



**LONG BUCKBY and BRINGTON BAPTIST CHURCH**

**FINANCIAL CONTROLS PROCEDURE**

<b>Date First Agreed:</b>	<b>08 July 2012</b>
<b>Last Review:</b>	<b>26 March 2023</b>
<b>Date of next Review:</b>	<b>by 1 April 2024</b>

## 1. PURPOSE

Whilst Long Buckby and Brington Baptist Church (hereafter “the church”) is exempted from the obligation to register as a charity with the Charities Commission, monies given to the church are intended for the furtherance of God’s work in the local community and abroad. The purpose of this document is to set out the financial controls that will ensure the good stewardship of such monies thereby ensuring the church is not open to criticism for failing to exercise proper financial controls that would be expected of any other organisation.

## 2. BANKING ARRANGEMENTS

### 2.1 Bank Accounts

The church operates a “current” account and one or more “deposit / savings” accounts. These will be subject to “two signature” approval on payments out of the accounts.

### 2.2 Cheque Payments

The current account is provided with a cheque book which requires “two signature” approval i.e.

- i) Cheque raised and signed by Treasurer Or Assistant Treasurer
- ii) Countersigned by nominated Deacon (“Second Approver”)

In the event the payee is one of the authorised signatories, that person will not be permitted to either raise or countersign that cheque. Cheques will only be prepared against supporting documentary evidence (e.g. supplier invoice or an email requesting payment from a deacon).

No pre-signed blank cheques will be permitted.

The Treasurer and Assistant Treasurer are not permitted to sign and countersign the same cheque.

### 2.3 Online Payment (Faster Payment)

The current account is provided with an online banking facility, which requires “two signature” approval.

Where possible, to avoid postal charges, supplier invoices will be paid “online” utilising the Faster Payment method. Such payments again require a “two signature” approval as below:

- i) Payment initiated by Treasurer / Assistant Treasurer
- ii) Authorised by nominated Deacon (“Second Approver”)

Whilst an email notifying that an outstanding payment requires approval is automatically sent by the bank to the second approvers, the Treasurer will endeavour to email details of the payment to all Second Approvers, asking that one approve the payment. A payment mandate will lapse after five days if not authorised for payment.

Online payments to the Treasurer / Assistant Treasurer that have been initiated by either the Treasurer / Assistant Treasurer will only be approved by the Second Approvers when they have been provided with documentary evidence supporting the claim.

Online payments will only be prepared against supporting documentary evidence (e.g. supplier invoice or an email requesting payment from a deacon).

## **2.4 Debit card**

The current account operates with a Debit card which the bank requires to be registered in the name and home address of the nominated card holder(s).

The current nominated card holders are:

- None currently held

The card holder is authorised to use the debit card for:

- a) online purchases (e.g. book resources for the church when the church can benefit from cheaper pricing structure)
- b) "over the counter" purchases (e.g. food / refreshments required for a church activity)
- c) Cash withdrawal

The card holder may delegate the use of the card for the above purposes to another church member.

Spending will be subject to the approval limits as set out in Appendix 1.

In all cases, documentary evidence of the purchase / cash withdrawal will be forwarded as soon as possible to the Treasurer.

The card holder(s) will ensure the church debit card are held securely at all times and that the PIN code (for cash withdrawals or "over the counter" purchases) is kept secure.

## **3. ACCOUNTS RECORDS**

The Treasurer will be responsible for maintaining the church accounts and presenting the annual accounts to church members at the Annual General Meeting. Prior to the AGM, the accounts will be subject to approval by the Deaconate, having been reviewed by an Independent Examiner.

## **4. CHURCH OFFERINGS**

In accordance with good practice, collections received during church services will be counted by at least the Treasurer / Assistant Treasurer and one other church member as soon as practical after the end of the church service but before the monies are removed from the premises.

The person responsible (normally the Treasurer or Assistant treasurer) will then ensure (if not completed at the church) that the bank deposit book is completed as soon as possible thereafter. Similarly, the person charged with depositing the monies into the bank (if not the same person preparing the bank deposit) should ensure the monies are paid into the bank as quickly as practicable.

Where monies have been given for specific purposes (e.g. World Vision) this will be recorded to ensure it is correctly allocated in the accounts.

## **5. EXPENDITURE APPROVAL**

The church will endeavour to procure from local suppliers and contractors where possible.

To ensure "best value" is obtained for the church, normally three quotations will be obtained before awarding the work to one of the suppliers. In the event that despite best efforts it does not prove possible to obtain three quotes, a tendering decision based on fewer quotes may be made following consultation with the diaconate, and subsequently reported to the church meeting.

The church may also identify "preferred suppliers" on the basis the supplier is recognised as providing good quality work / service at a competitive price.

Before commissioning any work, the appropriate approval as set out in Appendix 2 will be obtained and recorded in the appropriate meeting minutes.

In urgent situations that have the potential for injury to people or damage to the building, the authority limits set out in Appendix 2 will be waived to avoid delays in getting the corrective work carried out

In normal circumstances, supplier invoices will be paid by either a cheque drawn on the church account or, where possible, by online banking (utilising the Faster Payment method of transfer).

## **6. MINISTERIAL and STAFF EXPENSES**

The Minister and Staff if wishing to claim expenses will submit an expenses claim form with relevant documentary evidence of expenditure to the Treasurer, normally once per month. If the expenditure is a significant amount, this can be reimbursed on request.

## **7. MILEAGE**

Claims for Private mileage will be reimbursed at the rate advised by the Baptist Union.

## **8. VISITING SPEAKERS**

The church will compensate the time and effort of visiting speakers by the payment of a Speakers Fees plus private mileage (as above).

The current rate is £100 and will be reviewed from time to time.

## DEBIT CARD SPENDING AUTHORITY LEVELS

Spending Level	Authority Required
Cash Withdrawal	£50 limit per day
Single transaction up to £49 Or Daily total of up to £49	Card holder authorised
Single transaction of £50 - £99 Or Daily total of £50 - £99	Card holder to advise a member of the Deaconate of purchase
Single transaction of £100+ Or Daily total of £100+	Card Holder to obtain prior approval from a member of the Deaconate.

## EXPENDITURE APPROVAL LEVELS

<b>Expenditure Level</b>	<b>Approval Level</b>
Up to £499	Appropriate Deacon Subject to using an approved supplier
£500 to £4,999	Deacons' Meeting approval
£5,000 +	Church Members Meeting Or (if applicable) Special Church Meeting approval