

# Financial Policies and Procedures:



As a Benefice, we operate within the guidelines set out by the Diocese of Norwich, complying with the requirements of the Church of England for reporting our annual accounts. The diocesan guidelines can be found on the Diocese of Norwich website:

<http://www.dioceseofnorwich.org/churches/finance/resources/handbook>

This document sets out the practice we have adopted across The Yare Valley Churches in order to ensure our accounting is transparent, efficient, consistent and effective.

## The Finance Team:

The Finance Team oversees the finances of the church and works closely with the PCC. They make recommendations to the PCC in order to maximise income, minimise expenditure, allocate appropriate finances to the identified priorities of the Parish and identify possible grants. There will be times when member(s) of the finance team are asked to attend one of the other subcommittees where financial input is important.

## The Finance Officer:

The Finance Officer is appointed by the PCC and chairs the Finance Team. He/She works closely with the Rector and PCC in order to set the budget and manage the finances.

## Weekly Collections:

In accordance with the Diocesan Good Practice Guidelines, the following practice shall be implemented across the parish:

- The collections will be counted each week and a total entered on the '**Collections Slip**'. The collections should be counted by two people (who are not related) at the end of the service. Each slip completed should be signed and placed (along with the money) in the envelope provided. [Appendix 1]. if there is a service but no collection taken, a 'nil return' should be entered on a slip.
- Gift Aid envelopes should remain unopened, they should be recorded and placed in the safe. Once a month they will be passed to the Yare Valley Churches G.A. Envelope coordinator (currently Doreen Oliver) for processing.
- All collection money should be placed in the church safe. A member of the finance team will collect the money each month (usually on the last Sunday of the month - unless the last day of the month is a Saturday or Sunday) and pass the collection (with the slips) to the Finance Officer. [Appendix 2 contains a list of collection dates for the current financial year].

## Internet Banking:

As we have grown as a Single Parish, so our financial practices need to grow, evolve and develop. We recognise the need for efficiency in what we do, whilst retaining utmost integrity and transparency.

We already accept payments by BACS and we are moving towards making most of our transactions electronic (including payments).

We have ensured that there are tight checks and controls in place to prevent this system being open to abuse.

From 2017, all expenses and reimbursements (where possible) will be made electronically.

The Finance Officer will hold (with the permission of the payee) bank account numbers and sort codes as appropriate. These will be stored securely and will not be accessed by anyone other than the Finance Officer for payment purposes.

All electronic payments (irrespective of the amount) will need the authorisation of another signatory. The payment will be initiated by the Finance Officer and notification will then be sent (by the bank) to the authorising signatory (usually the rector) for authorisation. Only after authorisation has been received will payment be made.

Bills of under £100, the process for electronic payment will be initiated by the Finance Officer. Bills of over £100 will need the permission of the Rector before electronic payment is initiated.

We we already have further checks in place. All expenditure made on behalf of the PCC must be authorised by a budget holder (usually the rector) and then passed to the Finance Officer for payment. No unauthorised payments will be made.

## Budget Management:

Budgets are set in the November and each area of church life is allocated a budget.

The Budget holder will have the authority to authorise expenditure within the determined amounts as set out in the budget. Beyond that, authorisation will need to be received from the PCC. Other people wishing to spend against a certain cost centre will need to have a discussion with the budget holder prior to purchase in order to ensure sufficient money is in the budget.

## Reimbursement of Expenses:

All those who are requesting a reimbursement will need to complete an 'Expenses Claim Form' [Appendix 3]. The ECF will need to be signed by the appropriate budget holder (usually the rector) prior to passing to the Finance Officer. No reimbursements will be made without an authorised form and receipt. Any mileage claim form [Appendix 4] must be attached to any claim for travel. All expenditure will be coded to a budget heading to ease accounting and budget monitoring.

Expenses should be submitted by the 18th of the month and will be paid within the last week of the month.

### *Restricted Funds:*

Whilst we have joined the finances of the three worship centres, we acknowledge that certain funds will be restricted to certain worship centres. We show this within the budget in a transparent way and ensure that restricted monies are spent appropriately. It is also the role of the PCC to monitor this expenditure. Gift aid claimed on a 'restricted' gift will be allocated to the appropriate restricted fund.

All expenditure will be reported at the APCM.

## Gift Aid:

The PCC will appoint a Gift Aid Officer who will also be a member of the Finance team. They will oversee the Gift Aid process for the benefice and will make the Gift Aid claims each quarter.

