



# Financial Policy & Procedures

## 1 Version Control

Version	Approval Date	Amendments
1.0	20/11/19	Numerous changes throughout to match current process.
2.0	18/05/25	Significant rewrite, and inclusion of Weel and current financial system arrangements.

## 2 Policy

Our church passion and vision is to see lives transformed through Jesus.

As disciples of the Lord Jesus Christ, it is our responsibility and privilege to meet the financial needs of our shared mission and ministry.

We offer the gospel freely to all those who do not yet share our trust in Christ, without expectation that they will make a financial contribution to our shared mission and ministry.

We conduct the mission and ministry we can afford as a partnership of the congregations and congregation members of Emu Plains Anglican Church. We don't receive funds from a central pool such as the Sydney Anglican Diocese, or government, though we occasionally receive publicly promoted government community grants for which we apply.

Our finance team receive, manage and expend funds given toward this shared mission and ministry.

We believe that we should conduct all our affairs in accordance with Biblical principles reflecting the Lordship and gospel of Christ. With regards to our finances this includes transparency, accountability and integrity.

Our financial reports shall have an annual, independent assurance review by a qualified practitioner, in accordance with Diocesan requirements. This practitioner is typically appointed at the Annual General Meeting.

We shall implement and document procedures and controls that:

- (a) ensure church financial affairs are effectively governed,
- (b) ensure church receipts and payments are properly processed and recorded,
- (c) reduce the risk of *opportunity* for individuals to act inappropriately in the handling of church receipts and payments, and
- (d) protect individuals from unjustified accusation of wrongdoing.

Congregation members are welcome to ask any question on any aspect of our finances.

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### 3 Useful Resources/References

- [Parish Administration Ordinance 2008](#): outlines responsibilities and authority of office holders
- Our church *Paid Staff or Volunteer Policy*: outlines considerations when deciding to pay for services or accept volunteer service
- *Sydney Anglicans Portal*, Parish Admin Section, [Finance & Remuneration tab](#) which includes a range of resources including:
  - [Parish Accounting and Financial Administration Guide](#) (used as an input in the preparation of these procedures),
  - [Remuneration \(Stipend, Leave & Benefits\)](#) page,
  - [Remuneration Guidelines](#) updated annually.

### 4 Definitions

- Accounting and bookkeeping services – currently provided by Exdia
- Administrator – co-ordinates administrative tasks that support the roles of ministry staff and office holders
- ATO – Australian Taxation Office
- Bank/banking - Financial institution currently Westpac
- BAS – Business Activity Statement
- Elvanto – a church management solution
- GST – Goods and Services Tax
- Ministry Co-ordinator – a leader of a ministry area appointed by the Senior Minister
- Ministry Worker – Clergy licensed by the Archbishop and Lay Ministers authorised by the Archbishop for this parish
- PAYG – Pay As You Go
- Stripe – a payments platform used for accepting event and other payments via Elvanto and our web page
- Square – a payments platform used for accepting physical card payments
- Weel – an expenditure management platform for managing money including digital corporate cards, payment limits, reimbursement facilities and other related features
- Xero – accounting software

## 5 Procedures

### 5.1 Planning

- (a) The church shall prepare an annual budget of receipts and payments for approval by the Parish Council incorporating any Diocesan requirements.

*The preparation of a budget promotes: purposeful decisions by our leadership that may guide ministry activities and priorities; good stewardship; and communication of each across the wider church.*

- (b) Typically, the budget process shall include consultation with staff and other ministry co-ordinators in relation to their respective areas.

*Consultation and appropriate delegation of financial responsibility to staff and ministry co-ordinators promotes empowerment and responsibility taking in the leadership and conduct of ministry areas.*

*Appendix (A) provides an annual timetable related church finance milestones.*

### 5.2 Authorities

- (a) Authorised users of our various electronic financial systems undertake not to divulge their access credentials to other persons.
- (b) Bank accounts and financial services for the church and any ministry areas within it must only be opened, and signatories added or changed, by authority of the Parish Council.
- (c) The Wardens are authorised to make and approve transactions from bank accounts and financial services, any two to authorise, in accordance with annual budget category limits and other decisions of the Parish Council made from time to time, and where necessary and reasonable outside of those limits on the condition such transactions are reported to the next Parish Council meeting.
- (d) The Wardens are authorised to approve the issuing of Weel digital cards to appropriate personnel, typically to ministry staff and others responsible for regular purchases from parish funds.
- (e) The Administrator and other members of the financial team (including the treasurer, if they are not a Warden) typically have authority on bank accounts to create payments ready for approval and have viewing access to accounts but do not have authority to approve transactions.
- (f) The Administrator is authorised to create and approve payments utilising Weel within a given budget payment category up to the budgeted payment amount less year-to-date expenses already incurred, and of an amount no higher than the Weel payment limit determined by the Wardens and noted in [Appendix \(B\)](#). However, any payment to a member of the Administrator's household must instead be authorised by the Wardens.

