

GUIDELINES FOR PARISH TREASURERS AND WARDENS

Introduction

It is said that solvency is a matter of temperament and not of income and the way a parish feels about its financial position is sometimes significantly influenced by the attitude and temperament of the Treasurer and the Parish Council's appetite for risk.

The Treasurer will hopefully be someone who is strongly involved in the life of the parish particularly in its vision for the future and the financial implications of that vision.

This means the Treasurer needs to assess the parish's resources realistically before giving advice, the Treasurer along with the members of parish council and the Wardens, need always to take care the money is the servant and not the dominant feature and driver of every situation. Sometimes a parish becomes so worried about money it is a constant niggle at every meeting and the parish is likely to lose its sense of direction as it focuses more and more on the finances and the money. The Treasurer becomes the driver not the parish council.

Sometimes there may not be enough money to embark on a course of action; but if it is right, if it is fully explained and if the idea catches people's imagination in the congregation, then often the money will be forthcoming.

So the Treasurer needs to be more than simply the person who knows how to keep a cashbook or prepare a budget. The individual needs to understand the mission of the church in the parish context and have a feel for what is right and possible.

The Treasurer need not be a member of parish council, but needs to be familiar with the council and be able with the members to appreciate the needs and resources of the parish and to know they are measured in more than monetary terms. The needs of the church include the need, obligation, commitment and desire to proclaim the whole Gospel to the whole world. The resources of the church can be defined to include the abilities and depth of commitment of the church members and overall, in terms of the infinite resources of God who calls us and who enables us to respond to God's call.

The parish treasurer is vital to the health of every parish and only God can know the debt which the church owes to the devoted service of its many thousands of parish treasurers.

The treasurer is typically someone who hopes their work will go unnoticed so the parish can mostly carry out its work without worrying about the financial constraints, systems and requirements to do this well, in a timely, relevant manner meeting current community standards and in a manner that is accountable, transparent and understandable. Parish finances are generally only noticed when they are going badly.

We hope the treasurer can take from the parish priest and the council the strain of worrying about the finances, so they can understand and be responsible but not be involved in the day to day management except as required.

Not all parishes choose to have a treasurer as this may be work done by the Parish Council, the Wardens with the Diocese as required if there are people with the necessary skills and experience already on parish council or in a finance sub-committee.

Functions of the Treasurer

The work of the parish treasurer is included in The Parochial Statute 2017-2018:

Schedule 1 Clause 9, 10 and 20 where there are references to the relationship between the wardens, parish council, the appointment of a treasurer and auditor are outlined below:

9. Responsibilities of the Parish Councillors

- g) Consider all contracts and works recommended to them and at their own discretion to vote the sums of money required to carry them out.*
- h) Authorise means whereby all parish assets, buildings, furniture, equipment and property be kept in order and adequately insured against loss or damage by fire, storm or tempest or other risks as advised by the Diocese.*
- i) Provide for the purchase of all things needed for Public Worship.*
- j) Control all expenditure of the funds of the parish and to vote the necessary money for the payment and the provision of a Living or part Living as appropriate.*
- k) Endorse a budget for the ensuing year for presentation at the Annual Meeting of Parishioners.*
- l) Ensure the audit is conducted and prepared in line with Diocesan requirements. Parish councillors unable to complete this step must forward the necessary material to the Diocese to undertake this obligation for a fee.*
- q) Appoint, where desired, a parish treasurer who shall be a lay parishioner.*

10. Responsibilities of a Warden

The wardens' responsibilities, in addition to those of parish councillor, include:

- g) Administering the financial arrangements of the parish, including but not limited to:
 - (i) Arranging for the collection of the offerings in the local church, to see a record is kept of all amounts collected; and to see all special collections are applied promptly to their specified purposes. The Service Register shall record all such collections and offerings.*
 - (ii) Ensuring the local contributions to Stipend and Diocesan Assessment are remitted to the Diocesan Secretary by the tenth (10th) day of each month.*
 - (iii) Either by themselves or through a Treasurer, appointed by Parish Council as their agent, to open and maintain such bank accounts as shall be necessary for the convenient handling of Parochial Funds and other Funds in transit through Parochial Accounts.**