## Income from the Yare Valley Voice:

It is planned that the Yare Valley Voice, whilst being a publication 'owned' by the PCC, will be self-financing over the next few years. It is hoped that the revenue generated through the sale of advertising space will not only cover current production costs, enable the development of the magazine (e.g. to cover additional printing needed for increases in population) but also provide a modest revenue stream for the Yare Valley Churches. The magazine is an essential element of our publicity strategy and plays an important role in our ability to communicate with the community. For this reason, making a profit is neither the reason for publication nor a measure of its success.

It is expected that the majority of income through advertising will be spent on the production and development of the magazine. The advertising revenue will be designated for use on the magazine. Unlike other budgets, the money within the Yare Valley Voice budget will be allowed to be 'carried over' from financial year to financial year. The Yare Valley Voice budget will be allowed to hold a modest surplus. This surplus will protect the magazine (and PCC) from a sudden drop in revenue (e.g. through an advertiser cancelling their advert). By agreement, the Yare Valley Voice budget can carry a surplus of £800 at the end of the financial year ( the surplus is calculated after projected publication costs are taken into account). Any money over the £800 (after production costs have been allowed for) will be treated as 'general, unrestricted' funds for use by the PCC. The Finance Officer and Advertising Coordinator will agree when such a transaction is able to take place.

## Collections from Funerals:

When funerals are held within one of the worship centres within the parish, it is sometimes the case that the family wish for money to be collected in aid of a particular cause or charitable organisation. The PCC will allow funeral collections organised by funeral directors at the discretion of the minister. The collection will be made through a collection box clearly marked with the Funeral Director's name and logo.

Where the Parish is nominated by the family as the sole or partial beneficiary, the Funeral Director will still be asked to organise the collection, collecting in their own box and taking the money away to be counted.

Should no charitable organisation be identified by the family, one of the church collection plates will be placed by the door for any donations. The plate will be clearly labelled as to where money donated will be going 'Towards the Ministry of the Parish' and all money will be counted by the church and dealt with in the same way as weekly Sunday collections.

Where the parish benefits and the collection is taken away by the funeral director to be counted, it is done so on the understanding that the funeral director will write to the Finance Officer within fourteen days to confirm the total of the collection so that this can be included in the parish records. If an individual funeral director regularly fails to provide this information, then permission for them to have their own collection box in church may be withdrawn.

## Reserves Policy [2017/18]:

The PCC of the Yare Valley Churches recognises the need to be effective stewards of the financial resources entrusted to them. The PCC aims to keep general reserves at a level that would be sufficient to deal with unexpected large items of expenditure, particularly on the fabric of the church building. As our income is nearly all voluntary we also keep a buffer against a shortfall over expenditure in any particular year.

The PCC has agreed to, where possible, keep 20% of budgeted expenditure in reserves each year. This money will not be restricted as such, but will be available should the need arise.

This year, we are in the fortunate position of having reserves that are greater than 20% of our budgeted expenditure. The rest of that money has been allocated to particular projects which are already in development - in particular the St Laurence Worship Centre reordering project.

# Mileage Claims for those engaged in ministry in a voluntary capacity:

As we have moved to a single parish and ensured that many of our practices are now aligned, it seems an appropriate time to ensure that we are being consistent in our approach to paying mileage for those engaged in ministry in a voluntary capacity.

This policy is being implemented to ensure consistency and transparency across the parish.

The PCC believe that a person's financial situation should not be a barrier to them engaging in the ministry God has called them to. That said, we also recognise our Godly responsibility to be good stewards of the resources entrusted to us and we are committed to not simply maintaining the status quo, but to ensuring that we are exploring creative new ways of working and efficiently using the finances we have, whilst ensuring that the ministry of the church is not impeded.

All mileage claims should be budgeted for within the specific budget headings. Where travel costs are claimed, they will be for standard class travel on public transport and a mileage rate of 45p per mile for the use of car (in line with HMRC). Where possible and practicable, car-sharing will be encouraged.

No claims should be made without the prior discussion and agreement of the rector. At times it may be necessary to seek the advice of the Finance Subcommittee. Any mileage (or other travel) claims should be made using the Mileage Claim Form which needs to be signed by the budget holder (usually the incumbent) before submitting to the Finance Officer for payment.

## *Mileage payments for volunteers attending training events:*

If a volunteer has been asked to attend a training event by the incumbent, the offer will be made to also pay for the individual's travel. This will be from the 'Training' budget. Attending such an event may be in order to represent the Yare Valley Churches or it may be to develop their own skills within their area of ministry. Training that is attended at the request of the incumbent will have a benefit for the whole parish and it is right that the costs of the training will be covered by the Yare Valley Churches.

Where an individual has requested to attend a training event because of a personal interest or passion, whilst they are welcome to attend the training, no offer to cover the travel to/from the training event will be made.

Clergy have an annual amount credited to their Continuing Ministerial Development account by the Diocese each year and additional provision is made within the Yare Valley Churches Budget under the 'Rector' and 'Curate' expenses. It would not be expected that any further provision needs to be made.