*Appendix (C) outlines the rationale and required controls determined by Parish Council in the implementation of Weel.*

- (g) Weel digital card and other transactions shall be reviewed by at least one Warden on a regular basis, typically monthly.
- (h) A Parish Council meeting shall be convened at the conclusion of the Annual General Meeting and an appropriate set of motions passed to update authorities for bank accounts and other financial services.
- (i) Bank account signatories and electronic access should be updated with the provider within a month of the Annual General Meeting according to any changes in office holders.
- (j) Other financial service authorities (like Xero, Weel, Stripe and Square) should be updated in the same time frame as bank accounts.
- (a) Ministry Co-ordinators may be delegated authority by the wardens to collect income or make a payment within a defined category of the budget. These delegations shall be recorded or updated by the wardens at the same time as the budget is approved by the Parish Council and at other times as necessary.

*Further details in [5.11 Ministry Area Finances](#)*

### **5.3 Offertories**

#### **5.3.1 Electronic**

- (a) Electronic offertories should be directed to the appropriate church bank account, and the amounts recorded during the end of month reconciliation.

*Electronic transactions are preferred over cash for all our income due to the reduced effort and risk in counting and handling.*

#### **5.3.2 Cash**

- (a) Ministry staff are not permitted to have custody of or count the offertory. The Administrator may have access to the offertory for the purposes of banking the money after counting and recording has occurred.

*Ministry workers are not involved with the handling of money to avoid any suggestion that they are administering the church finances for their own personal benefit.*

- (b) Cash received must not be used for payments, whether through offertories or an event or function.
- (c) After a service two unrelated adults, the rostered service co-ordinator and a money counter (either rostered or a member of the congregation at the request of the service co-ordinator) should take charge of the offertory as soon as practical. They are responsible for counting and recording the details on the offertory count sheet according to the method in [Appendix \(D\)](#). The count sheet shall be signed and retained.
- (d) Once counted the offertory is to be placed in a bank envelope and sealed in the presence of both counters.
- (e) The offertories should be held in a secure location until they are banked without deductions for expenses.

- (f) All offertories should be banked promptly by a person approved by the Wardens.

#### **5.4 Receipts Other than Offertory**

##### **5.4.1 Electronic**

- (b) Electronic receipts, as per electronic offertory, should be directed to the appropriate church bank account, and the amounts recorded during the monthly end of month reconciliation.

*Electronic transactions are preferred over cash for all our income due to the reduced effort and risk in counting and handling.*

- (c) Income received electronically via Stripe and Square systems should be transferred into the appropriate church bank account automatically and recorded against the relevant ledger account each month.

##### **5.4.2 Cash**

- (a) Ministry workers should not have custody of or count cash receipts. The Administrator may have custody of or count cash receipts as required by their role description.

*Ministry workers are not involved with the handling of money to avoid any suggestion that they are administering the church finances for their own personal benefit.*

- (b) All cash receipts other than offertory (e.g. from an event) should be counted, recorded and banked promptly without deduction for expenses.
- (c) It is preferable for two people to count cash receipts but not essential.

#### **5.5 Payments**

- (a) Payments must not be made using cash received, whether through offertories or an event or function.
- (b) There should be an invoice/receipt for every payment.
- (c) Payroll payment calculations, including PAYG withholding tax and superannuation, are prepared by our bookkeeper and authorised by the Treasurer.
- (d) Payroll payments made through Westpac recurring payments must be approved by the Wardens -
  - (i) based on appointments made by the Minister and Wardens at pay rates approved by the Parish Council,
  - (ii) supported by records of hours worked, leave taken, etc. where appropriate, and
  - (iii) have corresponding PAYG withholding tax and superannuation payments made.