- h) *Ensuring such bank accounts must be in the name of the Anglican Parish of and must be managed as their responsibility as a warden.*
- i) *Ensuring all bank accounts are operated only by such person or persons as the parish council appoints.*
- j) *Ensuring all monies received by the wardens or those whom they appoint must be paid into their official bank accounts within seven (7) days of receipt.*
- k) *Ensuring all monies received by the wardens or those they appoint, disburse the same under the authority of the Parish Council, and must furnish to the Parish Council at each meeting statements of all sums received and disbursed.*
- l) *Ensuring the Parish Council remits to the Diocesan Trustees, as the only body in the Diocese authorised to hold Trust Funds for parochial or other ecclesiastical purposes and Special Funds donated for specified purposes, all such Trust or Special Purpose Funds as may be, or may come into, their possession.*
- m) *Ensuring the approval of Trustees before any monies are to be borrowed for any purpose. Such borrowings are made by the Diocesan Trustees only.*
- n) *Ensuring the accounts are made up and closed on the thirty-first (31st) day of December each year, and that a duly audited statement of accounts be laid before the next Annual Meeting of Parishioners, and forwarding promptly a copy of the audited statement of accounts to the Diocesan Secretary by a date determined by the Trustees.*
- o) *Ensuring the audited statement of accounts is provided in a format determined by the Trustees and to include all parish centres in one set of accounts.*
- p) *Attending the Bishop or Archdeacon whenever required.*
- q) *Ensuring minutes are kept of all Meetings of Parishioners and Parish Council.*
- r) *Ensuring an Inventory of all church capital equipment and other moveable properties is kept.*
- s) *Handing over to their successors, the custody of all such equipment and properties and their inventories, and all monies in hand and all other documentation pertaining to their role as warden.*
- t) *Reporting to the Diocesan Trustees if a rectory ceases to be occupied.*

20 Roles of Treasurer and Auditor

- a) *The Treasurer is appointed by the Parish Council. See Clause 9 (q).*
- b) *The Auditor is appointed by the Annual Meeting of Parishioners following the recommendation from Parish Council.*

- c) *The auditor shall have right of access to all relevant records, and shall be supplied by the priest, wardens, councillors, committee members of all parish sub-committees with such information as shall be required to enable the audit to be done with reasonable care and diligence.*
- d) *It is the duty of a parish auditor to:*
 - (i) *Examine the accounts of a parish with a view to ascertaining that the books have been properly kept and they record accurately all the receipts and payments of the parish financial year under review and a statement of assets.*
 - (ii) *Ensure the audit is conducted and prepared in line with Diocesan requirements.*
 - (iii) *Report to the Annual Meeting of Parishioners any expenditure or transaction of an irregular nature.*
 - (iv) *Certify, when satisfied, the accuracy of the financial statements to be presented to the Annual Meeting of Parishioners.*
- e) *To verify the existence of assets of the parish (other than those held by the Diocesan Trustees) and to see they are in safe custody and under proper control.*

As a consequence of these directions as set out in The Parochial Statute 2017-2018, the parish treasurer works closely with the parish council and the wardens to ensure the systems, practices, policies are in place to support the works of the parish and in line with the diocesan standards and expectations.

In summary, the parish treasurer would generally be responsible for:

- i) All financial activity of the parish, for all the parish centres, for the record keeping of payments of funds and receipts.
- ii) Ensuring there are appropriate, up to date systems and practices in place in line with Safe Church for the handling of any cash and funds of the parish together with the Wardens and Parish Council (See the Parochial Statute 2017-2018 Responsibilities)
- iii) Ensuring there are accounts drawn up and closed at the end of each year before the annual meeting of parishioners.
- iv) Providing understandable financial reports to the parish council and wardens at each parish council meeting or more regularly as requested.
- v) Supporting the Parish Council in ensuring an annual audit is carried out on all aspects of the parish financial activities in line with diocesan standards and expectations ready for the annual meeting of parishioners.
- vi) Pay bills, accounts, stipends, allowances, salaries in a timely manner as resourced by Parish Council

- vii) Being familiar with and understanding the Parish Council's accountability to the Diocese for all payments, standards and timeliness of response.
- viii) Providing advice to the Parish Council as appropriate, on the policies on borrowings, sales, grants, accounts, credit agreements, bequests, fundraising, loans, mortgages, and all financial dealings are only done following approval of the Diocesan Trustees.