## *Mileage payments for volunteers in discharging their responsibilities:*

Under 'normal' circumstances, we will not usually reimburse mileage for people who are working as a volunteer within the Yare Valley Churches.

In exceptional circumstances the Rector may, at their discretion, decide that a claim for mileage can be made.

The following points will be considered when a decision is being made:

- Has the person been asked to carry out a task that is appropriate?
- Is the claim a one-off? If it is not, is the claim sustainable within the budget?
- Are there other more financially efficient solutions that need to be explored?

If the claim is not a one-off, when will the agreement be reviewed?  
What are the pastoral implications?

A conversation needs to take place between the Rector and volunteer *before* the work/ministry is undertaken, highlighting that reimbursement for travel will be needed. Permission to claim in one instance does not automatically mean that permission to claim will be given at another time. An ongoing dialogue needs to be entered into.



## *Mission Giving:*

For many years, the individual churches within the Yare Valley Churches Parish have supported mission, both locally, nationally as well as internationally. Each worship centre has had its own procedure and the time is right to ensure that we have consistency, transparency and a greater sense of ownership as we move forward as a single parish.

Moving Forward, some Underpinning Principles:

"Go therefore and make disciples of all nations, baptising them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything that I have commanded you."  
Matthew 28:19-21

What is Mission?

The Anglican Church signs up to the 'Five Marks of Mission'

- To proclaim the Good News of the Kingdom
- To teach, baptise and nurture new believers
- To respond to human need by loving service
- To transform unjust structures of society, to challenge violence of every kind and pursue peace and reconciliation
- To strive to safeguard the integrity of creation, and sustain and renew the life of the earth

Mission is far more than simply financially supporting some organisations. We are called to be people of Mission, a missional church. Our commitment to mission isn't always clearly seen: we already support a number of missional activities locally: community cafe, youth cafes, toddler cafe, luncheon club, forget-me-not cafe. We invest heavily into these activities both financially and through time and energy. We have become more missionally focussed as a church over the past few years. Mission is not limited to supporting those organisations that work internationally, the church is called to be involved in mission locally too.

It is not enough to send money to organisations and be content with that. We need to be supporting our identified organisations through prayer, through developing our understanding of the work the organisation is engaged in and through carrying the organisation as a 'burden' in our life as a church. We need to 'own' mission as a church and care about it passionately.

The Yare Valley Churches support 'Mission' in the following ways:

As a church, we reaffirm our commitment to being a Missional Church.

We continue supporting the following organisations in the way that we are currently:

Children's Society  
Foodbank  
Christian Aid  
Diocesan Lent Project  
Royal British Legion

We support the Hilary Critten Fund through a one-off annual donation from PCC funds which is not linked to mission giving. The fund enables us to meet people's pastoral needs locally and it would be appropriate for this to come from a pastoral care budget.

We support the following organisations on an annual basis:

YMCA  
Vidiyal Trust  
Persecuted Church

How we will support:

There is a day each year which is designated as 'National Mission Day' and which is always the

weekend towards the end of October.

We take that weekend as a vehicle to enable us to highlight the areas of mission that we are currently supporting and to try and raise the profile of mission across the single parish. We would use the day to highlight work of our partner organisations as well as deliver teaching about our responsibility to Mission.

We also use the 'Mission Sunday' as a way of our supporting financially the different organisations. It will be advertised that the collection on that Sunday is split between the different mission organisation that have been identified. We would encourage the use of tax-efficient means of giving.

On the 'Mission Sunday' giving intended for our Mission Partners will be placed inside 'Mission Giving Gift-Aid' envelopes which will be clearly differentiated from the regular giving.

The giving on one Sunday would allow people to give tax efficiently and could empower people to give... owning the support of these organisations.

The money we give should enable organisations to meet changing needs and it would be right for the OUT subcommittee to review each year the organisations that are receiving funding and make recommendations to the PCC.

This review will take place by the OUT Subcommittee in June for the PCC to agree at their July meeting

## Legacies:

As a parish, we recognise that some people may wish to continue to financially support the church after their death through a legacy. We have appointed a Legacy Coordinator and ensure that all the information and leaflets provided by the Diocese are up to date and readily available. The Legacy Coordinator is willing to work with those who wish to name The Yare Valley Churches as a beneficiary in their will. We endeavour to raise the awareness of legacies through an advert in the Parish Magazine and through the leaflets in the back of the church, but we do not proactively seek legacies within our day-to-day ministry. When legacies are forthcoming, as far as practicable and pastorally possible, we will ensure that the money is not restricted for a specific pre-determined focus. It is possible for a legacy to be specifically for one of the worship centres, in which case the money becomes restricted for use in the named worship centre.

