Acts, Companies Acts etc).
 - Preparing Annual Accounts in accordance with the governing document and relevant legislation
2. To enable the Board of Directors to carry out these responsibilities, the Financial Procedures detailed below must be followed at all times by all Board of Directors members, staff and volunteers.
3. A copy of this policy and procedures will be given to all Board of Directors members on their election/appointment to the Board, and to all relevant staff and volunteers.
4. The policy and procedures will be reviewed annually by the Board of Directors and revised as necessary.

Finance Procedures

1. Organisational Information

- a) Our financial year runs to 31 December
- b) Bankers – Lloyds Bank plc (Caterham branch)
- c) Independent Examiner – John Thacker of Chariot House Ltd, Brighton

2. Bank Accounts

- a) All bank accounts must be in the name of the organisation.
- b) No account may ever be opened in the name of an individual or individuals.
- c) New accounts may only be opened by a decision of the Board of Directors, which must be minuted.
- d) Changes to the bank mandate may only be made by a decision of the Board of Directors, which must be minuted.

- e) Two people should be involved in counting cash receipts.
- f) All cheques must be signed by two signatories, in accordance with the bank mandate.
- g) The signatories are responsible for examining the cheque for accuracy and completeness.
- h) Internet bank transactions must be supported by suitable independent documentation or be countersigned by someone other than the Operations Director.
- i) The Operations Director is responsible for ensuring accuracy and completeness prior to transmission.
- j) Members of the management team will carry out regular spot checks to ensure suitable documentation is being maintained.
- k) Blank cheques must **never** be signed.

3. Signatories to the accounts:

i) Name: Dale Barlow

Role/Job Title: Board director

ii) Name: Melinda Lyons

Role/Job Title: Board director

iii) Name: Kevin Rose

Role/Job Title: Operations director

4. Annual Budget

- a) An annual budget, setting out the organisation's financial plan for the year, will be prepared so that the Board of Trustees can approve it before the start of each financial year.
- b) The draft budget will be prepared by the following personnel:
 - Board director (usually Dale Barlow)
 - Operations director (Kevin Rose)

5. Financial Reports

- a) Monthly management accounts will be prepared and distributed to all board members
- b) The management accounts will be reviewed at every Board of Directors meeting.
- c) The management accounts will consist of:
 - Income and expenditure against budget
 - Balance Sheet
 - Other reports as required (eg church giving tracker, cashflow)
- d) Management accounts will also be reviewed in management team meetings and any concerns raised with the Board of Directors.
- e) The reports will be prepared by the Operations Director.
- f) At the end of each financial year, Financial Accounts and Trustees report will be prepared in accordance with Charity Commission guidelines, reviewed by an Independent Examiner and approved at a meeting of the Board of Directors.

6. Accounting and other financial records

The organisation maintains a computerised accounting system (QuickBooks) which records:

- Cheques and cash received and banked together with Internet Banking receipts
 - Cheque payments, Internet Banking Transfers and other amounts paid from the bank accounts
 - Journal entries
- a) Every transaction will be entered into the system and will include:
 - The date of the transaction
 - The name of the person money was received from or paid to and the full amount
 - A brief description of why the money was received or paid
 - An analysis of each amount under its relevant budget heading, where applicable
 - b) All documents relating to receipts and payments will be filed according to the account code used for input into the system
 - c) QuickBooks is an online accounting system and maintains its own backup provision.

7. Authorisation and Payment

- a) No Board of Directors or staff member may authorise payment to themselves, their partner or relatives.
- b) Before cheque or Internet payment is made, it must be authorised or have suitable documentation independent of the person making payment.
- c) When a cheque is signed, the two signatories should also review the documentation.

- d) For Internet Bank payments, regular spot checks on the documentation will be made by the management team.
- e) Once payment has been made the invoice (or other receipt) should be marked with the accounting code and have the print report from the Internet bank payment attached. Any payments by cheque must have the cheque number noted.

8. Payroll

- a) All employees (including sessional and part time employees) must be asked to complete the relevant PAYE form/s before they receive any payment.
- b) All staff changes and changes to terms and conditions of employment must be authorised and minuted by the Board of Directors.
- c) Payroll and all calculations will be made by Stewardship.

9. Insurance

- a) Appropriate Insurance policies will be maintained to cover:
 - Employer's Liability
 - Public Liability
- b) A separate travel insurance policy will be maintained.
- c) Cover for Group Life and IPS will be provided.

10. Corporate credit / charge cards

- a) On issue, the Corporate credit /charge card must be authenticated as instructed by the issuing bank and any password, memorable information or PIN must be kept secure and not shared with anyone.
- b) The credit / charge card is to be used for purchasing goods or services, and payment of business expenses incurred while travelling on New Ground activities or related entertaining.
- c) The card should not be used for obtaining cash except in emergency.
- d) A receipt or invoice must be provided for every expense or purchase.
- e) A spreadsheet for recording transactions will be provided, which must be submitted to the Operations Director following receipt of the monthly card statement, along with all relevant collated receipts.
- f) The card must not be used for any personal or non New Ground expenditure. If any purchase includes a personal element then the amount must be repaid to New Ground no later than when submitting the monthly spreadsheet and receipts.
- g) Users will be informed of the monthly card limit and must ensure that this limit is not exceeded, bearing in mind that the account is cleared around the time the monthly statement is issued (about 15th of the month). If there is any likelihood of

the limit being reached, the user must inform the Operations Director immediately.

This Financial Policy, and the Financial Procedures detailed above were agreed and minuted at a meeting of the Board of Trustees on:

Name:.....

Signed:.....

Date:.....