



Guidance for managing financial records and accounts

**The Parochial Church Council of the Ecclesiastical Parish of
The Church of the Good Shepherd, Shoreham Beach**

Name of PCC Member responsible for treasury functions

Chris Diebel

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, His 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) Prior to the start of each financial year, the PCC will approve a budgeted income and expenditure account for the following 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 a Treasurer and an appropriately qualified independent examiner to examine the accounts before presentation to the next APCM.

Banking

1. The PCC currently banks with Barclay's Bank plc at its Worthing Chapel Road Branch and accounts will be held in the name of the PCC of The Church of the Good Shepherd, Shoreham Beach.

The following accounts will be maintained:

- Charity Account No 1
- Currently no Deposit account

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 will 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.

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. Petty cash will not be held by the PCC Treasurer, reimbursements will be paid by bank transfer or cheque. Small amounts of coins will be held as only complete bags may be banked.
6. The PCC will, if presented with a properly evidenced expense claim, reimburse expenditure paid for personally without prior approval of the whole PCC, providing (*delete as applicable*):
 - No-one acting alone, apart from the Vicar will commit the PCC to pay for any expenditure exceeding £ 0.00
 - The Church Wardens acting together are authorised to commit the PCC to expenditure not exceeding £300.00
 - The Youth Worker is authorised to commit the PCC to a "one off" expenditure not exceeding £50.00
 - The Treasurer is not authorised to commit the PCC to expenditure without prior approval of the PCC.
 - Fares are evidenced by tickets or screen shots of online tickets.
 - Other expenditure is evidenced by original receipts or screen shots of online invoices.
 - Car/Bicycle 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 (*you will have to ensure that you have enough signatories on the bank mandate*)

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. (*Currently using online business banking requiring 2 signatures*).

Other rules

- a. The PCC does not accept liability for any financial commitment apart from the Vicar, The Church Wardens or the Youth Worker (see page 2 item 6) unless properly authorised. Any orders placed, or undertakings given, which are likely to cost the PCC in excess of £0.00 must be authorised and minuted by the PCC.
- b. In exceptional circumstances such as urgent work needed for safety reasons, undertakings can be made with Rev. Jane, Both Church Wardens and the Treasurers approval who will then provide full details to the next meeting of the PCC or by email to the PCC. (Work to be carried out by a trusted contractor not exceeding £500.00
- 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 Rev. Jane, Both Church Wardens and the Treasurers 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 and signed on its behalfRevd Jane Bartlett

Date 11th November 2025

Next date to be reviewed