- (e) Before processing a payment, the Administrator or other authorised person shall ensure that any goods and services supplied –
  - (i) are as ordered/required,
  - (ii) were received, and
  - (iii) the amount shown is the correct amount to be paid.
- (f) Before authorising a payment from a bank account two signatories should review the supporting invoice/receipt or summary of values from the Administrator.
- (g) Variations of total payments from an annual budget category of an amount greater than determined by the Wardens and noted in [Appendix \(B\)](#) require separate approval from the Wardens.
- (h) A cash float of an amount determined by the Wardens and noted in [Appendix \(B\)](#) may be maintained by the Administrator for providing change in denominations.

## **5.6 Accounting**

- (a) Parish Council has determined that its financial records will be maintained using an accounting package, currently Xero. Day to day transactions will be entered into the system by persons authorised by the Wardens and reconciled on a monthly basis.
- (b) Parish Council may approve the utilisation of external bookkeeping services, and these organisations will be granted the access to bank accounts (read only), Xero and other systems to enable them to provide these services.
- (c) Specific events should utilise the Event Financial Kit in [Appendix \(E\)](#) and submit an Event Financial Summary.

## **5.7 Reporting**

- (a) Every month the Treasurer shall provide the following to the Wardens for review:
  - (i) Profit and Loss report for the month including year to date figures and comparisons to budget, and
  - (ii) Balance sheet or accounts list.And if requested:
  - (iii) Bank reconciliation,
  - (iv) A listing of bank receipts and payments for the month.
- (b) Every month the Wardens shall provide the following to the Parish Council for review:
  - (i) Profit and Loss report for the month including year to date figures and comparisons to budget, and
  - (ii) Balance Sheet or accounts list.

**5.8 Business Activity Statements (BAS)**

- (c) Our policy is to claim back the GST component of expenses where we are able to do so under the ATO rules.
- (d) The Treasurer will ensure that the BAS for the Parish is prepared and submitted on a timely basis. The BAS and supporting documentation will be submitted to the Treasurer for review prior to lodgement to the ATO.

**5.9 Other Statutory Lodgments**

- (a) The Wardens will ensure that all other statutory lodgements and payments including, but not limited to, PAYG withholding tax, superannuation, Fringe Benefits Tax and NSW Workers Compensation are lodged and remitted as required.

**5.10 External Donations**

- (b) Donations to any individual or organisation external to the church, including external charities, apart from those given toward a specific organisation by an individual to be passed on by the church, should be made in accordance with Parish Council guidelines for external partnerships and only as authorised through the budget.

**5.11 Ministry Area Finances**

- (a) Receipts, payments, ledger and bank accounts for all ministry areas remain under the trust and authority of the Parish Council and Wardens.
- (b) Each ministry area should prepare and submit an annual budget, on the form provided by the Wardens, for their approval.

*Consultation and appropriate delegation of financial responsibility to staff and ministry co-ordinators promotes empowerment and responsibility taking in the leadership and conduct of ministry areas.*

- (c) The Ministry Co-ordinator for a given ministry area may be authorised to implement and manage the relevant approved budget category.
- (d) Quarterly reports of receipts and payments shall be provided by the Administrator to authorised persons for their approved area of responsibility.
- (e) Variations of total payments from an authorised annual budget category greater than an amount determined by the Wardens require separate approval from the Wardens.
- (f) The key contact person may seek variations to the agreed budget from the Wardens and are encouraged to do so if an appropriate case for the change may be made.
- (g) Any expenditure on capital equipment greater than an amount determined by the Wardens and noted in [Appendix \(B\)](#) requires separate approval from the Wardens.



**APPENDIX A: ANNUAL FINANCIAL TIMETABLE OVERVIEW**

The Parish Financial year is 1 January to 31 December.

The following timetable presents an overview of the milestones related to Parish Finances with indicative dates.

Additionally, Ministry Co-ordinators shall be provided with quarterly financial reports within the subsequent month where they have been delegated authority for a budget category.