**Appendix 1:**  
*Collection Slip*

**THE YARE VALLEY CHURCHES**

**Record of service collections**

**WORSHIP CENTRE** .....

**Date** ..... **Service** ..... **Time** .....

**Total Collection £** ..... **Signature** .....

**PLEASE DO NOT OPEN ANY ENVELOPES**

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**THE YARE VALLEY CHURCHES**

**Record of service collections**

**WORSHIP CENTRE** .....

**Date** ..... **Service** ..... **Time** .....

**Total Collection £** ..... **Signature** .....

**PLEASE DO NOT OPEN ANY ENVELOPES**

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**THE YARE VALLEY CHURCHES**

**Record of service collections**

**WORSHIP CENTRE** .....

**Date** ..... **Service** ..... **Time** .....

**Total Collection £** ..... **Signature** .....

**PLEASE DO NOT OPEN ANY ENVELOPES**

**Appendix 2:**

**THE YARE VALLEY CHURCHES  
COLLECTION DATES 2017**

Would you please let me have the collections and Gift Aid Envelopes on the following dates.

JANUARY – because I will be on holiday from 21 Jan. until 5 Feb arrangements will be a bit different from normal

Monies for 1<sup>s</sup>, 8<sup>th</sup> and 15<sup>th</sup>, to me by Wed. 17<sup>th</sup> Jan. please.

Monies for 22<sup>nd</sup> and 29<sup>th</sup> Jan and 5<sup>th</sup> Feb to me by Wed. 8<sup>th</sup> Feb. please.

FEBRUARY

Monies to me on Mon. 27<sup>th</sup> please.

MARCH

Monies to me by Wed. 29<sup>th</sup> please

APRIL

Monies for 2<sup>nd</sup>, 9<sup>th</sup>, 16<sup>th</sup> and 23<sup>rd</sup> to me by Wed. 26<sup>th</sup> please, monies for 30<sup>th</sup> to be included in next month's collection.

MAY

Monies to me by Wed. 24<sup>th</sup> please

JUNE

Monies for 4<sup>th</sup>, 11<sup>th</sup> and 18<sup>th</sup> to me by Wed. 21<sup>st</sup> please

[I am on holiday from 23<sup>rd</sup> to 30<sup>th</sup> June.]. Monies for 25<sup>th</sup> June to be included in next month's collection.

JULY

Monies to be by 26<sup>th</sup> please. Monies for 30<sup>th</sup> to be included in next month's collection.

AUGUST

Monies to me by **Tuesday 29<sup>th</sup>** please.

SEPTEMBER

Monies to me by Wed. 27<sup>th</sup> please.

OCTOBER

Monies to me by Wed. 25<sup>th</sup> please, monies for 29<sup>th</sup> to be included in next month's collection.

NOVEMBER

Monies to me by **Tuesday 28<sup>th</sup>** please.

DECEMBER

Monies to me by Wed. 27<sup>th</sup> please. Monies for 31<sup>st</sup> to be carried over to 2018.

NOTES

Please complete a slip for each service and place it and the money in a money bag.

Please complete a 'Nil Return' slip if there is no money collected.

Please include Gift Aid envelopes with in the Monthly delivery to me. Please do not open the envelopes.

Please ensure that I receive the money by the date given so that it can be banked in that month – arrangements for this to happen to be discussed.

Patrick  
22.12.16

**Appendix 3:**  
*The Yare Valley Churches Expenses Claim Form:*

<p>Voucher Number:</p>   <p>For office use</p>
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**Name of Claimant:**

**Month of Claim:**

**Details of Claim:**

Item <i>Please attach receipts</i>	Budget Reference <i>(only complete if known)</i>	Amount
<b>Use of Car _____ miles @ 45p per mile</b> <i>Mileage log must accompany this claim</i>		
<b>Total</b>		

**Signed** (claimant)

**Date:**

**Signed** (budget holder)

**Date:**

**Cheque to be made payable to:**

**BACS payments only:**

Name of Bank:

Account number:

Sort code:

(only complete for first claim or if your bank details have changed)







<b>UP</b>			<b>OF</b>		
Service Expenses	UP1		Benefice Request	OF1	
GIFT Groups	UP2		Parish Events	OF2	
Residential Care Home Worship	UP3		Lulea Partnership	OF3	
Dementia-Friendly Service	UP4		Catering	OF4	
Baptism Preparation	UP5		PCC Expenses	OF5	
Confirmation Courses	UP6				
Exploring Course	UP7				
Flower Team	UP8				
Music/Choir	UP9		<b>Other</b>		
CCLi Licences	UP10		Balance Transfers		
Projection Software	UP11				