Appointment and Qualifications for a Treasurer

A parish treasurer ideally should be a qualified accountant or trained bookkeeper.

The treasurer is not a member of Parish Council although a parish councilor may be appointed as the treasurer. Parish councils do not have to appoint a treasurer. However, if such an appointment is made by parish council to support the effective working of a Parish Council, careful recruitment and selection will be critical with the appropriate selection and appointment process being followed. If the Parish Council does not appoint a Treasurer, the Parish Council needs to have alternative support mechanisms in place such as a Finance Sub Committee with people with the appropriate skills and experience available to give advice to the Parish Council and to ensure the responsibilities and accountabilities are met.

Selection Criteria for a Treasurer

1. Comfortable with figures, understanding financial management
2. Methodical and orderly
3. Able to implement appropriate policies and processes to ensure correct paperwork and supporting information for all income and expenditure, budgeting and preparation of financial statements
4. Able to bank all monies in a prompt and timely manner and pay accounts and other commitments when they fall due subject to approval by parish council
5. Be able to think ahead, be a problem solver to enable parish council to deal effectively with its financial resources and rise to financial challenges
6. Able to present a realistic picture of the parish's financial position at all times, and be able to answer questions in a reasonable and understandable manner
7. Comfortable with taking questions, reasonably articulate and able to handle pressure and provide answers

Preamble

The person who takes on this role is an important member of the governance team in the parish. The treasurer is part of a wider church community with accountability to the parish members, the parish council, the diocese, wardens and Trustees. The treasurer is not able to make decisions or do what they think is best. The treasurer is the 'servant' of the Parish Council which is subject to diocesan legislation and practices developed over time. It is a highly accountable position.

Responsibilities, Guidelines and Helpful Information for all Treasurers

1. Records must be maintained and well-kept in line with the Diocesan policies and must be kept safely.
2. All transactions should be done by bank transfer as much as possible. Cheques are no longer used as a normal financial process. Instead, the use of Electronic Funds Transfer is to be encouraged. The transaction records by those carrying out financial transactions on behalf of the parish council and parish committees should be provided to the treasurer with limits imposed on expenditure and where approvals are to be given.
3. Payments of accounts by cash should be eliminated wherever possible. The Safe Church practices in handling money and finances are to be applied at all times. This includes counting by at least two people and regular banking.
4. Petty cash floats are generally no longer necessary. Accounts with local shops should be established wherever possible, with a debit card and the provision of receipts and authorisation provided to enable reconciliation with the bank statements. At least two authorized signatories are required to approve expenditure and delegated authority provided where necessary.
5. Church collections should always be counted immediately after the service by two people and the cash must never be taken home. These two people should have up to date Safe Church training certificates.
6. Monitor interest bearing accounts to maximize the benefit.
7. All bank accounts held by a parish must be part of the parish accounts and managed and audited in line with the diocesan standards and expectations.
8. No account can be operated without the oversight and relevant recorded permissions of the parish council and wardens.
9. No decisions can be made about the use of the parish funds by anyone other than the parish council. Small fundraising groups or mission activities can have delegated responsibilities in line with the terms of reference as a sub-committee which can operate within such terms only as laid out. No group or parish ministry activity can determine its authority for expenditure except through parish council.
10. Only parish council (which includes the Wardens) has authority to approve expenditure; The Wardens can only approve expenditure if delegated by Parish Council.
11. Bank account/s financial activities need to be reconciled regularly on a monthly basis and as required.
12. Mission giving by the parish is approved and organised by the Parish Council in discussion with the parish priest and is part of the parish's annual budget.
13. The treasurer must record and administer the expenditure against external funds, such as Emergency Relief Grants from Lotterywest via Boniface Care, in accordance with the specific authorisations established by the Parish Council.

14. Where funds are provided by an external contract for a service such as Work for the Dole, the contract agreement must be signed by the Diocesan Trustees and the service is managed locally and the funds accounted through the parish accounts and reported and audited appropriately
15. Where one-off events are held, the principles established for church collections apply e.g., the money should be counted by two people as soon as practical, on church property or within the vicinity of the stall if at a fete; the money handed over to the parish treasurer or warden immediately with the written cash advise to be placed in the parish safe; the money to be banked on the next first working day and no monies are to be taken home.
16. The treasurer is responsible for drafting a realistic budget for the year to support the Parish Council's plans. This draft budget is provided for discussion by the Parish Council, wardens and priest who will need to accept the budget with any amendments they determine, before being presented to the AMP. The Parish Council is responsible for seeking the approval of the AMP for the proposed budget and for having plans in place to implement the budget and for ensuring the budget provides the resources to support the parish's plans and direction.
17. The audited accounts must be provided to the parish council before the AMP to ensure the parish council can be suitably accountable to the parishioners.