July	<ul style="list-style-type: none"> <li>• Wardens and Treasurer confirm process for preparation of coming year's budget</li> </ul>
September	<ul style="list-style-type: none"> <li>• Budget preparation forms distributed to relevant Ministry Co-ordinators</li> <li>• Treasurer prepares expenditure estimates for budget</li> </ul>
October	<ul style="list-style-type: none"> <li>• Wardens and Treasurer present a budget preparation update to Parish Council</li> <li>• Prioritisation of payments for coming year's budget or deferral to a future year</li> </ul>
November	<ul style="list-style-type: none"> <li>• Distribution of coming year's draft budget to Parish Council</li> <li>• Parish Council deliberation upon coming year's draft budget</li> <li>• Wardens confirm availability of assurance reviewer for current year review</li> </ul>
December	<ul style="list-style-type: none"> <li>• Additional meeting for Parish Council deliberation upon coming year's draft budget if required</li> <li>• The coming year's and each ministry area's budget as approved distributed</li> </ul>
January	<ul style="list-style-type: none"> <li>• First month of new church financial year</li> </ul>
January – March	<ul style="list-style-type: none"> <li>• Treasurer prepares year end reconciliations</li> <li>• Treasurer prepares draft financial statements</li> <li>• Wardens and Treasurer present draft financial statements and supporting information to the assurance reviewer</li> <li>• Independent Assurance Review undertaken</li> <li>• Qualified Independent Assurance Review Practitioner gives assurance review clearance</li> <li>• Wardens contact assurance reviewer to discuss the financial statements and any assurance review issues</li> <li>• Wardens and Qualified Independent Assurance Review Practitioner sign financial statements</li> <li>• Prescribed Financial Statements made available to congregation (at least one Sunday prior to Annual General Meeting)</li> <li>• Annual General Meeting</li> </ul>
15 April	<ul style="list-style-type: none"> <li>• Lodge Prescribed Financial Statements and Annual Financial Return with the Diocese</li> </ul>
April – June	<ul style="list-style-type: none"> <li>• Wardens/Parish Council deal with any issues raised by the Qualified Independent Assurance Review Practitioner</li> </ul>

**APPENDIX B: EXPENDITURE SPECIFIED LIMITS**

<b>Description</b>	<b>Amount</b>
Maximum for any single Weel transaction by Administrator:	\$5,000
Maximum for any single transaction for residence repairs or maintenance without approval by the Wardens:	\$1,000
Maximum variation of payment amount above budgeted amount for a ministry area permitted without additional approval by the Wardens:	\$250
Maximum payment for capital equipment without additional approval by the Wardens:	\$500
Cash float held by Administrator for changing denominations:	\$100

These amounts should be reviewed annually.

The Ministry Co-ordinator for a ministry area may seek from the Wardens variations:

- (a) to the agreed budget, or
- (b) to the maximum amount to remain in the ledger at the end of the church financial year for a ministry area.

The limit on capital equipment is to ensure that purchases are aligned with overall church requirements and strategy.

The Ministry Co-ordinator is strongly encouraged to seek a variation from the Wardens if they believe there is an appropriate justification for the change to be made.

**APPENDIX C: WEEL PAYMENTS SYSTEM RATIONALE AND CONTROLS**

Parish Council approved the use of the Weel Expense Management System at its meeting of 23 February 2023.

Several controls related to the decision to use this service have been incorporated into this revision of the Financial Policy.

**Rationale for using Weel**

Parish Council sought an improved way to process payments which would reduce Warden effort, lower the burden on staff and others to pay for church expenses from their own funds and await reimbursement, and increase the speed of payment processing.

Weel provides electronically manageable 'smart' debit cards, as well as reimbursement and bill payments from an integrated platform that reduces expense management and payment effort. Functions include -

- 'Smart' debit cards (smart cards) can be issued electronically to organisation users,
- Budget category and limits can be dynamically authorised and assigned to users of smart cards,
- Regular subscription service payments can be enabled and disabled via smart cards,
- Reimbursements to those not issued with a smart card can be processed rapidly,
- Bills can be uploaded, Optical Character Recognition processed and, after checking, payments made or scheduled,
- A single signatory may process payments, and
- Integration with Xero.

Parish Council noted the following major risks -

- Payment is direct from a church account rather than an individual's account, and
- A single payment signatory.

**Controls**

Parish Council weighed these risks and approved the use of Weel with the following controls, including references within this document where relevant:

- Budget authorisation by Parish Council and Wardens - 5.1 (a),
- Authority - 5.2 (f) and (j), and APPENDIX B: EXPENDITURE SPECIFIED LIMITS,
- Review – 5.2 (g),
- Multiple people are provided administrative access to view Weel, Xero and bank accounts,
- Enabled Weel automatic direct debit payment of \$5,000 from church bank account when Weel account falls below \$10,000, and again when account falls below \$5,000, which include a email notification to other users with administrative access upon each direct debit.

**APPENDIX D: GUIDELINES FOR COMPLETING OFFERTORY COUNT SLIP**

This appendix offers guidelines for offertory counting with respect to the completion of the offertory count slip. The counting slip has been produced to implement the policy and procedure outlined in the Financial Policy.

**Counting Offertory**

The offertory count slip is shown below and is divided into three sections: Church, Specific Giving and Banking Total.

The funds received should be divided, counted and recorded in the appropriate category.

Care should be taken in discarding envelopes to ensure that all funds are removed. This may be done by either tearing the envelope in half or holding it up to the light.

All monies should be counted twice, this is best achieved by –

- counting and recording under **Church**,
- counting and recording under **Specific Giving**, and
- counting and recording of all money under **Banking Total**.

The sum of the totals of the **Church** giving and the **Specific Giving** should be the same as the cash total under the **Banking Total**.

Emu Plains Anglican Church		Giving Count Slip	
Staple Night Safe Banking Bag Receipt here	<b>Church</b>	<b>Specific Giving</b>	<b>Banking Total</b>
	Notes		Notes
	\$100.00 \$	CMS\$ .	\$100.00 \$
	\$50.00 \$	Other\$ .	\$50.00 \$
	\$20.00 \$	\$ .	\$20.00 \$
	\$10.00 \$	\$ .	\$10.00 \$
	\$5.00 \$	\$ .	\$5.00 \$
	Sub-Total \$	Total\$ .	Sub-Total \$
	Coins		Coins
	\$2.00 \$		\$2.00 \$
	\$1.00 \$		\$1.00 \$
	\$0.50 \$		\$0.50 \$
	\$0.20 \$		\$0.20 \$
	\$0.10 \$		\$0.10 \$
	\$0.05 \$		\$0.05 \$
Sub-Total \$		Sub-Total \$	
Notes + Coin \$	Add: Total Church\$ .	Notes + Coin \$	
Cheques \$	Banking Total:\$ .	Cheques \$	
Total \$		Total \$	
<div> Admin _____ Name &amp; Initial _____  Assistant Counter _____ Name &amp; Initial _____  Date / / 20 <span style="border: 1px solid black; padding: 2px;">8.00 am</span> <span style="border: 1px solid black; padding: 2px;">9.45 am</span> <span style="border: 1px solid black; padding: 2px;">6.30 pm</span> </div>			
<div> Office Use Only  Bank Bag Receipt Received ____/____/20_____  Receipt Number _____  Office Administrator Signature _____ </div>			

**APPENDIX E: EVENT FINANCIAL KIT**

This Event Financial Kit is made up of two documents:

- (a) Event Financial Kit Procedure
- (b) Event Financial Summary.

**Event Financial Kit Procedures**

These procedures are designed for any organised event conducted by the church.

- (a) The Ministry Co-ordinator shall ensure that the Financial Policy & Procedures are followed and shall communicate the relevant sections to event team members.
- (b) Select one person as the Event Financial Officer (EFO). The EFO is responsible for all monies in relation to the event and may delegate any task as appropriate.

**Income**

- (a) Use the Event Financial Summary to record all monies received for the event, and
- (b) Deposit all monies with the Office.

**Expenditure**

- (a) Do **NOT** use monies received to pay for any item,
- (b) Items are to be paid from Parish funds by electronic transfer, as per the Financial Policy,
- (c) Please obtain a Tax Invoice (receipt) where possible and attach it to the Event Financial Summary, and
- (d) Use the Event Financial Summary for all expenses. Record the date of the expenditure (Date), details of what it was for (Details), the amount (Amount) and if you have a receipt, an identifying number that you have written on it (Rcpt #). You can use multiple lines if necessary.

**Closing the Event**

Once the event is over and all financial aspects are complete, do the following:

- (a) Complete the reconciliation details by totalling the Income and Expenditure and then subtracting the Expenditure from the Income to calculate the surplus / deficit,
- (b) Complete the summary sheet, assistance where needed can be obtained from the Administrator, and
- (c) Check the details and then date and sign off on the summary sheet.

The Summary Sheet will then be retained with our other accounts.

**Event Financial Summary**

Event: \_\_\_\_\_ Date: \_\_\_\_\_

Event  
Financial  
Officer: \_\_\_\_\_**Income**

Date	Details	Amount
Total (A):		

**Expenditure**

Date	Details	Amount	Rcpt #
Total (B):			

**Reconciliation**Surplus / (Deficit) (A - B) **Event Closed**

Date: \_\_\_\_\_

Event  
Financial  
Officer: \_\_\_\_\_

Administrator: \_\_\_\_\_