Guidelines

18. The financial details of the parish must be kept available for the wardens, parish council and the treasurer and maintained by the treasurer with a checklist of what needs to be done and when and by whom. The following details should be kept in the office, maintained and accessible by those responsible in an emergency.
 - a. Name and address of the bank
 - b. Bank's branch number
 - c. Full title/s and account numbers of parish accounts
 - d. Details of any investment documentation, loans etc.
 - e. Names and addresses and contact details for those authorised to sign funds transfers on behalf of the parish council and on subsidiary accounts
 - f. Parish accounts moved to EFT systems to remove handling of cash and to improve accountability and transparency
 - g. Maintain signatories
 - h. Name and address and contact details of the auditor
 - i. Contact details of relevant diocesan personnel
 - j. Contact details for other church bodies involved in the finances of the parish

- k. Copies of parish minutes which provide resolutions on the financial matters including opening/closing bank accounts etc.
 - l. Details of any items held in the bank in safe custody
 - m. Details of periodical payments
 - n. Parish's relevant financial codes and identifiers, passwords,
 - o. Up to date records of daily, weekly, monthly and annual payments, stipend details, allowances, salaries etc.
 - p. Remittance monies from parishioners
 - q. Monthly activities, and specific months
 - r. Budget preparation processes
 - s. The name, password, details for accessing the software used for the parish accounts such as MYOB if relevant and for this to be maintained and in line with the Diocesan systems
19. Bank orders must be monitored to ensure cash flow is maintained.
20. Banking of funds should always have an identifier of the source/reason for the funds, and who has authorised it and paid it in and when.
21. One bank account in each parish is preferred by the diocese.
22. All bequests must be provided to the diocese to ensure the terms of any bequest can be met. Bequests are held by the Diocese to be drawn down by the parish when ready. Poorly worded bequests can mean that bequests have to be amended or returned if the terms cannot be met. Those interested in making donations and bequests should be directed to speak to the Diocesan office to get advice on wording that is most suitable and helpful.
23. A helpful explanation, visual charts and explanations at the Annual Meeting of Parishiners can assist parishioners in understanding the parish's financial circumstances and any change of direction, requests or fundraising challenges.
24. Auditors are appointed by the parish at the Annual Meeting of Parishioners. If help is needed, the Diocese should be contacted for assistance, support and advice.

Parish Council

- 25. All bank accounts held by a parish must be part of the parish accounts and managed and audited in line with the diocesan standards and expectations.

26. Parish council should set up delegations of authority at the first meeting of parish council after the AMP to enable expenditure limits to be agreed and refreshed; and, who the signatories are for each aspect of ministry work and use of funds.
27. All accounts must have at least two signatories and the priest cannot be a sole signatory on any parish financial dealings, accounts or authorisations; and there should be sufficient names of individuals authorised by parish council to prevent any suspicion of a conflict of interest or benefit.
28. The amount of money donated in the church collections is recorded appropriately and the money put into a safe or other designated safe place that is locked and protected on site, until it can be taken to the bank. It should never be taken home to a private house.

Other Useful Policies

There are a range of policies available from the Diocesan Office (and will be on the new website when this goes live), and in the Parish Handbook relating to:

- Use of Capital Funds
- Sale of Parish / Diocesan Assets
- Rental of private property
- Rental of parish property
- Hiring of parish property
- Insurance requirements
- Building maintenance obligations
- Bequests
- Investments
- Employment arrangements, salaries, stipends, allowances, superannuation
- Vehicle management
- Gift policy
- Ministry expense policy

If you don't find what you need on the website, please contact the Diocesan Office for assistance on 08 9721 2100.

The Parish Handbook

The Parish Handbook provides a range of information and policies and procedures which are kept updated on the website: www.bunburyanglican.org.au

Feedback is welcomed where guidelines need to be amended, updated or new policies added.

For further information or advice, please contact the Diocesan Office on 08 9721 2100.